

Ministry of Tourism, Trade and Investment  
**BRIEFING NOTE FOR DEPUTY MINISTER**

Ref #: 47326

**FOR INFORMATION**

**Date:** February 4, 2011

**TITLE:**

Meeting with TechBA (Technology Business Accelerators) and Consul General of Mexico

Friday, February 11, 2011; 10:30am – 11:30am

411-1177 West Hastings Street, Vancouver (Boardroom of Consulate General of Mexico)

**ISSUE:**

Meeting with TechBA to obtain an overview of their Vancouver operation and determine if Tourism, Trade and Investment (TTI) can be of further assistance to TechBA.

**BACKGROUND:**

Meeting Attendees

Government of Mexico / TechBA

1. Mr. Angel Villalobos, Consul General of Mexico in Vancouver (Mr. Villalobos was the former Vice Minister of Economy In Charge of International Commerce, and Deputy Minister In Charge of International Trade Negotiations.)
2. Mr. Federico Goroztieta, Director, TecBA Vancouver
3. Mr. Jesús Gallardo, TechBA Vancouver
4. Mr. Jorge López, Regional Director, NAFTA, ProMéxico
5. Ms. Susana del Rio, Deputy Trade Commissioner, ProMéxico

Government of B.C.

1. Mr. Martyn Brown, Deputy Minister, TTI
2. Mr. Shom Sen, Assistant Deputy Minister, TTI
3. Mr. Richard Sawchuk, Senior Manager, Americas, TTI

TechBA - Overview

The TechBA Program was created in 2004, to support top tier innovative Mexican companies in bringing their technologies, products and services to global markets. TechBA is funded by the Mexico Ministry of Economy through the U.S.-Mexico Foundation for Science (FUMEC). FUMEC was created in 1992 with the purpose of supporting bi-national collaboration in science and technology. The acceleration mechanism facilitates access to market, financial, managerial skills and technological resources of highly entrepreneurial ecosystems.

A key element to the success of TechBA has been the selection of innovation-based regions, including: Silicon Valley; Austin; Phoenix-Scottsdale; Detroit; and Montreal. To

identify companies that fulfill all quality and preparation standards, TechBA joins the Annual Gazelle Companies Identification Contest, which the Mexican Ministry of Economy organizes along with state governments and private organizations. Companies interested in TechBA are evaluated and selected by a committee that includes business and technology innovation experts, and international and Mexican investors.

### Selection of Vancouver

The Mexican government launched the TechBA accelerator program in Vancouver in February 2010 to help ~21 Mexican high-tech start-ups expand into western Canada and other international markets over three years. Vancouver is the second Canadian city in which TechBA has established an office; a Montreal office opened in 2006. Each location has three to four employees and then hires local consultants.

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### Wavefront

To assist with its B.C. operation, TechBA has partnered with Vancouver-based Wavefront, a commercialization centre accelerating the growth of Canada's wireless and new media development companies. It offers incubation space and the ability to live-test technologies on major wireless/mobile platforms. A follow-up visit to the TechBA offices in Discovery Parks can be arranged depending upon the meeting outcome. On December 16, 2010, Deputy Minister, Martyn Brown attended an event at the Wavefront downtown Vancouver office and met with President, Mr. Jim Maynard.

### ProMéxico

ProMéxico, a branch of the Federal Ministry of Economy, is Mexico's trade and investment organization launched on July 9, 2007. It is responsible for the Trade Commissioner Services that comprises 32 offices located in leading countries. In Canada, ProMéxico has offices in Toronto, Montreal, and Vancouver. The Vancouver office is responsible for western Canada and the Pacific Northwest. In 2009: B.C. exported \$165 million in products (primarily coal and minerals) to Mexico while importing \$1.3 billion (primarily audio & video equipment, vegetables, and trucks) from Mexico; Mexican foreign direct investment in Canada was \$253 million. Mexican imports from China grew 16 times in the last ten years to represent 15% of total imports

in the first eleven months of 2010 (1.6% in 2000). China has become the second largest exporter to Mexico, after the US and before the EU and Canada.

**FIRST NATIONS CONSIDERATIONS:**

There are no direct First Nations considerations at this time.

**INTER-AGENCY IMPACT:**

There is no direct inter-agency impact as a result of this meeting. As a courtesy, the Government of Canada trade commissioners in Vancouver will be advised of the meeting given the attendance of the Consul General of Mexico.

**STAKEHOLDER IMPACT:**

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**DISCUSSION:**

TechBA Vancouver's primary objective is to help Mexican companies form new partnerships and build a customer base in western Canada. According to Catherine Warren, President, FanTrust Entertainment Strategies, a local digital media expert hired by TechBA, this venture also represents an opportunity for B.C. firms, as TechBA's presence could create some interesting and unique digital content in Vancouver. Ms. Warren was quoted in the November 2010, *Business in Vancouver* stating: "I think any time we bring experts and companies from other cultures into the Vancouver market, great synergies will emerge. And it may even have a spill-over effect where partnerships that are established allow Vancouver companies to then take what they do down to Mexico."

Contact: Richard M. Sawchuk, Senior Manager, Americas  
Telephone: 604.775.0030

Approvals				
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Ministry of Jobs, Tourism and Innovation  
**BRIEFING NOTE FOR MINISTER**

Ref #: 61874

**FOR MEETING**

**Date:** September 7, 2011

**Title:** Meeting with Mr. Yuen Pau Woo, President and CEO, Asia Pacific Foundation of Canada, September 20, 2011 at 9:30 am – Fernie Room, Suite 730, Canada Place, Vancouver.

**Issue:** Collaboration on the Asia Pacific.

**Background:** Mr. Woo and the Asia Pacific Foundation (APF) have been strong supporters of BC's leadership on the Asia Pacific file.

Mr. Woo's biography is available at Attachment A and background on the APF is available at Attachment B.

While recognising BC's achievements under the Asia Pacific Initiative and investments in Canada's Pacific Gateway infrastructure, the APF has long argued that more can be done to build the BC "gateway economy" which includes:

- Establishing BC as a centre for Asian business (for instance, finance, business services, human capital etc) – by leveraging BC's status as the most Asia oriented jurisdiction in North America.
- Cultivating services sectors that grow naturally in jurisdictions at the cross-roads of global trade (for instance, education and research, cultural economy, environmental services, technology).
- Ensuring the right policy mix to facilitate the flow of people, goods and services, and investment (for instance, trade agreements, open skies, border streamlining etc).
- Branding and marketing to distinguish BC from competitors (for instance, LA-Long Beach, Seattle-Tacoma) as "North America's Asia Pacific" or "Green" Gateway.

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Recent APF initiatives that are relevant to the Ministry's work include:

- *2011 National Opinion Poll* – surveyed Canadians on perceptions of Asia, and found that British Columbians were most likely to recognise the importance of Asia to Canada's ongoing prosperity.
- *National Conversation on Asia* – an initiative aimed at broadening the dialogue with "ordinary" Canadians on the impact of the Asia Pacific on Canada's economic future.
- *Canadians Abroad: Canada's Global Asset* – captures the size and characteristics of Canadians living abroad, and argues that a more proactive and coordinated approach by federal and provincial government to engaging this global asset can help Canada advance its international priorities.



The APF's work has influenced government policy in BC and Canada, for example:

- The APF provided advice and research support to the Asia Pacific Trade Council which resulted in the BC Government's Asia Pacific Initiative.
- The APF's *National Conversation on Asia* and recommendations on Canadians abroad were recognised in the *Canada in the Global Economy* report released by the Council of the Federation following its July meeting in BC.
- The 2010 BC Speech from the Throne referenced that BC will support the establishment of a National Centre on Contemporary Asia, which subsequently evolved into the *National Conversation*.

The APF partnered with Government on the following events in 2010:

- Workshop on two-way flows of human talent in Beijing as part of the former Premier's mission to China in May 2010.
- Roundtable led by the former Premier on the future of Canada's relations with Asia in February 2010 as part of programming around the 2010 Winter Olympics, involving high level and influential international participants.

**Stakeholder Impact:** N/A

**Discussion:** The APF's extensive private and public networks and knowledge of Asia Pacific make them a natural partner in advising on BC policy priorities and program directions associated with the Asia Pacific region.

**Recommended Response:**

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**LIST OF APPENDICES:**    **ATTACHMENT A: Yuen Pau Woo Biography**  
                                  **ATTACHMENT B: Asia Pacific Foundation**

Contact:            Chris Carter, Executive Director  
Telephone:        604 660 5896

Approvals				
Dir: CC	ED: CC	ADM: SS	DM:	MIN:

**Yuen Pau Woo**

**President and CEO, Asia Pacific Foundation of Canada**

**Biography**

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## BACKGROUND ON THE ASIA PACIFIC FOUNDATION

The Asia Pacific Foundation is a key organizational resource and network-builder related to British Columbia's and Canada's relations with Asia Pacific.

The Asia Pacific Foundation of Canada was created by an Act of Parliament in 1984, as an independent, not-for-profit think-tank on Canada's relations with Asia.

The Foundation functions as a knowledge broker, bringing together people and knowledge to provide current and comprehensive research, analysis and information on Canada's transpacific relations.

The Foundation also provides grants to support policy research and informed discussion on Canada's relations with Asia.

Program funding for the Asia Pacific Foundation is provided through a \$50 million endowment from the Government of Canada.

The organization has a small group of research and program staff in Vancouver, which is augmented by a network of senior and distinguished fellows, including a number of retired Canadian ambassadors to Asia Pacific, who provide advice and commentary on key issues affecting Canada's relations with Asia.

## BOARD OF DIRECTORS

John H. McArthur

Chairman, Asia Pacific Foundation of Canada; Dean Emeritus, Harvard Business School

Kenneth S. Courtis

Consultant

Colin Dodds

President, Saint Mary's University

Daniel Gagnier

Chairman, International Institute for Sustainable Development

George Heller

Director, Sport B.C.

Vikram Khurana

CEO, Prudential Consulting Inc.

Carol Anne Lee

CEO and President, Linacare Cosmethery Inc.

Diana Liu

President, Cansbridge Capital Corporation

John Reynolds

Senior Strategic Advisor, McMillan LLP

Yuen Pau Woo

President and CEO, Asia Pacific Foundation of Canada

## **SENIOR FELLOWS**

Amitav Acharya

Professor of International Relations and UNESCO Chair in Transnational Challenges and Governance, ASEAN Studies Center, School of International Service, American University

Hank Bull

Co-founder of the Vancouver International Centre for Contemporary Asian Art

Wendy Dobson

Director, Institute for International Business and Professor, Joseph L. Rotman School of Management, University of Toronto

Brian Job

Director, Centre of International Relations, UBC; Professor of Political Science, UBC

Pitman B. Potter

Hong Kong Bank Chair in Asian Research, UBC

George Stalk Jr.

Senior Advisor

Henry Wang

Director General, Center for China and Globalization (CCG); Vice Chairman, China Western Returned Scholars Association (WRSA)

## **DISTINGUISHED FELLOWS**

Joseph Caron

Honourary Professor, Institute of Asian Research, UBC

Donald W. Campbell

Senior Strategy Advisor, Davis LLP

Baljit S. Chadha

Business Consultant

Stockwell Day

Former President of the Treasury Board and Former Minister for the Asia-Pacific Gateway, Government of Canada

Leonard J. Edwards

Former Deputy Minister of Foreign Affairs, Department of Foreign Affairs and International Trade Canada

## MEETING NOTE

### BC PREMIER'S NETWORK DINNER

**WHO:** Mr. Yuen Pau Woo, Asia Pacific Foundation of Canada and  
Ms. Manjeet Kripalani, India Gateway House, Moderators

**ADDRESS AS:** Pau and Manjeet

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### CONNECTIONS TO BC / ICE BREAKER

- The Asia Pacific Foundation of Canada (APFC) is an independent, not-for-profit think-tank on Canada's relations with Asia, based in Vancouver. The Foundation seeks to promote dialogue on economic, security, political and social issues, fostering informed decision-making on Asia within the Canadian public, private and non-governmental sectors.
- Gateway House, home to the Indian Council on Global Relations, is a new foreign policy think tank in Mumbai seeking to engage India's leading corporations and individuals in debate and scholarship on India's foreign policy and the nation's role in global affairs.
- Both think-tanks seek to advance foreign policy and international business relations issues—including strengthening the Canada-India relationship.

### DESIRED OUTCOME

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### THEIR INTEREST

- The audience will be interested in learning more about what BC has to offer India in terms of natural resources, information and clean technology, and international education.
- The audience will be interested in the role of the BC government in advancing Canada-India trade and investment relations through the recently-announced Canada Starts Here: The BC Jobs Plan.

## KEY POINTS

- BC has strong historic, cultural and social ties with India. BC has hosted numerous visits from high-profile representatives from the Indian government and business community.
- BC's key sectors in the Jobs Plan are especially suited to align with India's growth. The development of clusters in the IT, biotechnology, tourism, environmental services, natural resources and entertainment sectors will be especially relevant to India's growth profile.
- The demand of India's students for higher education presents a good fit for BC's educational institutions. India's college-age population is projected to grow from 125 to 139 million between 2005 and 2015.

## BACKGROUND

- The panel session will be moderated by Ambassador Neelam Deo, Director, Gateway House.
- Panellists include:
  - Premier Christy Clark, Premier of British Columbia
  - Canadian High Commissioner to India, Stewart Beck
  - Michael De Jong, British Columbia Minister of Health
  - Dr. Santrupt Misra, Director, Aditya Birla Management Corporation Private Limited

### PREPARED BY:

Edwina Ramirez  
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### REVIEWED AND APPROVED BY:

Shom Sen, ADM /October 6, 2011  
International Trade and Investment Attraction Division  
Office: 604 775-0005  
Dana Hayden/October 6, 2011

## MEETING NOTE APPENDICES:

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### Curriculum Vitae

- Yuen Pao Woo

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- Manjeet Kripalani

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- Stewart Beck

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- **Dr. Santrupt Misra**

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## **ISSUE: British Columbia/Canada Trade Negotiations with China**

### **KEY FACTS:**

- In 2010, Canada exported \$14.6 billion of domestic goods to China and Hong Kong, up from \$12.3 billion in 2009.<sup>1</sup>
- British Columbia, with domestic goods exports to China and Hong Kong of \$4.3 billion in 2010, up from \$2.7 billion in 2009, ranks first among provinces as a source of Canadian exports to China.
- China is now the second largest economy in the world and is projected to overtake the United States as the top economic power in the world within five years.
- Recent trade figures show the value of British Columbia softwood lumber exported to China has surpassed softwood lumber exports to the United States for the first time.
- China is the number one source country for international students attending British Columbia schools and institutions.

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### **KEY MESSAGES**

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### **BACKGROUND:**

- Canada and China began negotiation of a Foreign Investment Promotion and Protection Agreement in 1994. Negotiations were put aside until the completion of China's accession to the WTO, and then resumed in September 2004. Twenty-one rounds of negotiations have been held since then, with the last round having taken place in January 2011 in Beijing. During Minister Fast's trade mission to China in October, he publicly announced that negotiations are moving along but did not give a timeframe for completion.
- Canada does not have a bilateral free trade agreement with China or any other Asian economy.
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<sup>1</sup> Note: All figures from Statistics Canada, domestic exports only.

## STEPS TAKEN TO DATE:

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- In November, the Department of Foreign Affairs and International Trade are meeting with all provincial and territorial governments and industry to seek views on the future of Canada-China trade policy engagement. s16
- In June 2010, Chinese President Hu and Prime Minister Harper established a Working Group under the Canada-China Joint Economic and Trade Committee (JETC), to explore means of deepening the bilateral trade and investment relationship. A third meeting of the Working Group was held in Beijing on June 29, 2011.
- Minister Ed Fast travelled to China from October 7-14, 2011, visiting Guangzhou, Shenzhen, Shanghai, Beijing and Qingdao with representatives from different sectors: nuclear power, natural resources, aerospace and infrastructure. The agenda focused in part on Canadian agriculture promotion, with national associations representing beef, pork and seafood attending. During his visit, Minister Fast issued a news release highlighting the arrival of a shipment of British Columbia wood at Qingdao's port. Minister Fast's mission is in advance of the Prime Minister's visit to China expected to occur later this year.

## Attachments:

- Appendix I: British Columbia Visits to China
- Appendix II: British Columbia Agreements with China

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### PREPARED BY:

Monica Gervais  
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### REVIEWED AND APPROVED BY:

ADM name / date  
ADM Office and Cell Phone Number  
DM name / date

## **APPENDIX I: British Columbia Visits to China**

- Outbound Initiatives – 3 Premier’s Mission to China
  - May 2008 - BC Canada Pavilion (BCCP)
  - August 2008 - 2008 Summer Olympics Opening
  - May 2010 - Joint Premiers Mission to China
- Ministerial visits to China in 2010
  - Minister of Tourism, Culture & Arts - Kevin Krueger
  - Minister of State for Intergovernmental Relations - Naomi Yamamoto
  - Minister of Forests & Lands - Pat Bell (X2)
  - Minister of Transportation - Shirley Bond
  - Minister of Education - Moira Stilwell
  - Minister of Agriculture - Steve Thomson

## **Appendix II: British Columbia Agreements with China**

### Ministry of Jobs, Tourism and Innovation

- MOU with Sichuan Provincial Commerce Department on two-way investment and trade promotion (Nov 2010)
- MOU with the Department of Foreign Trade and Economic Co-operation of Guangdong Province on two-way investment and trade promotion (November 2007)
- MOU with the Guangdong Sub-council for the Promotion of International Trade on two-way investment and trade promotion (November 2007)
- MOU with the Guangdong Federation of Industry and Commerce on two-way investment and trade promotion (November 2007)
- MOU with the China Investment Promotion Agency to promote two-way investment (November 2006)
- MOU with Invest Beijing to support investment attraction collaboration (November 2006)

### Ministry of Education

Six provincial MOUs on educational co-operation:

- Guangdong (Aug 2010)
- Zhejiang (March 2007)
- Beijing (March 2004)
- Jiangsu (March 2004)
- Shanxi (March 2004)
- Liaoning (April 1998)

National MOU on Educational Co-operation

## MEETING WITH CANADIAN AMBASSADOR TO CHINA

**ADDRESS AS:** Your Excellency or Ambassador

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### CONNECTIONS TO BC / ICE BREAKER

- Ambassador David Mulroney is an <sup>s22</sup> with prior experience at Canada's diplomatic missions in Taipei and Shanghai. He has previously served as the Prime Minister's Foreign and Defence Policy Advisor and Lead on Afghanistan.
- Ambassador Mulroney has engaged with the BC Trade and Investment Offices in Beijing, Shanghai and Guangzhou and actively promotes the Maple Leaf School network in China, which uses the BC curriculum and employs BC teachers.
- On June 29 of this year, the Ambassador launched a microblog "Weibo" that allows the Embassy to communicate with the Chinese population in a lively and relevant way. The blog currently has over 100,000 followers and has surpassed the Australian Weibo.

### DESIRED OUTCOME

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### THEIR INTEREST

- Opportunity to provide the Premier with his perspectives on Canada-China relations, and to update her on recent developments.
- Provide strategic advice on how the Canadian Embassy in China can help achieve the Premier's trade and investment objectives in China.

### KEY POINTS

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## BACKGROUND

- BC has worked to build relationships in China through engagement with both government and business officials. This is the seventh BC Premier's mission to China since 2001.
- Canada's relations with China improved after the Prime Minister's visit to China in fall 2009, which resulted in China's decision to grant Canada Approved Destination Status for tourism.

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The federal government has been negotiating a Foreign Investment Promotion and Protection Agreement (FIPA) with China for several years.

- A central theme of this summer's Council of the Federation meeting was "Canada in the Global Economy", and the need for Canada to intensify efforts in Asia by, among other things, establishing an ambitious trade and investment strategy for China, something all Premiers agreed to. Premiers also agreed to a future joint mission to China in 2012.

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## PREPARED BY:

Chelsie Luciani

## REVIEWED AND APPROVED BY:

Don Haney / 20 October 2011

# MEETING NOTE

(250) 356-7373

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DM name / date

**APPENDIX 1:**

**Curriculum Vitae: Ambassador David Mulroney**

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Ministry of Jobs, Tourism and Innovation  
**BRIEFING NOTE FOR MINISTER**

Ref #: 63194

**FOR INFORMATION**

**Date:** October 13, 2011

**Title:** Canada-Asia Activities for British Columbia.

**Issue:** Update on Canada's trade and investment activities in Asia.

**Background:** British Columbia has been urging the federal government to build closer trade and economic relations in the Asia Pacific region. Six of the 13 priority markets identified in Canada's current Global Commerce Strategy reside in the Asia Pacific region: China, India, Japan, Korea, Australia and New Zealand, and the Association of South East Asian Nations (ASEAN: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam).

**Discussion:** In its Global Commerce Strategy, Canada has committed \$50 million per year to support and enhance Canada's competitiveness in the global economy by engaging with emerging economies such as China, India, Brazil and Russia and increasing Canada's international "on the ground" presence to compete in the region with nations like the United States, the United Kingdom, Germany, France, Japan and Australia.

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Some positive steps have been taken by the federal government to establish and strengthen ties with Asian trading partners, such as the launching of free trade negotiations with India, and the initiation of a joint study with Japan to assess the feasibility of a comprehensive economic partnership agreement. Since Minister Fast assumed the role of Minister of International Trade and Minister Responsible for the Asia Pacific Gateway, he has led trade missions to Japan, Indonesia and China. A foreign investment promotion and protection agreement is expected to be concluded with China soon. Canada's overseas presence in Asia has expanded with additional new representatives in China (9), India (11), Mongolia (3), Singapore (1), and Vietnam (1). The newly released Federal Tourism Strategy targets Asia Pacific markets and a visit by Minister of State for Small Business and Tourism, the Honourable Maxime Bernier, is scheduled to China and South Korea this month, and to India later this year.

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Another example is Australia which has been particularly successful in developing close economic relationships in Asia. Free trade agreements with New Zealand, Singapore and ASEAN have been implemented, and negotiations have been launched with China, Japan, India, Korea, Malaysia, Indonesia, and a number of Pacific nations (e.g., Cook Islands, Papua New Guinea, Samoa). Australia has also focused on attracting foreign students. And individual Australian states have been active in building their own relationships with governments and institutions in Asia.

British Columbia seeks further Canadian activity in Asia in the following areas:

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During these negotiations, British Columbia seeks to be a full participant in these negotiations in areas of provincial interests.

#### **Attachment: Update on Negotiations in Canada's Priority Asian Markets**

Contact: Monica Gervais; Robert Musgrave  
Telephone: 250 952-0702; 250 952-0711

Approvals				
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## Appendix 1: Update on Negotiations in Canada's Priority Asian Markets

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**Trans-Pacific Strategic Partnership (TPP) / Australia and New Zealand:** Australia, the U.S., Malaysia, Peru and Vietnam have been invited to join negotiations to accede to the TPP (New Zealand, Brunei Darussalam, Chile, Singapore). A ninth round of TPP trade negotiations is scheduled for Lima during the week of October 24, 2011. Canada continues to monitor the talks but its requests to join the negotiations have been rejected so far,

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**China:** In June 2010, Chinese Leader Hu Jintao and Prime Minister Harper established a Working Group under the Canada-China Joint Economic and Trade Committee, to explore a means to deepen the bilateral trade and investment relationship. A third meeting of the Working Group was held in Beijing on June 29, 2011.

In advance of an expected visit by Prime Minister Harper, Minister Ed Fast travelled to China the week of October 7, 2011, to visit Guangzhou, Shenzhen, Shanghai, Beijing and Qingdao with representatives from the following sectors: nuclear power, natural resources, aerospace and infrastructure.

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In a keynote speech in Beijing to representatives of more than 90 Canadian educational institutions, he announced the formation of an expert advisory panel to Canada's International Education Strategy to make recommendations to the government on how to develop and implement an international education strategy as part of the next phase of Canada's Economic Action Plan.

**India:** Prime Minister Harper and Prime Minister Manmohan Singh of India announced the start of free trade negotiations during the G-20 Summit in Seoul in November 2010. India named a new Chief Negotiator in April 2011 and negotiations commenced in May 2011 and are continuing. 2011 was designated "Year of India in Canada" to highlight India's culture, traditions and diversity and celebrate the contributions of the Indian community to Canadian society. In July, Minister Fast met with Indo-Canadian business leaders in Vancouver. In September, he held his first face-to-face meeting with Anand Sharma, India's Minister of Commerce and Industry.

**Japan:** For several years Canada has sought to launch bilateral negotiations with Japan to liberalize trade and investment, but

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Canada and Japan have had positive discussions on furthering economic cooperation since the release of the Basic Policy. On February 23, 2011, the Minister of International Trade publicly announced the launch of a Joint Study on a Possible Canada-Japan Economic Partnership Agreement. Despite the March 11, 2011, earthquake, tsunami, and ensuing nuclear crisis, officials from Canada and Japan continue to advance work to complete the Joint Study.

**South Korea:** Canada-Korea trade negotiations were launched in July 2005 but are at an impasse,

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MINISTRY OF JOBS, TOURISM AND INNOVATION  
**MEETING NOTE**

Cliff #: 65199

Date: February 7, 2012

**PREPARED FOR:** Honourable Pat Bell, Minister of Jobs, Tourism and Innovation.

**DATE AND TIME OF MEETING:** Wednesday, February 8, 2012 at 3:00pm-3:30pm, Seymour Room, Canada Place, Vancouver, B.C.

**ATTENDEES:** U.S. Consul General, Anne Callaghan; U.S. Deputy Consul, Sigrid Emrich (Note: Former Deputy Minister Martyn Brown met with Ms. Emrich on November 29, 2010 in Victoria).

**ISSUE(S):** Courtesy meeting with the U.S. Consul General (B.C.), Ms. Anne Callaghan.

**BACKGROUND:** The United States is B.C.'s largest partner for goods, services and investment. In 2010, the U.S. ranked number one as a destination for British Columbia's exports, receiving 46 per cent of B.C.'s commodity exports. Despite the U.S. recession, B.C. origin exports to the U.S. grew by \$37 million in 2010 to **\$13.27 billion** (2009 B.C. origin exports to the U.S.: \$12.9 billion). These figures do not reflect the significant non-merchandise flows that occur as a consequence of the film and media production based in Hollywood, technology transfer and financial services arising from venture capital and other investment funding structures. In 2010, the top five B.C. exports to the U.S. were: (1) liquefied petroleum or hydrocarbon gases, natural gas (15 percent), (2) lumber (14 percent), (3) chemical wood pulp, soda or sulphate (5 percent), (4) zinc (4 percent) and (5) uncoated paper and paperboard (4 percent).

In 2010, B.C. imported \$15.4 billion of U.S. products, resulting in a negative trade balance of \$2.13 billion. By comparison, B.C. has a negative trade balance with China, which was \$3.1 billion in 2010. In 2008, the U.S. was the source of 62 percent of all foreign capital investment in structures and machinery and equipment in B.C. (followed by the U.K., Japan and France). Recent U.S. investments include Seattle-based Gamehouse's announcement of a social games studio in Victoria and Microsoft's announcement that it will open a major new design studio in Victoria.

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**DISCUSSION:** The United States continues to offer significant opportunity to all of B.C.'s regions and in the sectors outlined in the *B.C. Jobs Plan*, including: natural resources; cleantech; agrifood; aerospace; technology (digital media); and, tourism. For example:

- i) *Natural Resources:* Besides buying ~56 percent of B.C.'s lumber exports, the U.S. buys all of B.C.'s international natural gas exports (\$2 billion in 2010).
- ii) *Green commodity exports:* The U.S. is B.C.'s largest trading partner accounting for \$1.02 billion in exports (73 percent). (*Globe Foundation, 2010*).
- iii) *Agrifood:* In 2010, B.C. exported \$1.6 billion of agrifood (64 percent of total agrifood exports) to the U.S.
- iv) *Tourism:* In 2010, B.C. hosted 2.9 million U.S. overnight visitors. The U.S. is the number one source of tourists to B.C., accounting for an average of 73 percent of overnight person-visits. U.S. travellers spent \$1.4 billion in B.C. in 2009.
- v) *Digital Media/ICT:* There are ~1,150 companies in the B.C. industry, generating revenues of about \$3 billion and employing 16,500 people. Direct access to the U.S. market is a major advantage to the B.C. digital media industry and is its key export market (*Digital Media & the Wireless Industry (2010) – PWC*).
- vi) *International Education:* In 2010, 3,069 U.S. students were studying in B.C. The U.S. is B.C.'s fifth largest source of international students.

B.C. businesses are well positioned to take advantage of their close proximity to the U.S. market and can, where sales are properly structured, sell competitively to U.S.-based customers. This results from the provisions of the *North American Free Trade Agreement* (NAFTA) under which trade between Canada and the U.S. has been fully duty-free for qualifying goods since January 1, 1998.

Factors affecting B.C. exports to the U.S. include the high value of the Canadian dollar, increased competition, volatile commodity prices, and moderate growth in U.S. demand for B.C. products.

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## SUGGESTED RESPONSE/KEY MESSAGING:

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**ATTACHMENTS:** Biography - Anne Callaghan - Appendix I  
Briefing Note – U.S. Federal Maritime Commission Inquiry Update – Appendix II

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Reviewed by:				
Dir:	ED:	ADM:	DM:	MIN:



## Appendix I

### **U.S. Consul General Anne Callaghan**

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Pages 30 through 32 redacted for the following reasons:

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MINISTRY OF JOBS, TOURISM AND INNOVATION  
**MEETING NOTE**

Cliff #: 68417

Date: July 6, 2012

**PREPARED FOR:** Dana Hayden, Deputy Minister.

**DATE AND TIME OF MEETING:** July 12, 2012 (3:30 – 4:15 p.m.) Whistler Room.  
Suite 765, 999 Canada Place.

**ATTENDEES:**

Ministry of Jobs Tourism & Innovation: Dana Hayden, Michael Track.  
Heenan Blaikie LLP: Joseph Caron, Special Advisor, Asia Pacific Group.

**ISSUE(S):** Tracking Foreign Direct Investment to British Columbia.

**BACKGROUND:** At the recent meeting of the Jobs and Investment Board (JIB) there was a discussion of the challenges the Ministry faces in

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Mr. Caron is a special advisor with Heenan Blaikie in their Asia Pacific Group. He enjoyed a long career with the Canadian Government including Canadian Ambassador to the People's Republic of China (2001 – 2005), Canadian Ambassador to Japan (2005 - 2008) and High Commissioner to India (2008 – 2010).

**DISCUSSION:**

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Most reporting tends to be anecdotal.

Statistics Canada issues a yearly report of "Capital Expenditures in Canada by Establishments Operating in Canada". Data on capital expenditures are cross tabulated with data on "intercompany ownership" to yield an indication of capital investment by domestic and foreign companies by province. Specific investments are not identified and the breakdown by country of origin is limited. There is no data for China in any of these reports to date.

The *Investment Canada Act* regulates the establishment of businesses by foreign investors and acquisitions of Canadian businesses by non-Canadian investors. Foreign investors that form new businesses in Canada are required to file a notification with

Industry Canada. Direct acquisitions are subject to review if they exceed the financial thresholds defined by Industry Canada: over \$330 million if the investor is from a WTO country; \$5 million for investors from non-WTO countries.

Industry Canada publishes summary statistics of filings under the Investment Canada Act. Little detail is provided at the Provincial level.

Staff in JTI monitor news reports for examples of significant new investments in BC by foreign companies.

The Asia Pacific Foundation tracks investments made in Canada by Asian companies by monitoring a large number of Asian news sources. Their database is included on their web site.

#### **SUGGESTED REPONSE/KEY MESSAGING:**

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#### **ATTACHMENTS: N/A**

Prepared by: Michael Track  
Telephone: 604 775-2202

Reviewed by			
Dir:	ED: MT	A/ADM: CC	DM:

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 94753

Date: October 18, 2012

**PREPARED FOR:** Honourable Pat Bell, Minister

**ISSUE:** Canada-China Foreign Investment Promotion and Protection Agreement

**BACKGROUND:** The Canada-China Foreign Investment Promotion and Protection Agreement (FIPA) was signed on September, 2012 during Prime Minister Harper's participation at the Asia-Pacific Economic Co-operation (APEC) summit. It will be ratified once Canada and China complete their respective ratification processes.

**DISCUSSION:** Elizabeth May, and the Green Party is a vocal opponent of the FIPA and has written to the Premier. A professor of Osgoode Hall Law School, Gus Van Harten published an article against the FIPA and wrote to the Premier stating his concerns. Various media have become involved restating the concerns.

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The FIPA permits either country to take measures necessary to protect human and animal health or plant life, as well as allowing measures taken for prudent reasons to maintain the safety, soundness, integrity or financial responsibility of financial institutions.

If a dispute arises, the FIPA contains direct access for investors to an effective, impartial dispute resolution system through international arbitration.

Prepared by: Gail Greenwood, Director Trade Policy  
Telephone: (250) 387-7575

Reviewed by				
Dir:	ED:	ADM: SS	DM:	MIN:

Pages 36 through 44 redacted for the following reasons:

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s13, s,14, s16, s17

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 95088

Date: November 5, 2012

**PREPARED FOR:** John Dyble, Deputy Minister.

**ISSUE:** Canada-China Foreign Investment Promotion and Protection Agreement.

**BACKGROUND:** The Canada-China Foreign Investment Promotion and Protection Agreement (FIPA) was signed on September, 2012 during Prime Minister Harper's participation at the Asia-Pacific Economic Co-operation (APEC) summit. It will come into force once Canada and China complete their respective ratification processes.

Canadian businesses make significant investments in China in the transportation, biotechnology, education, finance, information technology, manufacturing and natural resources industries. By the end of 2011, the amount of Canadian direct investment in China was \$4.5 billion.

Canada has 24 FIPAs in force with a variety of countries. The main purpose of a FIPA is to encourage foreign investment in both signing countries by providing foreign investors with greater protection against discriminatory and arbitrary practices in the host state.

**DISCUSSION:** Canada's ratification process requires 21 days in Parliament which ended November 1, 2012 and then three more weeks while the Order in Council is approved through Treasury Board. The earliest the Agreement could come into force is December 1, 2012.

B.C. has been informed regularly on the FIPA through the federal/provincial C Trade committee and supports the agreement. The agreement provides for non-discriminatory treatment of investors in China and Canada.

s13, s16, s17

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s13, s14, s16, s17

**ATTACHMENTS:**

Appendix 1: British Columbia September 10, 2012 News Release.

Appendix 2: Letters and Premier response for Ms. Jane Sterk and Ms. Jenny Kwan.

Appendix 3: Q's and A's prepared for Minister Bell on FIPA.



Prepared by: Rebecca Ewing, Manager, Trade Policy, International Trade and Investment Division

Telephone: s17

Reviewed by			
Dir:	ED:	ADM: SS	DM:



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## NEWS RELEASE

For Immediate Release  
2012JTST0004-001320  
Sept. 10, 2012

Ministry of Jobs, Tourism and Skills Training

### **Canada-China agreement good for B.C.**

VICTORIA - Pat Bell, Minister of Jobs, Tourism and Skills Training, is confident that the new Canada-China Foreign Investment Promotion and Protection Agreement will provide a framework through which greater economic prosperity will come for British Columbians and British Columbian companies.

On Saturday, Prime Minister Stephen Harper and Hu Jintao, President of China, witnessed the signing of the agreement at the Asia Pacific Economic Cooperation (APEC) Leaders' Meeting in Vladivostok, Russia.

"Our government continues to believe that expanding our economic relationship with China will lead to greater prosperity, and more jobs, in British Columbia. Our premier is there right at this moment delivering that message."

This agreement helps us move closer to our goal of enhanced economic and trade relations with China by promoting Chinese investment in British Columbia and providing more protection for British Columbia companies investing in China, which can lead to more exports and jobs.

Canada and China's commitment to further expand bilateral trade and investment is also demonstrated in the joint Canada-China Economic Complementarities Study, released last month, which identifies a number of important prospects for growth. This investment agreement is an important step towards British Columbia deepening and strengthening our trade, investment and cultural ties with China.

China is B.C.'s second-largest trading partner and the second-biggest economy in the world. Goods shipped from British Columbia to China rose to \$5.1 billion last year, a 24 per cent increase over 2010.

Overall, B.C. has enjoyed phenomenal success in Asia, and exports to the key markets identified in Canada Starts Here: The BC Jobs Plan - China, Japan, India and South Korea - rose 23.3 per cent in 2011 over the previous year. In 2011, the value of exports destined for the Pacific Rim was 43 per cent, up from 36 per cent in 2009. This represents the first time that export levels to the Pacific Rim were higher than those to the United States (42.7 per cent). However, even greater potential exists for further growth in these markets.

**Learn More:**

Go to [www.BritishColumbia.ca](http://www.BritishColumbia.ca) to find out about B.C.'s international trade and investment representative offices around the world.

Media Contact: Ministry of Jobs, Tourism and Skills Training  
250 356-8177

Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)



October 26, 2012

Dr. Jane Sterk  
Leader  
Green Party of BC  
Box 8088 Stn Central  
Victoria, BC V8W 3R7

Dear Dr. Sterk:

Thank you for your letter of October 23, 2012, regarding the Canada-China Foreign Investment and Protection Agreement (FIPA) that was signed at the Asia-Pacific Economic Cooperation Summit in September.

The provincial government has been involved in the process that led to this agreement and we are confident the new Agreement will provide a framework through which greater economic prosperity will come for British Columbians and for British Columbia's business sector.

I think we can agree that international investment is key to building our provincial economy. We feel encouraged that written in the Agreement are unambiguous assurances that provisions and procedures for investor-to-state dispute settlements are clearly laid out and that they stipulate transparency provisions that are important to Canada. We have been advised that the Agreement will likely result in one of the best written investor protection treaties ever and significant efforts have been put into ensuring the Agreement is in the best long-term interests of Canada.

The main goal and objective of this FIPA is to establish a more transparent investment relationship with China and to ensure Canada and Canadian businesses are treated fairly. China is B.C.'s second largest trading partner and we want to strengthen that relationship. This investment agreement is an important step in the right direction towards improving our trade, investment and cultural ties with China.

Sincerely,

Christy Clark  
Premier

Ms. Jenny Kwan, MLA  
Vancouver – Mount Pleasant  
New Democrat Official Opposition  
Room 201, Parliament Buildings  
Victoria, B.C. V8V 1X4

Dear Ms. Kwan:

Thank you for your letter regarding the Canada-China Foreign Investment and Protection Agreement that was signed at the Asia-Pacific Economic Cooperation Summit in September. The provincial government has been consulted in the process that led to this agreement. In his press release of September 10, 2012, Honourable Pat Bell, Minister of Jobs, Tourism and Skills Training and Minister Responsible for Labour, stated that he is confident that the new Canada-China Foreign Investment Promotion and Protection Agreement will provide a framework through which greater economic prosperity will come for British Columbians and British Columbian companies.

I think we can agree that international investment is key to building our provincial economy. We feel encouraged that written in the Agreement are unambiguous assurances that provisions and procedures for investor-to-state dispute settlements are clearly laid out and that they stipulate transparency provisions that are important to Canada. We have been advised that the Agreement will likely result in one of the best written investor protection treaties ever and significant efforts that have been put into ensuring the Agreement is in the best long-term interests of Canada.

The main goal and objective of FIPA is to establish a more transparent investment relationship with China and to ensure Canada and Canadian businesses are treated fairly. China is B.C.'s second largest trading partner and we want to strengthen that relationship. This investment agreement is an important step in the right direction towards improving our trade, investment and cultural ties with China.

Sincerely,

Christy Clark  
Premier

Minister: file copy   Branch: file copy   Branch: pending copy   ARCS/ORCS#: 0280-30  
Date Typed: November 2, 2012   Prepared by:  
Document Location: h:\linda\jenny kwan letter.docx

Green Party of BC  
PO Box 8088, STN Central  
Victoria, BC V8W 3R7  
Phone & Fax: 1-888-473-3686  
Phone & Fax Victoria: 250-590-4537



October 23, 2012

Premier Christy Clark  
PO Box 9041 Stn PROV GOVT  
Victoria, BC V8W 9E1

Dear Premier Clark,

I am writing to ask you to ask Prime Minister Stephen Harper not to sign the Canada-China Investment Treaty without provinces, MPs and the people of Canada having an opportunity to understand and challenge the risks this agreement poses to our sovereignty, security and democracy.

The treaty has profound and, we believe, dangerous implications for the province. It seems to give China unacceptable control over resource development decisions. If disputes go to arbitration, which will happen behind closed doors, the province and companies whose interests are affected will not have the right to participate. This is an unprecedented assault on provincial jurisdiction. Even the local government level stands to be covered by and negatively impacted by the treaty.

There is a very short window of opportunity for this treaty to be delayed or stopped. As premier, you have the power to present the concerns of the Province of British Columbia and the people of BC to the Prime Minister. We believe an emergency debate in the BC Legislative Assembly is warranted. The Green Party of BC would like to see the Government of BC tell the Prime Minister that it is prepared to take legal action if the treaty is signed over the objections of your government.

Sincerely,

A handwritten signature in black ink that reads "Jane Sterk". The signature is fluid and cursive, with the first name "Jane" and last name "Sterk" clearly distinguishable.

Jane Sterk, leader  
Green Party of BC

Jenny Kwan  
New Democrat Official Opposition  
Parliament Buildings  
Victoria BC V8V 1X4  
Phone (250) 387-3655  
Fax (250) 387-4680



Constituency Office  
1070-1641 Commercial Dr  
Vancouver BC V5L 3Y3  
Phone (604) 775-0790  
Fax (604) 775-0881

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October 24, 2012

Honourable Christy Clark  
Premier of British Columbia  
West Annex  
Parliament Buildings  
Victoria, BC V8V 1X4

Dear Premier,

I am writing with concerns about whether your government has taken sufficient action to protect British Columbians' interests with respect to the Canada-China Foreign Investment Promotion and Protection Agreement.

Firstly, we acknowledge the important economic relationship that British Columbia has with China. China is our province's second largest and fastest growing export market, and British Columbia is set to benefit from growing investment in our province. Given this relationship, it is important for British Columbians to have clarity on how this agreement will work and how it will affect trade and investment in British Columbia.

The text of the Canada-China agreement was only made public when it was tabled in the House of Commons on September 26, 2012. It is scheduled to come into effect on November 1, 2012 and will be in effect for at least 31 years. In the federal parliament there has been only one hour of committee hearings with trade officials and there are still many questions outstanding. In British Columbia, we have not yet heard anything publicly from your government on this.

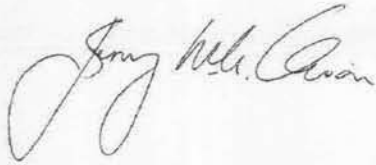
With respect to British Columbia's position on the Canada-China Foreign Investment Promotion and Protection Agreement we would ask that you provide us with the following: 1) any analysis undertaken on how it will impact British Columbia and 2) any advice provided by the province to the federal government on this trade agreement.

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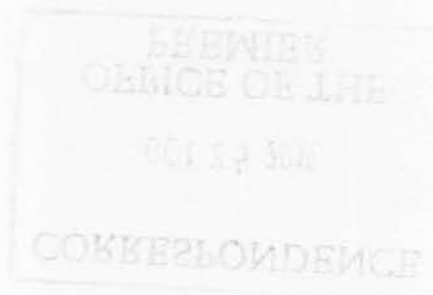
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Finally, we support the federal Official Opposition's motion for the federal parliament to study this matter further through its International Trade Committee. This committee would be able to hear from witnesses who have interests at stake, including the provinces. We ask that you insist that the federal government allow for parliamentary debate on the Canada-China Foreign Investment Promotion and Protection Agreement to ensure it receives sufficient public scrutiny and to ensure that British Columbia has the opportunity to publicly air its position.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Jenny Kwan', written in a cursive style.

Jenny Kwan, MLA  
Vancouver – Mount Pleasant  
Opposition Critic for Jobs, Economic Development & Trade





## Questions and answers related to Canada-China FIPA

Prepared by Trade Initiatives Branch for Minister Bell, October 25, 2012

### 1. What benefits would FIPA bring to BC?

The main purpose of a FIPA is to encourage foreign investment by providing foreign investors with greater protection against discriminatory and arbitrary practices in the host state, providing a process for adequate and prompt compensation in the event of an expropriation, and enhancing the predictability of regulations affecting foreign investors and their investments.

Canada has 24 FIPAs in force with countries, another 8 (including China and India) that have been negotiated but are not yet in force, and another 12 under negotiation.

Canadian businesses make significant investments in China in the transportation, biotechnology, education, finance, information technology, manufacturing and natural resources industries. By the end of 2011, the amount of Canadian direct investment in China was C\$4.5 billion.

British Columbia will benefit from a more stable and predictable investment regime for BC businesses and investors doing business with China and Chinese state owned enterprises. Further, through the FIPA, BC businesses and investors will have recourse to dispute mechanisms which will allow them to challenge discriminatory and unfair practices.

### 2. How does this agreement protect investment Canadians make in China and that China makes in BC?

The agreement provides for non-discriminatory treatment of investors on:

- a) A most favoured nation treatment basis - no less favourable treatment than accorded investors from other countries with respect to establishment, acquisition, expansion, management, conduct, operation and sale or other disposition of investments, and
- b) A national treatment basis – no less favourable treatment than it accords its own investors with respect to expansion, management, conduct, operation and sale or other disposition of investments, and
- c) Ensures that the treatment of investors by governments at all levels meets the minimum standard under customary international law.

This FIPA also offers:

- Protection from expropriation, except for a public purpose and with fair and prompt compensation;
- Assurances that transfers of investment related funds, such as contributions to capital, profits, capital gains, interest, dividends, proceeds from sales of investments, etc. can be made freely and without delay.
- A dispute settlement process through independent international arbitration panels

- Commitment to ensure laws and regulations related to investment are publicly and readily available.

### **3. Does the agreement protect jobs for British Columbians and Canadians?**

By providing a more stable/predictable investment environment, this agreement will encourage increased investment flows and provide an enhanced opportunity for BC-based companies to expand operations in China. This will in turn lead to expansion and growth of BC businesses, and direct and indirect job creation.

### **4. What do we give up if the Feds sign the agreement?**

Since Canada has transparent and fair investment rules today, we do not give up anything by committing to treat Chinese investors by minimum international, most favoured nation and domestic industry standards.

### **5. Why a 31 year agreement?**

The treaty could be in effect for a minimum of 31 years for any investments that are established when the treaty comes into force. This is within the norm for Canadian investment agreements and for those of many other countries. The treaty provides for this initial period of application to ensure that Canadian investors are provided a period of stability and predictability without the possibility that the treaty will be terminated by the other party, whether this is China or any other negotiating partner.

### **6. Is Canada selling off our natural resources with this agreement?**

No. The agreement is about security of investment. It has explicit provisions that allow countries to take measures necessary to protect human health and the environment.

### **7. Why the dispute resolution process is not public, as it is with NAFTA?**

As in all of Canada's FIPAs, this Agreement provides mechanisms for the resolution of disputes. This mechanism provides for the impartial and timely resolution of conflicts and is a key element of the protection provided to investors. It is Canada's long-standing policy to permit public access to such proceedings. Canada's FIPA with China is no different.

Approved.  
DB

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #95393

Date: November 21, 2012

**PREPARED FOR:** Honourable Michael de Jong, Q.C., Minister of Finance

**ISSUE:** Update on Canada-India Comprehensive Economic Partnership Agreement (CEPA) Negotiations

**BACKGROUND:** In November 2010, Canada and India announced their agreement to launch CEPA negotiations. A sixth round of negotiations took place in Ottawa in mid-November 2012 and intersessional talks are scheduled for January 2013. Canada and India have committed to conclude the CEPA by the end of 2013.

A 2010 Joint Economic Study states that a concluded CEPA agreement has the potential to give an annual \$6 – 15 billion boost to the Canadian economy, and exports to India are expected to increase by up to 47 percent. If these export gains were realized and applied to British Columbia goods exports to India in 2011 (\$201 million-- British Columbia's 14<sup>th</sup> largest export destination), this would amount to possible annual export gains of up to \$94 million.

British Columbia's year-to-date 2012 exports to India (to September 2012 versus to September 2011) are already up significantly by 225 percent, led by a nearly 500 percent growth in coal exports.

**DISCUSSION:** As one of its priority markets, British Columbia believes that a CEPA with India is a positive step in reorienting Canada's trade priorities toward the high-growth markets of the Asia-Pacific and South Asia.

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In addition to high tariffs, India maintains a number of non-tariff barriers that impact companies in the Province. Barriers that British Columbia companies would like to see removed as part of CEPA negotiations include

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Prepared by: Joshua A. Smith, Senior Trade Policy Advisor, Trade Initiatives Branch  
Telephone: O: 250-952-0790 C: s17

Reviewed by				
Dir:	ED:	ADM: SS	DM:	MIN:

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 96044  
Date: January 4, 2013

**PREPARED FOR:** The Honourable Christy Clark, Premier

**ISSUE:**

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**KEY MESSAGING:**

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- Trade related requests from Nova Scotia should be referred to Dave Byng, Deputy Minister, or Shom Sen, Assistant Deputy Minister of the Ministry of Jobs, Tourism and Skills Training, who are responsible for BC's trade, investment and labour mobility agreements and relations.
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**BACKGROUND:**

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## DISCUSSION:

Canada's Department of Foreign Affairs and International Trade and the Canadian Embassy in Washington, DC are closely following the issue to ensure Canadian interests are defended. Canada has assured the U.S. that it will answer all questions in the case.

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Prepared by: Teresa Zhuang; Robert Musgrave  
Telephone: 250 356-5109; 250 952-0711

Reviewed by:				
Dir: RM	ED: DW	ADM: DW (for SS)	DM: DB	MIN:

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**MEETING NOTE**

Cliff #: 95947

Date: January 14, 2013

**PREPARED FOR:** Dave Byng, Deputy Minister

**DATE AND TIME OF MEETING:** January 29 at 09:00pm, Office of the Deputy Minister, Suite 770, 999 Canada Place Way, Vancouver.

**ATTENDEES:** Ambassador Sara Hradecky, Canadian Ambassador to Mexico; Alan Minz, Regional Director of the Pacific Region and Senior Trade Commissioner; Christine Constantin, Manager, Regional Offices, Domestic Outreach and Intergovernmental Relations Division; Shannon Baskerville, Assistant Deputy Minister, Labour Market & Immigration Division.

**ISSUE(S):** British Columbia can strengthen its strategic trade and investment relationship with Mexico by gathering intelligence from and engaging with Canada's Ambassador to Mexico, Ms. Hradecky, who is doing outreach in Western Canada.

**BACKGROUND:** Ms. Sara Hradecky has been Canada's Ambassador to the United Mexican States since November 2011.

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member of the Trans-Pacific Partnership (TPP) along with Canada and an important trade and investment partner for British Columbia. Mexico has the world's eleventh largest economy (\$1.68 trillion) and eleventh largest population (114.9 million). Mexico is also a founding member of the Alliance of the Pacific, a trade bloc consisting of Chile, Colombia, Mexico and Peru. Canada is an official observer member of the Alliance.

British Columbia exports to Mexico, although modest, have more than doubled since 1994 when the NAFTA came into force reaching **\$156.1 million** in 2011. Top exports in 2011 included coal, unwrought aluminum, sulfur, forest products and mining equipment.

Canadian foreign direct investment (FDI) in Mexico was valued at \$4.2 billion in 2011. One of the largest Canadian investors in Mexico is Goldcorp, a gold mining producer headquartered in Vancouver. There are many other British Columbia based mining companies invested in Mexico, and there may be more opportunities to increase FDI in Mexico with the recent election of President Nieto, who has promised to liberalize Mexico's energy sector. In 2012, there were several protests held outside the Canadian Embassy in Mexico in opposition to Canadian mining projects due to concerns about their environmental and socio-economic impacts.

In July 2009, Canada implemented a requirement that Mexican nationals acquire a visa to travel to Canada. The implementation of this visa requirement has decreased Mexican tourism to Canada and British Columbia by 50% and 33% respectively.

**DISCUSSION:**

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its goods exports to

Mexico ranked sixth amongst the provinces and territories in 2011. Mexico has an expanding middle class and there is room for growth in British Columbia goods exports, especially in *BC Jobs Plan* sectors. As well, while Mexico remains a key destination for Canadian FDI, Canada and British Columbia would like to see more Mexican investment in Canada in the future. Ambassador Hradecky is more than a year into her posting and can identify opportunities for British Columbian exporters and could promote investment opportunities in British Columbia to Mexican stakeholders.

The TPP and Alliance of the Pacific could re-define trade and investment relationships throughout the Asia Pacific.

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**SUGGESTED QUESTIONS/ KEY MESSAGING:**

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**ATTACHMENTS:**

1. British Columbia - Mexico Business Relations (*Appendix I*)
2. Biography - Ambassador Sara Hradecky (*Appendix II*)

Prepared by: Trevor Paul, Senior Trade Policy Advisor  
Telephone: (250) 356-8206

**Reviewed by**

Dir: JQ	ED: DW	ADM: SS	DM:	MIN:
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*i. ProMéxico Office in Vancouver*

ProMéxico, the Mexican government institution in charge of strengthening Mexico's participation in the international economy, maintains an office in Vancouver, allowing for open dialogue on trade and investment issues. The former Deputy Minister of Ministry of Tourism, Trade and Investment, Martyn Brown, met with the Consul General of Mexico, Ángel Villalobos on February 11, 2011 in Vancouver and senior officials from ProMéxico and TechBA to discuss potential partnership opportunities between Mexico and B.C.

*ii. TechBA in Vancouver*

The Mexican government launched the TechBA business accelerator program in Vancouver in February 2010 to help Mexican high-tech start-ups expand into western Canada and other international markets over three years. At the time, Vancouver was the second Canadian city in which TechBA has established an office; a Montreal office opened in 2006. To assist with its B.C. operation, TechBA has partnered with Vancouver-based Wavefront, a commercialization centre accelerating the growth of Canada's wireless and new media development companies. Shom Sen attended the official office inauguration for TechBA in Vancouver in February 2011.

TechBA Vancouver's primary objective is to help Mexican companies form new partnerships and build a customer base in western Canada. TechBA International has indicated optimism about potential synergies and the potential for partnerships between B.C. and Mexican companies. The sectors targeted for this program, such as digital media and ICT/wireless, will bring Mexican and B.C. companies together as both jurisdictions have outstanding strengths in these industries.

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*iii. B.C. Mining Companies in Mexico*

In 2009, (the latest available data) there were over 260 B.C. based mining and related companies with operations and/or investments in Mexico. B.C. businesses understand the investment climate and related opportunities in Mexico. This expertise could be leveraged to assist other B.C. companies interested in doing business with Mexico.

Richard M. Sawchuk  
Senior Manager, Americas, 604-775-0030

**Sara Hradecky  
Ambassador of Canada to the United Mexican States**

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**

Cliff #: 96445

Date: February 12, 2013

**PREPARED FOR:** Premier Christy Clark.

**ISSUE:** Canada-China Foreign Investment Promotion and Protection Agreement.

**BACKGROUND:** The Canada-China Foreign Investment Promotion and Protection Agreement (FIPA) was signed in September 2012 during Prime Minister Harper's participation at the Asia-Pacific Economic Co-operation (APEC) summit. The agreement will not be implemented until both countries complete their ratification processes. Canada's process was partly completed in November 2012 and the agreement is awaiting a federal cabinet decision.

Canada has 24 FIPAs in force with a variety of countries. The main purpose of a FIPA is to encourage foreign investment in both signing countries by providing foreign investors with greater protection against discriminatory and arbitrary practices in the host state.

Canadian businesses make significant investments in China in the transportation, biotechnology, education, finance, information technology, manufacturing and natural resources industries. By the end of 2011, the amount of Canadian direct investment in China was \$4.5 billion.

**DISCUSSION:** British Columbia supports the Canada-China FIPA and was informed regularly by the federal government during the negotiation of the agreement.

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The Canada-China FIPA will benefit the Province by establishing a more stable, predictable and transparent investment environment for British Columbia companies and investors doing business in China. The agreement accomplishes this by providing for non-discriminatory treatment of Canadian investors while offering:

- Protection from expropriation, except for a public purpose and with fair and prompt compensation.
- Assurances that transfers of investment related funds can be made freely.
- A dispute settlement process through independent international arbitration panels.

- Commitment to ensure laws and regulations related to investment are publicly and readily available.
- A 31 year term structure that provides long-term security for Canadian investors in China. The agreement has a 15 year term before either party can terminate it. After 15 years, either party can terminate with one year's notice. Upon termination, there is an additional 15 year standstill where existing investments are covered by the terms of the agreement.

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British Columbia supports the agreement because it will provide enhanced opportunities for British Columbia companies to expand operations in China. This will in turn lead to growth of British Columbia businesses and spur direct and indirect job creation in the Province.

#### **ATTACHMENTS:**

Appendix 1 - Qs and As on the Canada-China FIPA.

Prepared by: Trevor Paul, Senior Trade Policy Advisor, Trade Initiatives Branch  
Telephone: 250-356-8206

Reviewed by			
Dir: N/A	ED: DW	ADM: SS	DM:

## **Appendix 1 : Questions and Answers related to Canada-China FIPA**

### **1. What is a Foreign Investment Promotion and Protection Agreement (FIPA)?**

FIPAs are treaties between two nations that impose binding obligations on both countries with respect to their treatment of foreign investors and investment. They typically provide guarantees pertaining to non-discriminatory treatment, expropriation, transfer of funds, transparency, due process and dispute settlement. Nations around the world have entered into more than 200 such agreements.

Canada began negotiating FIPAs in 1989 to secure investment liberalisation and protection commitments. The first FIPA was with Poland, and was implemented in 1990. A FIPA followed with the Russian Federation in 1991.

Canada has 24 FIPAs in force with countries, 17 of which were negotiated during the 1990s. Another eight FIPAs (including with China and India) have been negotiated but are not yet in force, and a further 12 are under negotiation.

### **2. Will the FIPA force Canada to accept foreign take-overs?**

No. Under Annex D-34 (1) of the Agreement, decisions made under the Investment Canada Act are not subject to the dispute settlement provisions of the FIPA. Canada maintains the ability to reject foreign investments that it decides are not in the best interests of Canada.

Under the *Investment Canada Act*, the federal government reviews large foreign investments to ensure net benefit to Canada. As well, in December 2012, Prime Minister Stephen Harper introduced additional criteria on state owned enterprises under the *Investment Canada Act*. Canada's ability to make such decisions is maintained under the FIPA.

### **3. Does the agreement protect jobs for British Columbians and Canadians?**

By providing a more stable and predictable investment environment, this agreement will encourage increased investment flows and provide an enhanced opportunity for BC-based companies to expand operations in China. This will in turn lead to expansion and growth of BC businesses, and direct and indirect job creation.

### **4. What do we give up if Canada signs the agreement?**

Since Canada has transparent and fair investment rules today, we do not give up anything by committing to treat Chinese investors by minimum international, most-favoured-nation, and domestic industry standards (i.e., in a non-discriminatory, transparent manner).

## 5. What benefits would a Canada-China FIPA bring to BC?

- A more stable and predictable investment regime for BC businesses and investors doing business with China and Chinese state owned enterprises.
- BC businesses and investors will have recourse to dispute mechanisms which will allow them to challenge discriminatory and unfair practices.
- The benefits of a rules-based environment for investment under Canada's FIPAs are far greater for Canadian investors operating in international markets than to foreign investors operating in Canada. This is because Canada already provides a predictable, rules-based environment.
- British Columbians benefit from the jobs and prosperity that are generated when BC firms expand and succeed abroad.
- The great value of the agreement for Canadian investors is that China "has accepted legally binding obligations not to discriminate against them, to provide a minimum standard of treatment, not to expropriate their investments without compensation and to refrain from prohibited performance requirements."

## 6. How does this agreement protect investment Canadians make in China and that China makes in BC?

The agreement provides for non-discriminatory treatment of investors on:

- a) A **most favoured nation treatment** basis - no less favourable treatment than accorded investors from other countries with respect to establishment, acquisition, expansion, management, conduct, operation and sale or other disposition of investments, and
- b) A **national treatment** basis – no less favourable treatment than it accords its own investors with respect to expansion, management, conduct, operation and sale or other disposition of investments, and
- c) Ensures that the treatment of investors by governments at all levels meets the **minimum standard under international law**.

This FIPA also offers:

- Protection from expropriation, except for a public purpose and with fair and prompt compensation;
- Assurances that transfers of investment related funds, such as contributions to capital, profits, capital gains, interest, dividends, proceeds from sales of investments, etc. can be made freely and without delay.

- A dispute settlement process through independent international arbitration panels.
- Commitment to ensure laws and regulations related to investment are publicly and readily available.

## **7. Why a 31 year agreement?**

The Treaty may be terminated at any time by either Contracting Party after an initial fifteen year period and the termination will be effective one year after notice of termination has been received by the other Contracting Party. Investments made prior to the date of termination of the Treaty shall continue to be effective for an additional fifteen-year period from the date of termination.

Thus the treaty could be in effect for a minimum of 31 years for any investments that are established when the treaty comes into force. This is within the norm for Canadian investment agreements and for those of many other countries.

## **8. Why is the dispute resolution process not public, as it is with NAFTA?**

As in all of Canada's FIPAs, this Agreement provides for the impartial and timely resolution of conflicts and is a key element of the protection provided to investors. It is Canada's long-standing policy to permit public access to such proceedings. Canada's FIPA with China is no different.

## **9. Will investors be able to ask dispute tribunals to strike down government decisions?**

No. All they can ask for is monetary damages for breaches of the agreement.

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**INFORMATION NOTE**  
**CONFIDENTIAL – PREPARED IN RELATION TO SETTLEMENT TALKS**

Cliff #: 90780

Date: March 8, 2013

**PREPARED FOR:** Dave Byng, Deputy Minister.

**ISSUE:** NAFTA Trade Dispute: Mercer challenge of BC's electricity pricing.

s13, s14, s16, s17

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Page 71 redacted for the following reason:

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s13, s14, s16, s17

Prepared by: Rebecca Ewing, Manager, Softwood Lumber, ITIA  
 Telephone: (office) s17

Reviewed by:			
Dir: GG	ED: DW	A/ADM: CL	DM:

**ATTACHMENT:**

s13, s14, s16, s17

Pages 73 through 82 redacted for the following reasons:

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s13, s14, s16, s17

MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**MEETING NOTE**

Cliff #: 97125

Date: March 18<sup>th</sup>, 2013

**PREPARED FOR:** Dave Byng, Deputy Minister

**DATE AND TIME OF MEETING:** His Excellency Mr. Enkhbold Zandaakhuu,  
Chairman of the State Great Hural of Mongolia March 28<sup>th</sup>, 2013 - **9:00-12:00pm**,  
Pan Pacific Hotel, #300 - 999 Canada Place, meeting and boat tour of Port Metro  
Vancouver.

**ISSUE(S):**

- The delegation is led by the Chairman of the State Great Hural of Mongolia, who is the second highest-ranked person in the country. The delegation includes three Members of Parliament, who are representatives of the parties included in the coalition government, as well as Mongolia's Ambassador to Canada. They are in Canada on invitation from the Parliament of Canada and will be in Ottawa prior to their visit to BC. A meeting and tour of Port Metro Vancouver is organized at the request of the Mongolian delegation.

**BACKGROUND:**

- Mongolia's neighbours heavily influence its domestic and foreign policies. China is the largest source of investment and Mongolia's largest trading partner (this info from 2011),  
s13, s16

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s16

- Mongolia's extensive mineral deposits and attendant growth in mining-sector activities have transformed Mongolia's economy, which traditionally has been dependent on herding and agriculture. Mongolia's copper, gold, coal, molybdenum, fluorspar, uranium, tin, and tungsten deposits, among others, have attracted foreign direct investment.
- Chinese demand for minerals fuels a mining boom  
s13, s16
- Mongolia's mining wealth is attracting attention beyond its Russian and Chinese neighbours.

**Previous Visits to BC:**

- 2004: President of Mongolia

- 2010: Prime Minister of Mongolia

#### Canada-Mongolia Relations:

- Canada and Mongolia have a cooperative bilateral relationship which includes significant Canadian investment interests in the mining sector. Both sides are seeking to expand bilateral and multilateral ties.
- Canada's main commercial interest in Mongolia is mining investment.
- Efforts are underway to expand bilateral trade into new sectors such as agriculture, and construction. Bilateral cooperation memoranda of understanding have been signed with Mongolian agencies by Agriculture and Agri-Food Canada and the Standards Council of Canada.
- Negotiations are also underway to conclude a Foreign Investment Promotion and Protection Agreement (FIPA).

#### DISCUSSION:

- Forest Products: Mongolia is suffering from a severe housing crisis. BC wood products are increasingly being used for construction, to help alleviate the problem. Note that BC has a demonstration project in Mongolia to promote pre-fabricated homes.

s13, s21

- Mining: British Columbia and Mongolia already have extensive relationships in the mining sector. Turquoise Hill Resources (formerly Ivanhoe Mines), based in Vancouver, is in the process of opening a copper/gold mine in Mongolia – and is one of the largest such mines in the world.
- Mr. Zandahuu Enkhbold's visit to Canada intersects with a parallel visit by a municipal delegation led by the Governor of Mongolia's Capital City (and concurrently Mayor of Ulaanbaatar) Mr. Erdene BAT-UUL. The key priorities for the Mayor's visit to Canada include electrical transportations systems (skytrain and trolleys), wood-frame housing and municipal infrastructure solutions.

#### SUGGESTED RESPONSE/KEY MESSAGING:

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**ATTACHMENTS:**

- Biography of the His Excellency ENKHBOLD Zandakhuu, Chairman of the State Great Hural of Mongolia
- Itinerary for the BC Visit

Prepared by: Janet Cho, Manager – China, International Trade and Investment  
Attraction

Telephone: (office) 604.660.5919 (cell) s17

Reviewed by			
Dir: HH	ED: KB	ADM: SS	DM:

## APPENDIX I

### Official Party:

- His Excellency Mr. Enkhbold Zandaakhuu, Chairman of the State Great Hural of Mongolia Mrs. Bat-Ulzii Tumurbaatar, Accompanying Spouse
- His Excellency Mr. Zalaa-Uul Tundevdorj, Ambassador of Mongolia to Canada
- Mrs. Dash Lkhundev, Accompanying Spouse
- Mr. Enkhbold Nyamaa, M.P.
- Mr. Battserreg Namdag, M.P.
- Mr. Bolor Bayarbaatar, M.P.
- Mr. Tsogtsaikhan Gombo, State Secretary, Ministry of Foreign Affairs
- Mrs. Narantungalag Tserendorj, Head of Division, Secretariat of State Great Hural
- Mrs. Enkh TUYA Dorjzovd, Head of Division, Secretariat of State Great Hural
- Mr. Ganbold Dambajav, Counsellor, Embassy of Mongolia to Canada
- Mr. Batbold Maruush, Interpreter, Secretariat of SGH
- Mr. Tobin ROBBINS, Honorary Consul, Consulate of Mongolia in Vancouver

### Accompanying Delegation:

- Mr. Sukh-Ochir Khaidav, Official Photographer of Speaker
- Mr. Nerguibaatar Yadamsuren, Security
- Mr. Adiltulga Tserenlkham, Security
- Mr. Batzorig Gombo, Security
- Mrs. Baigalmaa Tumenjargal, Physician of Speaker
- Mr. Gantulga Ganchuluun, Cameraman, Secretariat of State Great Hural
- Ms. Tsend Tsend-Ayush, Correspondent, MNPTV
- Mr. Odbayar Nergui, Cameraman, MNPTV
- Mr. Munkhtur Lkhagvasure, Journalist, "Daily News" newspaper
- Mr. Adiyasuren Zundui, CEO, "Temo" Co., Ltd
- Mr. Byambasaikhan Bayanjargal, President, Business Council of Mongolia
- Mr. Batchuluun Dorjpalam, Dean of Economic Development, Science, Technology University (STU)
- Mr. Enkhbaatar Tseveen, Director of Business Innovation, STU
- Mr. Khasbat Dashtseren, Director of Forestry Research Institution, STU

### Parliament of Canada:

- Mr. Serge Pelletier, Parliamentary Exchanges, International and Interparliamentary Affairs Directorate, Parliament of Canada
- Ms. Jane Kennedy, Parliamentary Exchanges, International and Interparliamentary Affairs Directorate, Parliament of Canada

### Government of British Columbia:

- Mr. David Nicholls, Protocol Officer, Intergovernmental Relations Secretariat

## **APPENDIX II**

### **Biography**

**H.E. Mr. Zandaakhuu ENKHBOLD**  
**Chairman of the State Great Hural (Parliament) of Mongolia**

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MINISTRY OF JOBS, TOURISM AND SKILLS TRAINING  
AND MINISTER RESPONSIBLE FOR LABOUR  
**DECISION NOTE**

Cliff #: 97157

Date: March 12, 2013

**PREPARED FOR:** Deputy Minister Dave Byng

**ISSUE:** Opportunity for DM Byng to meet with Canadian High Commissioner to Nigeria Chris Cooter during his visit to BC.

**BACKGROUND:** As part of the Canadian Government's plan to boost trade and investment with Nigeria, Mr. Cooter will be in Vancouver and Victoria on March 26-27. Mr. Cooter emailed Klaus Buttner directly to request a meeting to discuss opportunity areas for BC companies and institutions in Nigeria's new emerging economy.

Mr. Buttner accepted Mr. Cooter's request for a meeting to take place on Tuesday March 26 at 11:00 a.m. in Canada Place. Mr. Buttner will be joined by two of ITIA's sector specialists: Harb Bains (Green Economy) and Rob O'Brien (Marine, Aerospace and Defence).

Mr. Cooter's upcoming trip to BC is preceded by a Ministerial visit to Nigeria on January 2013, attended by the Honourable Ed Fast, Minister of International Trade and Minister for the Asia-Pacific Gateway. The visit was part of an infrastructure and extractive-sector focused trade mission to the rapidly-growing sub-Saharan Africa. Minister Fast was accompanied by a group of nearly 30 Canadian companies and organizations, including 4 BC-based companies: Canadian Helicopter Corporation (CHC) and Corvus Energy of Richmond, Midgard Consulting Inc., of Vancouver, and IMW Industries of Chilliwack. The latter along with CHC have already established sizeable joint ventures in Nigeria. See Appendix III for details.

The following sectors were identified by Mr. Cooter as presenting significant potential for growth and partnership with BC companies:

- Mining
- Infrastructure
- Power sector (including clean technology)
- Agriculture (particularly food-processing)
- Housing
- Film and Television

**DISCUSSION:** Nigeria is one of the largest and fastest growing developing countries, with identifiable opportunities to increase exports to market, especially in priority sectors of the BC Jobs Plan. Nigeria, as the most populous country in Africa (165 million), has

a GDP of \$244 billion and is expected to grow by at least 5% per year over the next 5 years.

Recent economic reforms in Nigeria have improved the business environment. Merchandise trade between Canada and Nigeria has more than tripled since 2006 to approximately \$2.3 billion in 2012, of which \$5.6 million corresponded to BC. British Columbia exports to Nigeria, although minimal, have more than doubled since 2007 reaching \$5.5 million in 2012.

As of late, bilateral trade has been facilitated by Export Development Canada (EDC), which in March 2011 announced a \$7 million investment fund, and the Nigerian Canadian Business Association (NCBA), which aims to double trade to \$6 billion by 2015.

Nigeria's growing demand for mining equipment, finished products, infrastructure and a range of services, including but not limited to financial and educational services, opens a gateway of possibilities for new partnerships and business. High Commissioner Cooper is more than two years into his posting and can help identify opportunities for BC exporters, as well as promote investment opportunities in BC to Nigerian stakeholders.

Highlights of Opportunities in Select Sectors of the BC Jobs Plan:

Mining: While development in the mining sector is still at its infancy in Nigeria, the government has identified it as a priority sector. The country is rich in mineral resources, such as gold, uranium, iron, coal, bitumen, zinc, tantalite, columbite, and precious and semi-precious stones. BC's strong mining private sector could take advantage of the demand for mining-related infrastructure and traditional and renewable energy.

Power: the Nigerian Government is implementing a Presidential Roadmap on Electricity Sector Privatization, pledging to increase electricity generation more than 6 times over the next decade. This represents sizeable opportunities for investment in this vital sector.

Infrastructure: Nigeria's <sup>s13, s16</sup> infrastructure poses opportunities for investment in rail, road and aviation, as well as agriculture, and the Information and Communications Technology sector.

Agriculture: Nigeria's agriculture sector is largely undeveloped, despite immense fertile soils and a domestic market of 165 million people. Food is mostly imported at a cost of billions of US dollars. Food production, processing and marketing offer great prospects for business.

Currently, Canada and Nigeria are exploring the possibility of launching negotiations on a Foreign Investment Promotion and Protection Agreement (FIPA).

**OPTIONS:**

1. Deputy Minister to join the meeting scheduled on March 26 at 11:00 am in Vancouver
2. Deputy Minister's Office contact High Commissioner Cooper to arrange a mutually convenient date and location for a separate meeting – the afternoon of March 27 in Victoria could be an option.
3. Decline to participate in a meeting at this time.

**RECOMMENDATION:** Option #1.

**ATTACHMENTS:**

- I. Chris Cooter's Vancouver Program – March 26-27, 2013
- II. Nigeria Fact Sheet
- III. B.C. Companies with Business Ties to Nigeria
- IV. Biography - Christopher Cooter

Approved / Not Approved	Date:
Comments:	

Prepared by: Adriana Haukaas, Program Assistant, ITIA Division  
Telephone: (office) 604.660.1458

Reviewed by		
Dir:	ED: KB	ADM: SS

## **APPENDIX I: CHRIS COOTER'S VANCOUVER PROGRAM**

### **Vancouver Program for Chris Cooter, March 26-27, 2013**

#### **Tuesday, March 26**

- 09:00: IGS/Peter Mwarigi, West Georgia
- 10:00: Susan Croome, BC Film Commissioner, Ministry Cultural Dev 660-3235, 201-865 Hornby
- 11:00: Klaus Buttner , BC Govt/JTST, Ste 730-999 Canada Place, 604-660-3549
- 12:00: Richard Brownsey / President & CEO, 730 2233 / 1 778 994 1770 BC Film + Media, 2225 West Broadway (between Yew and Vine, N. side)
- 13:45 – 14:35 Richard Variyan, Vice President Sales, Surveillance and Intelligence, MDA, 13800 Commerce Parkway, Richmond, BC, 604-231-2012, 604-897-2444
- 14:45 – Canada Helicopter: Jeff Smith / Santiago Crespo - 4740 Agar Dr, Richmond 276-7500
- 16:00: Murray B. Isman, Dean, Faculty of Land and Food Systems, Old Admin Bldg 822-1219
- 16:30 – 17:00 - UBC/Stephen Toope - Old Admin Building 6328 Memorial Road; Gerald Calderon, EA, 604 822 5151

#### **Wednesday, March 27**

- 09:00 - Hermitage lobby: CurrentCorp - Sylvie Quaeyhaegens , Business Development Manager, (604) 551 5855, Pres. Doug Houghton, Captain Elgin Mc Killop, (Nigerian passenger ferry project)
- 10:00 – Hermitage: Danielle Thompson/Bill English, Director of Operations, Xanatos Marine, 604 904 2200
- 10:45: Hermitage - Trade Office/Jeff Lang, Northwestern Regional Office Agriculture Canada | 4321 Still Creek Drive, Suite 420, Burnaby, Jeffrey.Lang@AGR.GC.CA, 604-666-1066
- 11:30 – depart for airport
- 13:00 – dep to Victoria; 13:30 – arr Victoria (car rental Hertz – F76529491D9)
- Eric Stringer, Headwater (Construction) Equipment, Bengal Lounge, Empress, 1.866.327.8311, 250.886.3950
- o/n James Bay Hotel and Suites, 270 Govt St, Victoria 2503847151

## APPENDIX II: NIGERIA FACT SHEET

### Country Facts

<b>Nominal GDP</b>	244.30 Billion USD
<b>Population</b>	165.80 Million
<b>Total Trade/GDP</b>	94.56%
<b>Currency</b>	Nigerian Naira (NGN)
<b>Merchandise Imports from Canada</b>	227.10 Million CAD
<b>Canadian direct investment</b>	36 Million CAD
<b>Main imports</b>	Machinery & Equipment, Manufactured Goods, Chemicals, Food & Livestock
<b>Head of State &amp; head of government</b>	President Goodluck JONATHAN
<b>Type of Government</b>	Bicameral National Assembly: Senate & House of Representatives
<b>Elections</b>	Last: April 2011 (presidential & legislative); Next: 2015

Source: EDC



### Business Environment

Canada has a well established and growing trade relationship with Nigeria. The country represents an important trade partner for Canada in Sub-Saharan Africa. Trade is of high importance to the Nigerian economy which relies heavily upon the oil sector. A strong emphasis also exists on the infrastructure sector, which requires modernization. Nigeria's banking sector has strengthened in recent years and is among the most important in Sub-Saharan Africa. Security challenges in parts of Nigeria remain a concern. EDC see good export and investment opportunities across a wide range of sectors that match Canadian capabilities. Nigeria is a member of the Economic Community of West African States (ECOWAS).

### Key Industries

- Construction & Infrastructure
- Oil and Gas
- Power
- Telecom
- Transportation Services

## APPENDIX III: B.C. COMPANIES WITH BUSINESS TIES TO NIGERIA

### 1. CHC Helicopters

- CHC Helicopter is a world leader in offshore helicopter operations. Headquartered in Vancouver, British Columbia, the company operates more than 250 aircraft in about 30 countries around the world. In 2008, CHC Helicopter was purchased by US-private equity firm First Reserve in 2008. CHC focuses on three specific business sectors in which it is world-class: helicopter maintenance (provided by subsidiary, Heli-One), Search and Rescue, and offshore oil and gas transportation.
- CHC has been operating in Nigeria since 2004 but ended its partnership with Aero Contractors Company of Nigeria Limited in 2010 due to continued non-payment of service.
- Through Atlantic Aviation, CHC has an exclusive partnership with the Jagal Group in Nigeria. Honourable Ed Fast, Minister of International Trade and Minister for the Asia-Pacific Gateway, toured the new facilities of Atlantic Aviation in Nigeria in January 2013. Atlantic Aviation, a Jagal Group company is strategically supported by CHC Helicopter S.A., providing helicopter transport services to Nigeria's offshore oil and gas industry.
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### 2. IMW Industries

- IMW is a privately held company with headquarters in Chilliwack, BC
- IMW is a leading supplier of compressed natural gas (CNG) equipment for vehicle fuelling and industry.
- In January 2013, IMW announced a collaboration with Borkir International Co. Ltd., a member of the Dangote Group of Companies in Nigeria, for the nationwide development of compressed natural gas (CNG) fueling station infrastructure in Nigeria. The first CNG station supplied by IMW to Borkir will be delivered and installed in Q1, 2013 at Obajana with additional CNG station location roll-outs to follow. The Dangote Group of Companies have approximately 5,000 delivery trucks in their own fleets to convert to CNG operation and will also be supporting CNG fueling and conversions for other companies and their fleets throughout Nigeria.
- IMW Industries currently employs 220 at its headquarters in Chilliwack and 500 around the world.

### 3. Corvus Energy

- Corvus Energy is a privately held company with headquarters in Richmond, B.C.
- Corvus provides industrial-sized power in a compact, modular lithium-ion battery system to commercial marine, transportation, ports machinery, remote community, off grid and grid connected energy markets.
- Corvus has entered into a joint venture partnership with Green Park Management Limited, a Nigeria-based energy and infrastructure firm, to form Corvus Energy Africa Ltd. Through the joint venture, Nigerian engineers will be trained at Corvus Energy's headquarters in Richmond, British Columbia early in 2013 before setting up a local manufacturing facility in Lagos, Nigeria in late 2013, employing up to 35 employees.

### 4. Xanatos Marine

- Xanatos Marine is a privately held company with headquarters in North Vancouver, BC.
- Xanatos designs and produces software and hardware for Vessel Traffic Systems (VTS) that utilize Automatic Identification Systems (AIS).
- Xanatos Marine has an office in Lagos (2 people) to support its current VTS project that has cut down piracy by 60%.

### 5. Deep Development Corporation

- Deep Development Corporation is a privately held company with headquarters in Abbotsford, BC.
- Deep Development provides Digital Video Security Solutions for several sectors including marine, land and air applications.

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### 6. Current Corporation

- Current Corporation is a privately held company with headquarters in Port Moody, BC.
- Current's designs, produces and distributes high definition cameras to the marine sector that combine infrared, thermal and high definition technology into one system.

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## APPENDIX IV: BIOGRAPHY - CHRISTOPHER COOPER

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MINISTRY OF INTERNATIONAL TRADE  
AND MINISTER RESPONSIBLE FOR ASIA PACIFIC STRATEGY AND MULTICULTURALISM  
MINISTRY OF NATURAL GAS DEVELOPMENT  
MINISTRY OF ENERGY AND MINES  
**JOINT DECISION NOTE**

Cliff #: 10630  
Date: August 23, 2013

**PREPARED FOR:** Sandra Carroll, Deputy Minister, Ministry of International Trade,  
Steve Carr, Deputy Minister, Ministry of Natural Gas Development, and  
Dave Nikolejsin, Deputy Minister, Ministry of Energy and Mines

**ISSUE:** Trade, Investment and Labour Mobility Agreement (TILMA) dispute with Alberta  
regarding residency and agency requirements for oil, gas and coal companies

**BACKGROUND:**

Under the TILMA, Alberta committed to remove its legislative measures that require oil, gas and coal companies based outside of Alberta to appoint an agent who resides in Alberta. These measures are a strong disincentive for companies that work in both provinces to locate their head offices in British Columbia, as evidenced by their almost complete absence from this province. Recently, some oil and gas companies have located local offices in British Columbia in support of their LNG projects, but their Canadian head offices remain in Calgary.

Companies find it more cost effective and efficient to set up a head office in Alberta rather than pay for both a head office in British Columbia and an agent in Alberta. s13, s16, s17

British Columbia launched consultations under TILMA's dispute resolution process on October 5, 2011. Taking the next step in the dispute resolution process of requesting a formal arbitration panel to hear the matter remains an option for British Columbia at any time.

In December 2012, Alberta made changes to its oil and gas regulations, ostensibly to bring itself into compliance with its TILMA obligations. Alberta has still not made changes to its coal regulations, despite committing to do so.

Under Alberta's new regulations, a company may be exempt from the agency requirement if the company is located in a jurisdiction whose energy regulator has signed a Mutual Recognition Agreement (MRA) with Alberta, recognizing substantial regulatory equivalency. To implement this exemption provision for British Columbia oil and gas companies, the two provincial oil and gas regulators (the Commissioner of the British Columbia Oil and Gas Commission (OGC) and the Alberta Minister of Energy) would need to sign an MRA recognizing substantial regulatory equivalency.

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## DISCUSSION:

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## OPTIONS:

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**RECOMMENDED:**

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Prepared by: Trevor Paul and Guy Gensey  
Telephone: 250 356-8206 and 250 952-0283

Reviewed by:			
Dir: RM	ED: DW, KK	ADM:	DM:

Sept 16-18

MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**DECISION NOTE**

Cliff #:11963

Date: September 6, 2013

**PREPARED FOR:** Deputy Minister Shannon Baskerville

**ISSUE:** The Canada-Eurasia-Russia Business Association has requested the Deputy Minister meet the Head of the Russian Trade Commission to Canada Mr. Konstantin Trofimov and his Deputy Mr. Igor Prigaro during their visit to Vancouver Sept 16-18.

**BACKGROUND:**

- While Russia is not one of the individually identified priority markets for MIT, they are part of the European region (which is a target) and an influential member of the Asia Pacific region – BC's number one priority for international business development
- Promoting British Columbia as a destination for international investment is a key priority of the Ministry of International Trade (MIT) and the BC Government. This is reflected in the Ministry Service Plan Goal 1.1 which states: *British Columbia is recognized globally as a preferred place to invest and do business.*
- The major objective for this visit is to find out what are the opportunities to further developing economic and trade relations between British Columbia and the Russian Federation. Therefore they would like to organize a meeting with the relevant representatives of the Provincial Government to discuss this subject.
- The mission and event are being coordinated by CERBA, the Canada Eurasia Russia Business Association. CERBA has a network of seven chapters located in Moscow, Almaty, Toronto, Montreal, Ottawa, Calgary and Vancouver, and a membership base of over 200 corporations and individuals in a wide range of sectors. As an association, CERBA provides a network of contacts with frequent networking events, seminars on topics in the Eurasian market for Canadian companies, an annual National Conference, a quarterly printed Newsletter, committees of the Canada-Russia Business Council (CRBC), access to annual trade missions, as well as market intelligence, advocacy on government policy, and active, Canada-focused sector committees.
- Mr. Konstantin Trofimov has an established professional connection with MIT's Klaus Buttner, Executive Director, International Market Development. Mr. Buttner was previously Minister-Counsellor for Economic and Commercial Affairs at the Canadian Embassy in Moscow.

**DISCUSSION:**

- The primary focus for the visit is an event called: "Russia in the WTO" providing trade and investment advice to potential partners now that Russia has recently joined the World Trade Organisation.
- After 18 years of negotiations, Russia finally joined the WTO in August 2012 as the 156th member. This event will further integrate Russia to the World economy, providing more predictable terms for trade and investments.
- After their first year in the WTO, there are challenges to overcome and new business opportunities opening for the Canadian companies in the Russian market - all these and many other subjects will be discussed at the round table with the panel representing both government and private sector.
- The Olympic connection: With the Sochi games fast approaching, there may be a request or invitation to Vancouver/BC to participate with a pavilion or business program at the 2014 Winter Games.

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**OPTIONS:**

- A) Deputy Minister meeting at the Vancouver Canada Place offices (schedule permitting).
- B) ADM and key staff meet with Russian delegates at the Vancouver Canada Place offices
- C) No meetings.

**RECOMMENDATION:**

- A) Recommend that the Deputy meet with the Russian delegates based on her availability. Refusing the meeting completely is not recommended.

**ATTACHMENTS:** Appendix A: Bio for Konstantin Trofimov  
 Appendix B: CERBA Event Information (FYI only)  
 Appendix C: Country Trade Profiles-Russia (Fact Sheet)

Approved / Not Approved	Date: <u>September 12, 2013</u>
Comments:	

Prepared by: Troy Machan, Director, International Market Development, Americas/EU  
 Telephone: (604) 775-2039

Reviewed by			
Dir: TM	ED: KB	ADM: RS	DM:

## Appendix A

### Biographical Information

**Konstantin Trofimov, Senior Trade Commissioner, Russian Trade Mission in Canada.**

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## Appendix B

### CERBA Event Information

#### Russia in WTO: Impacts, Challenges and New Business Opportunities

<b>Format:</b>	Roundtable
<b>When:</b>	Tuesday, September 17th, 2013 at 10:00:00 AM
<b>Where:</b>	Hastings Room at Oceanic Plaza (1035 West Pender Street), Vancouver
<b>Member Price:</b>	\$ 25.00 CAD including taxes
<b>Regular Price:</b>	\$ 40.00 CAD including taxes



CERBA Vancouver Chapter is pleased to announce the seminar organized in collaboration with the Russian Trade Commission to Ottawa, highlighting one of the milestones in the development of the world economy in general and the Russian national economy in particular - an accession of the World Trade Organization (WTO).

After 18 years of negotiations, Russia finally joined the WTO in August 2012 as the 156th member. This important event will further integrate Russia to the World economy, providing more predictable terms for trade and investments. It is expected that Russia could increase its GDP growth by an extra 3% annually, thus increasing the amount of imports and exports at the same time.

An experience of the first year in WTO, challenges to overcome and new business opportunities opening for the Canadian companies opened in the Russian market - all these and many other subjects will be interactively discussed at the round table with the panel of experts representing both government and private sector.

For any related questions please, contact the Regional Director of the CERBA Vancouver Chapter Tatiana Domilovskaya at [tatiana@cerbanet.org](mailto:tatiana@cerbanet.org) or by 604 720 2905

This event is kindly sponsored by HEENAN BLAIKIE LLP

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MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**MEETING NOTE**

Cliff #: 12112

Date: October 4, 2013

**PREPARED FOR:** Shannon Baskerville, Deputy Minister

**DATE AND TIME OF MEETING:** Wednesday, October 9, 2013; 11:30 am – 12:00 pm,  
Deputy Minister's Vancouver Office

**ATTENDEES:** Ms. Claudia Franco Hijuelos, Consul General, Consulate General of  
Mexico, Vancouver

**ISSUE(S):** Meeting to discuss the upcoming visit of the Mexican Ambassador to  
Canada, October 24-25, 2013

**BACKGROUND:** Canada- Mexico commercial relations have strengthened significantly since the North American Free Trade Agreement (NAFTA) entered into force in 1994. Canada and Mexico are now amongst each other's largest trading partners, and Mexico's economic future points toward even greater commercial growth. Mexico's success, stability and security are critical to enhancing North American competitiveness. Canadian priorities for the relationship include: intensifying trade; strengthening Mexico's economic stability; and deepening collaboration in the region.

s16 it is a member of the  
Trans-Pacific Partnership (TPP) along with Canada and an important trade and investment partner for British Columbia. Mexico has the world's eleventh largest economy (\$1.68 trillion, 2011) and eleventh largest population (114.9 million, 2012). It is an export oriented economy with free trade agreements with over 40 countries. Mexico's NAFTA partners, Canada and the United States, are the destination of roughly 90% of Mexico's exports and account for approximately 55% of its imports. Mexico is also a founding member of the Alliance of the Pacific, a trade bloc consisting of Chile, Colombia, Mexico and Peru. Canada is an official observer member of the Alliance of the Pacific.

British Columbia's goods exports to Mexico, although modest, have more than doubled since 1994 when the NAFTA came into force reaching \$107 million in 2012. Top exports included coal, uncoated paper and mining equipment. Imported goods (primarily audio & video equipment, vegetables, and trucks) from Mexico to B.C. totalled \$1.5 billion. Canadian foreign direct investment in Mexico was valued at \$4.2 billion in

2011. One of the largest Canadian investors in Mexico is Goldcorp, a gold mining producer headquartered in Vancouver. There are many other British Columbia based mining companies invested in Mexico including Pan American Silver and Fortuna Silver Mines Inc. In 2012, there were several protests held outside the Canadian Embassy in Mexico in opposition to Canadian mining projects due to concerns about their environmental and socio-economic impacts.

On July 6, 2012, Enrique Pena Nieto of the Institutional Revolutionary Party (PRI) was officially elected Mexico's new President. He has promised to boost economic growth in Mexico by liberalizing Mexico's labour laws, expanding the tax base to increase government revenues and by opening the country's state-owned oil company, Pemex, to private and foreign investment.

### **DISCUSSION:**

s13, s16 its 2012 goods exports (\$107 Million) to Mexico ranked sixth behind Ontario, Alberta, Quebec, Saskatchewan and Manitoba. Mexico has an expanding middle class and there is room for growth in B.C. goods exports, especially in sectors such as agrifoods, forestry, mining (equipment) and renewable and cleantech. While Mexico remains a key destination for Canadian/B.C. investment, Canada/B.C. would like to see more Mexican investment in Canada. The implementation of a visa requirement for Mexicans travelling to Canada has the potential to adversely affect trade and investment. Mexican tourist and visitors who want to travel to Canada have been required to obtain a Canadian visa since 2009 when the Canadian federal government saw a sharp increase in the number of refugee claims from Mexico from 2005 to 2009.

The TPP and the Alliance of the Pacific could re-define trade and investment relationships throughout the Asia Pacific.

s13, s16

There are approximately 260 B.C. based mining and related companies with operations and/or investments in Mexico. B.C. businesses understand the investment climate and related opportunities in Mexico. This expertise could be leveraged to assist other B.C. companies interested in doing business with Mexico.

In February 2011 the former Deputy Minister of Ministry of Tourism, Trade and Investment, Martyn Brown, Shom Sen and Richard Sawchuk met with Mr. Villalobos and senior officials from ProMexico and TechBA to discuss potential partnership opportunities between Mexico and B.C. (these organizations are described in Attachment III). Mexican officials were optimistic about potential synergies through TechBA and the potential for partnerships between B.C. and Mexican companies. It was noted that the sectors targeted for the program, such as digital media and ICT/wireless, will bring Mexican and B.C. companies together as both jurisdictions have strengths in these industries. In July 2013, Klaus Buttner and Richard Sawchuk met with

Luis Brasdefer, Commercial Consular and Marcela Garnica, Trade Commissioner, ProMexico to obtain an update on activities of ProMexico in BC and opportunities for enhanced economic collaboration between Mexico and BC. In September 2013, Richard Sawchuk also met Consul General Claudia Franco at a Canadian Council for the Americas breakfast event and had a brief discussion about BC/Mexico bilateral relations.

#### **SUGGESTED KEY MESSAGING/QUESTIONS:**

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#### **ATTACHMENTS:**

- I. Fact Sheet – Mexico
- II. Biography - Claudia Franco Hijuelos
- III. ProMexico and TechBA
- IV. Meeting report from DM Byng's January meeting
- V. Mexican Tourist Backgrounder

Prepared by: Troy Machan w/files from Richard Sawchuk  
Telephone: (604)775-2039, (604) 775-0030

Reviewed by			
Dir: TM	ED: KB	ADM: RS	DM:

## Fact Sheet – Mexico

**Capital:** Mexico City

**Population (million):** 114.872

**Currency:** 1 CAN\$ = 13.15 Peso (MXN)(2012)

**Language(s):** Spanish

**Head of State and Head of Government:** President Enrique Peña Nieto (PRI)

### **Economic Information (2011)**

Type	Mexico	Canada
GDP: (\$ billion)	1176.62	1818.32
GDP per capita: (\$)	10242.87	52209.92
GDP growth rate: (%)	3.95	1.84
Inflation: (%)	4.11	1.52
Unemployment: (%)	4.8	7.29

### **Trade and Investment (2012)**

- **Canadian exports to Mexico:** \$5,387,974,121
- **B.C. exports to Mexico:** \$107,246,000
- **Canadian imports from Mexico:** \$25,514,861,964
- **B.C. imports from Mexico:** \$1,497,308,000
- **FDI in Canada: (2011)** \$216 million
- **CDI in Mexico: (2011)** \$4237 million

### **Foreign Representation in Canada:**

The Mexican Foreign Ministry recently announced the appointment of **Francisco Suárez-Dávila** as the new Ambassador to Canada. He has held high-level positions in the financial sector and was a legislator for the PRI for two terms (1994-1997 and 2003-2006). He also served as Mexican Ambassador to the Organization for Economic Cooperation and Development (1997-2000).

Speaking recently to Mexican press, the newly-appointed Ambassador highlighted that his principal task is to build a “real” – versus rhetorical – strategic alliance with Canada. This will mean building a common vision of North America with a view to strengthening the economic competitiveness of the region. He noted that if one looks at the series of reforms currently being undertaken in Mexico there is great potential for cooperation with Canada in all areas, with the energy sector highlighted as a particular area of mutual interest and expertise. He noted that steps have been taken in Canada to re-evaluate the visa requirements currently in place for Mexican citizens

### **Canadian Representation Abroad:**

Ambassador Sara Hradecky

**Biography**

s22

Claudia Franco Hijuelos, Consul General of Mexico in Vancouver.

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**ProMexico and TechBA**

*ProMexico* - a branch of the Federal Ministry of Economy is Mexico's trade and investment organization launched on July 9, 2007. It is responsible for the trade commissioner service that comprises 32 offices located in leading countries. In Canada, ProMexico has offices in Toronto, Montreal, and Vancouver. The Vancouver office is responsible for western Canada and the Pacific Northwest. Mr. Luis Brasdefer is the ProMexico commercial officer in Vancouver.

*TechBA* - was created in 2004, to support top tier innovative Mexican companies in bringing their technologies, products and services to global markets. TechBA is funded by the Mexico Ministry of Economy through the U.S.-Mexico Foundation for Science (FUMEC). The Mexican government launched the TechBA accelerator program in Vancouver in February 2010 to help Mexican high-tech start-ups expand into western Canada and other international markets. TechBA Vancouver services companies in ICT/Wireless, advanced manufacturing, green tech, digital media and life sciences, among others. Vancouver is the second Canadian city in which TechBA has established an office; a Montreal office opened in 2006. To assist with its B.C. operation, TechBA partnered with Wavefront. On February 25, 2011, Shom Sen attended the TechBA office inauguration at Discovery Parks in Vancouver.

A recent outcome at TechBA was the February 7, 2013 announcement that Vancouver-based Network Entertainment will collaborate with TechBA and Imagination Films, one of Mexico's leading 3D animation studios. Network Entertainment will produce Imagination Films' next film, tentatively entitled "Upgrade", and will work with Imagination Films and TechBA to advance the distribution in the global market.

## Report on Meeting between Sara Hradecky, Canadian Ambassador to Mexico and JTST Deputy Minister Dave Byng

January 29, 2013

9:00 a.m. – 10:00 a.m.

730-999 Canada Place

<b>Attendees</b>	JTST Ministry:	Dave Byng, Deputy Minister Shom Sen, Assistant Deputy Minister Troy Machan, Director
	DFAIT:	Sara Hradecky, Canadian Ambassador to Mexico Alan Minz, Regional Director and Senior Trade Commissioner, Vancouver Regional Office

### Executive Summary

This was an introductory meeting between Sara Hradecky, Canadian Ambassador to Mexico and Deputy Minister Dave Byng. The discussion focused on questions of Mexican manufacturing expansion, labour mobility, infrastructure, logistics, education and tourism.

### Statement of Outcomes

Follow up on these topics is to be provided:

1. Trade mission to Mexico, would this have sufficient BC company interest?
2. The Canadian Tourism Commission is targeting Mexico for marketing, this should be discussed with Grant from Tourism
3. Identify key exports from BC that show the most potential for growth opportunities in trade
4. Provide Alan Minz with a copy of the Deputy's recent presentation (Dave offered to have his assistant send direct)

### Summary of Discussion

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Page 112 redacted for the following reason:

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## Mexican Overseas Travellers

### Mexican Travel Overseas Including Canada

- Mexicans took 14.2 million outbound overnight trips in 2010, of which 3 million were by air and 11.2 million were overland. The United States (USA) was the destination for 90% of all outbound 'tourist' trips from Mexico; this excludes same-day visitors to the USA.
- In 2011, over 132,000 Mexicans travelled to Canada; 42% or 55,440 entered directly through British Columbia. Visits from Mexicans increased until 2008, and then dropped considerably in 2009 and 2010 due to visa requirements imposed in July 2009. However, 2011 showed an increase in Mexican visits to Canada over 2010.
- Mexico was BC's ninth largest international market in terms of direct customs entries in 2011; this ranking remains unchanged from 2010. Mexico was Canada's eleventh largest market in 2010 and 2011. In 2010, Mexico accounted for 2% of BC's North American customs entries and 1% of Canada's North American market share. These proportions were stable compared to 2010.
- Over the 2002-2011 period, Mexican entries to Canada decreased 18%, while Mexican entries to BC increased 16%.

### Canadian Travel to Mexico

- Mexico is the second most important tourist destination for Canadians with some 1.8 million visits per year to Mexico.
- A significant number of Canadians, particularly a growing proportion of retirees, have purchased property in Mexico and spend extended periods in the country. Some 50,000 Canadians are thought to reside in Mexico either full or part-time.

### Background

The Canadian Tourism Commission (CTC) defines Canada's competitive set for the Mexican leisure travel market as the United States (US), France, Argentina, Italy, Spain and Brazil.

For Mexicans considering a leisure trip, Canada remained second in unaided destination awareness, following the US and ahead of France. Destinations within Canada tend not to have top-of-mind awareness among potential Mexican travellers. However, when prompted, Ontario was the destination that Mexican travellers were mostly likely to visit (53%), followed by BC and Quebec (about 20% each region). Following the Vancouver Olympic Games, interest in BC is higher than 2008 levels.

Research conducted by the Canadian Tourism Commission (CTC) in 2003 found that Mexican travellers seek experiences and activities they cannot do at home, and colder weather was not a deterrent. In a 2010 study by the CTC, about 70% Mexican travellers saw Canada as a unique and desirable destination, and about half reported that they would be willing to spend more money for Canada than other destinations. Canada is an aspirational destination, but the US attracts the lion's share of Mexican outbound visitation.

Compared to the CTC competitive set, Canada was considered the best destination for ski, snowboard and other winter activities, viewing beautiful scenery, visiting parks, water-based journeys, and exploring cities close to nature. However, few Mexican travellers perceived Canada as offering culinary experiences, entertainment, local lifestyles, or food and wine festivals.

Source: Canadian Tourism Commission

MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**DECISION NOTE**

Cliff #: 12126

Date: October 8, 2013

**PREPARED FOR:** Honourable Teresa Wat, Minister of International Trade

**ISSUE:** Meeting with His Excellency, Mr. Francisco Suarez Davila, Mexican Ambassador to Canada (October 24 or October 25 - TBC).

**BACKGROUND:** The Consulate General of Mexico in Vancouver, on behalf of the Mexican Ambassador to Canada, has requested a meeting with the Minister of International Trade during his upcoming trip to British Columbia. In preparation for the Mexican Ambassador's trip to B.C., Claudia Franco, the Mexican Consul General in Vancouver will meet with senior government officials, including Deputy Minister Dave Byng, Deputy Minister Shannon Baskerville and Assistant Deputy Minister Ramona Soares. The Mexican Ambassador will also seek a meeting with the Minister of Jobs, Tourism and Skills Training.

Canada-Mexico commercial relations have strengthened significantly since the North American Free Trade Agreement (NAFTA) entered into force in 1994. The two nations are now amongst each other's largest trading partners. Canadian priorities for the relationship include: intensifying trade; strengthening Mexico's economic stability; and deepening collaboration in the region.

B.C.'s goods exports to Mexico, although modest, have more than doubled since 1994 when the NAFTA came into force, reaching \$107 million in 2012. Canadian foreign direct investment in Mexico was valued at \$4.2 billion in 2011, with Vancouver-based Goldcorp, a gold mining producer, as one of Mexico's largest Canadian investors. There are approximately 260 B.C. based mining and related companies with operations and/or investments in Mexico.

**DISCUSSION:** Ministry staff has developed a solid working relationship with senior Mexican officials in B.C., including Pro Mexico (economic development agency) and TechBA (business accelerator). There is optimism for advancing mutually beneficial business opportunities between B.C. and Mexican companies, including the digital media and ICT/wireless sectors, as both jurisdictions have strengths in these industries.

s16 it is a member of the Trans-Pacific Partnership (TPP) along with Canada and an important trade and investment partner for B.C. Mexico is also a founding member of the Alliance of the Pacific, a trade bloc consisting of Chile, Colombia, Mexico and Peru. Canada is an official observer member of the Alliance of the Pacific.

Mexico's expanding middle class represents room for growth in B.C. exports to that market, especially in sectors such as agrifoods, forestry, mining (equipment), and clean technology. <sup>s13, s16</sup> its 2012 goods exports (\$107 million) to Mexico ranked sixth behind Ontario, Alberta, Quebec, Saskatchewan and Manitoba.

The Trans Pacific Partnership and the Alliance of the Pacific could re-define trade and investment relationships throughout the Asia Pacific. <sup>s13, s16</sup>

#### **OPTIONS:**

Option 1 – Meet with the Mexican Ambassador to Canada (October 24 or 25)

Option 2 – Do not meet with the Mexican Ambassador to Canada

**RECOMMENDATION:** Option 1

**ATTACHMENTS:** Attachment I: Biography of His Excellency, Mr. Francisco Suarez Davila, Mexican Ambassador to Canada

Approved / Not Approved	Date:
Comments:	

Prepared by: Richard Sawchuk, Senior Manager, Americas, International Trade and Investment Attraction Division  
 Telephone: 604 775-0030    Cell: <sup>s17</sup>

Reviewed by			
Dir: TM	ED: KB	a/ADM: BK on behalf of RS	DM:

MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**MEETING NOTE**

Cliff #: 12140  
Date: October 11, 2013

**PREPARED FOR:** Honourable Teresa Wat, Minister of International Trade

**DATE AND TIME OF MEETING:** October 24, 2013

**ATTENDEES:** His Excellency, Mr. Francisco Suarez Davila, Ambassador of Mexico to Canada

**ISSUE(S):** The Ambassador of Mexico to Canada is visiting B.C. to meet with senior government officials. His Excellency's proposed topics for the Minister of International Trade include: B.C. - Mexico bilateral relations, the North American Free Trade Agreement (NAFTA), the Trans Pacific Partnership (TPP), and the Pacific Alliance.

**BACKGROUND:**

Canada and Mexico's commercial relations have strengthened significantly since the 1994 institution of the North American Free Trade Agreement (NAFTA). The two nations are now amongst each other's largest trading partners, and Mexico's economic future points toward even greater commercial growth. Mexico's success, stability and security are critical to enhancing North American competitiveness. Canadian priorities for the relationship include: intensifying trade; strengthening Mexico's economic stability; and deepening collaboration in the region.

s16 it is a member of the Trans-Pacific Partnership (TPP) along with Canada and an important trade and investment partner for British Columbia. Mexico has the world's eleventh largest economy (\$1.68 trillion, 2011) and eleventh largest population (114.9 million, 2012). It is an export oriented economy with free trade agreements with over 40 countries. Mexico's NAFTA partners, Canada and the United States, are the destination of roughly 90% of Mexico's exports and account for approximately 55% of its imports.

Mexico is also a founding member of the Alliance of the Pacific, a trade bloc consisting of Chile, Colombia, Mexico and Peru, largely designed to attract investment from emerging markets in Asia. Canada is an official observer member, holding free trade agreements with each member individually.

British Columbia's goods exports to Mexico, although modest, have increased by 31% since 1994 when the NAFTA came into force reaching \$101.2 million in 2012. Top exports included coal, uncoated paper and mining equipment. Imported goods (primarily audio & video equipment, vegetables, and trucks) from Mexico to B.C. totalled \$1.5 billion. Canadian foreign direct investment in Mexico was valued at \$4.2 billion in 2011. One of the largest Canadian investors in Mexico is Goldcorp, a gold mining producer headquartered in Vancouver. There are many other British Columbia based mining

companies invested in Mexico including Pan American Silver and Fortuna Silver Mines Inc. In 2012, several protests were held outside the Canadian Embassy in Mexico in opposition to Canadian mining projects due to concerns about their environmental and socio-economic impacts.

On July 6, 2012, Enrique Pena Nieto of the Institutional Revolutionary Party (PRI) was officially elected Mexico's new President. He has promised to boost economic growth in Mexico by liberalizing Mexico's labour laws, expanding the tax base to increase government revenues and by opening the country's state-owned oil company, Pemex, to private and foreign investment.

## DISCUSSION:

s13, s16 its 2012 goods exports (\$107 Million) to Mexico ranked sixth behind Ontario, Alberta, Quebec, Saskatchewan and Manitoba. Mexico has an expanding middle class and there is room for growth in B.C. goods exports, especially in sectors such as agrifoods, forestry, mining (equipment) and renewable and cleantech. While Mexico remains a key destination for Canadian/B.C. investment, Canada/B.C. would like to see more Mexican investment in Canada.

The implementation of a visa requirement for Mexicans travelling to Canada has the potential to adversely affect trade and investment. Mexican tourist and visitors who want to travel to Canada have been required to obtain a Canadian visa since 2009 when the Canadian federal government saw a sharp increase in the number of refugee claims from Mexico from 2005 to 2009.

The TPP and the Alliance of the Pacific could re-define trade and investment relationships throughout the Asia Pacific.

s13, s16

There are approximately 150 B.C. based mining and related companies with operations and/or investments in Mexico. B.C. businesses understand the investment climate and related opportunities in Mexico. This expertise could be leveraged to assist other B.C. companies interested in doing business with Mexico.

Ministry staff have developed solid working relationships with senior Mexican officials based in B.C. In February 2011 the former Deputy Minister of Ministry of Tourism, Trade and Investment, Martyn Brown, Shom Sen and Richard Sawchuk met with Mr. Villalobos and senior officials from ProMexico (economic development agency) and TechBA (business accelerator) to discuss potential partnership opportunities between Mexico and B.C. Mexican officials were optimistic about potential synergies through TechBA and the potential for partnerships between B.C. and Mexican companies. It was noted that the sectors targeted for the program, such as digital media and ICT/wireless, will bring Mexican and B.C. companies together as both jurisdictions have strengths in these industries. In July 2013, Klaus Buttner and Richard Sawchuk met with Luis Brasdefer, Commercial Consular and Marcela Garnica, Trade Commissioner, ProMexico to obtain an update on activities of ProMexico in B.C. and opportunities for

enhanced economic collaboration between Mexico and BC. In September 2013, Richard Sawchuk also met Consul General Claudia Franco at a Canadian Council for the Americas breakfast event and had a brief discussion about BC/Mexico bilateral relations.

On October 9, 2013 Deputy Minister Shannon Baskerville and Assistant Deputy Minister Ramona Soares met with the Consul General of Mexico in advance of the Ambassador's visit.

Representatives from the Mexican Consulate have expressed their desire for B.C. to expand the province's trade and investment representative network into Mexico as a gateway to Latin America.

#### **SUGGESTED RESPONSE/KEY MESSAGING:**

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#### **ATTACHMENTS:**

- Attachment I: Biography of His Excellency, Mr. Francisco Suarez Davila
- Attachment II: Mexico Fact Sheet
- Attachment III: Background to B.C. – Mexico Trade, Investment and Opportunities
- Attachment IV: "Enhance Mexico – British Columbia Bilateral Agenda" & "Mexico's Top 10 Business Strengths" (source: Consulate General of Mexico, Vancouver)

Prepared by: Troy Machan w/files from Richard Sawchuk  
Telephone: (604) 775-2039, (604) 775-0030

Reviewed by				
Dir: TM	ED: KB	a/ADM: BK for RS	DM:	MIN:



Attachment I:

**Biography of His Excellency, Mr. Francisco Suarez Davila,  
Ambassador of Mexico to Canada**

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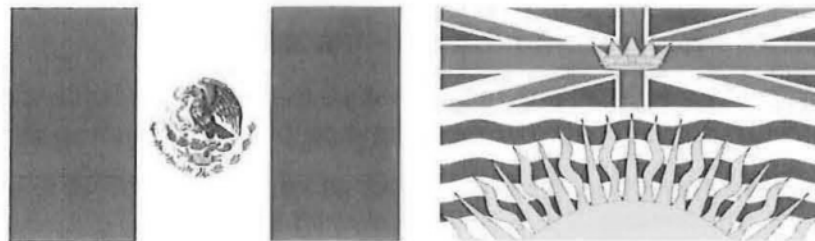
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**ProMexico and TechBA**

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A recent outcome at TechBA was the February 7, 2013 announcement that Vancouver-based Network Entertainment will collaborate with TechBA and Imagination Films, one of Mexico's leading 3D animation studios. Network Entertainment will produce Imagination Films' next film, tentatively entitled "Upgrade", and will work with Imagination Films and TechBA to advance the distribution in the global market.



## Enhance Mexico – British Columbia bilateral agenda

Why Mexico?.....because it is one of the most competitive countries in the world due to its macroeconomic and political stability, low inflation, size and strength of its domestic market, economic growth rate and capacity to produce advanced manufacturing (high-tech products).

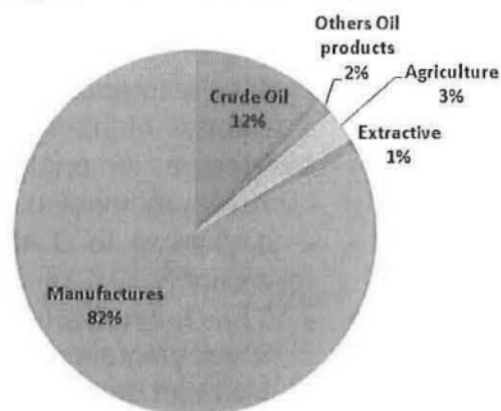
Mexico is an open economy that guarantees access to international markets through a network of free trade agreements. The country boasts a strategic geographic location and competitive costs to service global markets. It also has an important pool of young and highly-skilled human capital.

### I. Quick Facts:

- Mexico's GDP (PPP) 2013: \$1,759 trillion dollars (+1.7%)
- Mexico's consumer prices 2013: +3.55%
- Mexico's GDP per capita (PPP) 2013: 15,931dollars
- We are part of the largest economic block in the world (NAFTA) with 468 million consumers.
- NAFTA's regional trade has increased 266% since 1994.
- Mexico has a network of 12 free trade agreements, which grants preferential access to 45 countries (over 1.2 billion people).
- The FTA's network serves as an ideal export platform gaining preferential access to the largest economies of the world, such as the United States, Canada, the 27 members of the European Union and Japan.
- Mexico is Latin America's leading exporter. It accounts for 35% of the region's total trade.
- In 2012, Mexican exports grew 6.1% compared to 2011 and over 123% since 2000.
- In 2013, over 80% of exports were manufactured goods.

### Mexico Exports

August 2013 - 12 months Accum



Source: Ministry of Economy, Sept 2013

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## II. Why enhance the agenda Mexico - Canada:

1. Mexico and Canada **share** same values of respect for the rule of law, free market competition and procuring a prosperous and globally-responsible future.
2. Mexico **recognizes** the strategic importance of Canada as ally and partner in NAFTA, its active role in the TPP and shared interest in the Asia- Pacific region.
3. Mexico is **promoting reforms** in the Energy and Telecommunications sectors, opening the possibility for new business opportunities and strategic alliances.

## III. Opportunities Mexico - British Columbia:

- Technology sector:

- Active collaboration in this dynamic and high value-added segment, developing new products and tackling a vast market in Latin-America.
- In **B.C.**, this sector provides over 84,000 jobs; represents 5.9% of BC's GDP, with a growth rate over 5.7% double that B.C.'s overall growth.
- This sector has been the second-fastest private sector job creator over the past decade in B.C.
- In **Mexico**, creative industries contribute up to 7% of the GDP of the national economy.
- In 2012, the media sector in **Mexico** recorded over \$15,500 millions USD in sales. The sector includes advertising, broadcast television, cable television, and film marketing.
- **Mexico** is ranked among the 15 main video game markets worldwide and it is the first in Latin America with almost 50% of regional sales, equivalent to \$893 million USD during 2012.
- According to **Mexico's** Ministry of Public Education (SEP), over 110,000 engineering and technology-related students graduate in the country each year.
- **Mexico** is the ninth global hub of information technology (IT) resources and most important technology talent pool in Latin America.

- Education sector:

- **B.C.'s** International Education Strategy (B.C. Jobs Plan): to increase the number of international students choosing B.C. as their study destination.
- **Mexico**, 6<sup>th</sup> among top priority countries for B.C. to create pathways for research, innovation, trade and cultural growth.
- According to SFU, **B.C.** has 28% of Canada's foreign students, despite having only 13% of Canada's population.
- The Consulate General of Mexico legalized over 500 education certificates from elementary and secondary Mexican students in **B.C.** Over 100 Mexican students participate in exchange undergraduate programs in B.C. every year.

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- **Tourism sector:**

- **B.C.'s** Tourism Industry contributes importantly to the local economy. In 2010, tourism employed 127,000 people, generated over \$13.4 billion dollars in total revenue, contributed over \$1.2 billion dollars to provincial government revenues.
- According to BC Stats ([www.bcstats.gov.bc.ca](http://www.bcstats.gov.bc.ca)) travellers from **Mexico** entering Canada through British Columbia have decreased steadily, from 86,016 in 2008, the year previous to the visa requirement was imposed, to 63,616 in 2012.
- The effect of the visa requirement setback on tourism is all the more dramatic if one takes into consideration the fact that the number of travellers from Mexico entering Canada through BC had previously been growing by a healthy 8-10 percent every year since 2004.
- According to CTC, Mexican tourism to Canada could double in 2015 if the visa requirement were removed.

#### **IV. B.C. trade and investment office in Mexico:**

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MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**INFORMATION NOTE**

Cliff #: 12155

Date: October 11, 2013

**PREPARED FOR:** Shannon Baskerville, Deputy Minister

**ISSUE:** Update on Canada-European Union Negotiations towards a Comprehensive Economic and Trade Agreement (CETA)

**BACKGROUND:** After four years, the Comprehensive Economic and Trade Agreement (CETA) negotiations are close to conclusion. This is the most significant trade negotiation Canada has undertaken since the North American Free Trade Agreement.

All provinces and territories remain supportive, engaged and committed to participating in the negotiations and reaching an agreement.

**DISCUSSION:**

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The federal government has committed to provide the provinces and territories with a summary of the agreement in principle (likely the week of October 14 in Ottawa) and will be asking for an official response, including an indication of provincial support or non-support for the deal at this stage of negotiations, within 7-10 days.

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s12, s13, s16



s12, s13, s16

**NEXT STEPS:** The Province's negotiator is scheduled to attend meetings in Ottawa the week of October 14, 2013 to receive confidential updates on the progress of the negotiations which may lead to an announcement of an agreement in principle.

The Deputy Minister may want a briefing on latest updates once the Province's negotiator's returns from Ottawa.

The Ministry continues to work closely with key internal and external stakeholders and GCPE to ensure other ministries' executive are aware of status of negotiations.

#### **ATTACHMENTS:**

Appendix #1: FIVE KEY ISSUES FOR BRITISH COLUMBIA IN THE CETA NEGOTIATIONS

Appendix #2: DRAFT CETA TIMELINE

Prepared by: Janel Quiring, Director, International Trade and Investment Attraction Division

Telephone: Office: 250-356-5867 Cell: s17

Reviewed by			
Dir: JQ	ED: GG	ADM:	DM:

Appendix #1: FIVE KEY ISSUES FOR BRITISH COLUMBIA IN THE CETA  
NEGOTIATIONS

s13, s16, s17

Pages 132 through 136 redacted for the following reasons:

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s13, s16, s17

MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**MEETING NOTE**

Cliff #: 12132

Date: October 16, 2013

**PREPARED FOR:** Deputy Minister Shannon Baskerville

**DATE AND TIME OF MEETING:** Thursday, October 24, 2013, 3:00 p.m.

**ATTENDEES:** Francisco Suarez, Mexican Ambassador to Canada.

**ISSUE(S):** British Columbia can increase exports to Mexico and attract investment from Asia through the Trans-Pacific Partnership and the Pacific Alliance.

**BACKGROUND:** Francisco Suarez was appointed the Mexican Ambassador to Canada in 2013 and was given a mandate from Mexican President Enrique Pena Nieto to deepen relations between Canada and Mexico.

Mexico has the world's eleventh largest economy (\$1.68 trillion) and eleventh largest population (114.9 million). It is one of the world's fastest growing economies with a rapidly expanding middle class.

s16

it is a founding member of the North American Free Trade Agreement (NAFTA) and an important trade and investment partner.

British Columbia's goods exports to Mexico amounted to roughly \$101 million in 2012. Top exports included coal, paper products, zinc ores/concentrates and mining equipment. Despite its strategic Pacific location, British Columbia ranked a distant sixth among the provinces and territories in goods exports to Mexico in 2012.

The Trans-Pacific Partnership (TPP) consists of 12 countries: Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States, and Vietnam. TPP Parties are negotiating a free trade agreement to cover all aspects of trade, including improved market access for goods and services, investment, financial services, government procurement, intellectual property, environment and labour. TPP Parties hope to conclude negotiations this year, resulting in improved access to a combined market of 797 million people and a GDP of \$27.5 trillion.

In addition to being a member of the TPP, Mexico is a founding member of the Pacific Alliance, a regionally influential trade bloc consisting of Chile, Colombia, Mexico and Peru. The Alliance has a combined population of 215 million and a combined GDP of \$2 trillion, making it the ninth largest economy in the world. The Alliance promotes the free movement of goods, services, capital and people within the trade bloc, largely to attract foreign direct investment from, and increase trade with, emerging Asian economies. Canada is an observer

member as are several other countries, including the United States and China. A successful conclusion to negotiations could further enhance BC-Mexico trade relations.

**DISCUSSION:** A TPP agreement would be consistent with the BC Jobs Plan because it would improve access for British Columbia's exporters and investors in Asian markets such as Japan, Malaysia and Vietnam. There is also speculation that the TPP will expand to include Korea and China.

Canada already enjoys preferential market access to Mexico through the NAFTA but the Province has not fully capitalized on the Agreement. The TPP represents an opportunity for British Columbia to engage more fully with Mexico, a country that is eager to increase its trade and investment relationship with the Province, and jointly to improve market access to the United States.

s13, s16

Mexico shares the Province's goal of attracting foreign investment to develop its resources and increase exports to the growing Asian economies. British Columbia can work with Mexico to achieve these goals through the TPP and the Pacific Alliance.

**KEY MESSAGING:**

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**ATTACHMENTS:** Attachment 1 – Biography  
Attachment 2 – Globe and Mail Interview with Mexican Ambassador

Prepared by: Trevor Paul, Manager, Trade Initiatives Branch  
Telephone: (250) 356-8206

Reviewed by			
Dir: JJ	ED: DW	A/ADM: B. Krieger	DM:

# The Ambassador



s22

# Mexico pushes for direct ties with Canada, apart from U.S. influence Add to ...

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Page 118

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MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**DECISION NOTE**

Cliff #: 12238

Date: November 4, 2013

**PREPARED FOR:** Minister Teresa Wat

**ISSUE:** Direction on MIT's Level of Latin American Engagement

**KEY POINTS:**

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There are several options for moving forward with the  
Ministry's engagement in Latin America

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**BACKGROUND:**

**Current Engagement**

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Most of the on-the-ground work is performed by the relevant federal Trade Commissioners' offices of the Department of Foreign Affairs, Trade and Development (DFATD). At the request of individual companies, MIT occasionally reaches out to relevant associations and chambers of commerce to make connections for BC exporters. If a Latin America-based firm chooses to publicly announce a project in Canada, or if they reach out to the BC government, MIT will contact them and offer assistance as appropriate. MIT staff and executive also selectively attend local (BC) Latin American themed events that offer networking opportunities with key stakeholders from the region. Examples include the annual LatinCouver business events and a recent Canada Brazil Joint Workshop on Ocean Science and Technology.

**Proposed Engagement**

Depending on the nature of the market and associated opportunities,

s13, s16

s13, s16

With respect to Latin America, a number of markets in the region are experiencing very strong levels of growth and accelerated expansion of trade (See Appendix B: Trade Flows) and investment activities. In the past 5 years there have been a variety of opportunities to engage more deeply in events and missions related to sectors and markets of potential interest to BC. Governments in North America, Asia, Europe and Oceania are expanding or establishing their presence in Latin American markets in order to capitalize on the opportunities associated with this growth.

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**DISCUSSION:** If BC is to increase the level of engagement in Latin American markets, there are a number of options for involvement, each with different resource and planning implications.

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BC already enjoys preferential market access to many Latin America markets through Canada's free trade agreements – Chile, Peru, Colombia, Panama, Costa Rica and Mexico.

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**Mining** – BC is home to a significant cluster of mining exploration and larger, producer companies that are heavily invested throughout Latin America. (Examples provided in Appendix C: List of BC Mining Companies in Mexico.)

s13, s16

**LNG –**

s13, s16

Other provinces with significant energy and manufacturing exports already have representative offices in Latin America. Alberta has an office in Mexico and is opening another in Brazil, Ontario and Quebec both have export and trade focussed offices in Mexico and Brazil.

**Opportunities for Growth**

Aerospace: Supply chain; Embraer officials visited Vancouver in early 2013.

Ocean Technology: Petrobras in a period of rapid expansion.

International Education: BCCIE has identified Brazil as an important market.

Infrastructure: Canada-Brazil MOU on the Olympics.

s13, s16

- FDI in Latin America is largely coming from Asia (China, Korea, Japan and India).
- LA countries are part of the Pacific Rim and have similar objectives with respect to attracting investment to develop resources for export to growing economies in Asia.
- LA countries are members of APEC and the TPP.
- The Pacific Alliance has been designed to increase trade with and attract investment from Asian economies.

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Finally, Latin American diplomats in Canada and BC are eager to engage with the Province towards increasing bilateral trade and investment and also forging strategic partnerships. As such, there will be significant foreign country support for any trade missions or other initiatives from MIT.

**OPTIONS:**

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2

3.

s13, s16, s17

**RECOMMENDATION:** Option 2**ATTACHMENTS:** Appendix A: Specific countries of interest to BC

Approved / Not Approved	Date:
Comments:	

Prepared by: Ramona Soares, Assistant Deputy Minister, International Trade &  
Investment Attraction Division  
Telephone: 604 775-0005

Reviewed by			
Dir: TM	ED: KB	ADM: RS	DM:

### Appendix A: Specific countries of interest to BC.

**Brazil** – ranked seventh as a destination for BC exports in 2012 (worth \$466 million); investment from Brazil into Canada has grown from \$774 million in 2002 to \$15.8 billion in 2012 yet Brazilian FDI in British Columbia remains minimal. BC is the third most important province in terms of Canadian exports to Brazil. Top 5 BC exports (2012): coal, sulphur, mining machinery, natural milk products and mining equipment. In 2010, Brazil was the fifth largest source of international students to British Columbia and numbers of Brazilian students coming to the Province are increasing annually.

s13, s16, s17

**Mexico** – second-largest economy in Latin America; strong growth of 3.9% during 2012, expected to grow at slightly slower rate of 2-3% during 2013 with a recovery in 2014 (projected growth of 3.2-4.2%). BC exports more than doubled since NAFTA, \$47 million (1993) to \$101 million (2012). BC 2012 imports from Mexico were \$1.5 billion. Mexico tourism to BC (2011) – ~\$77.4 million. International education – Mexico ranked 7th as a source country in BC (2012). Top 5 BC exports (2012): coal, paper, mining equipment, zinc, mining equipment. Mexico is the world's 8<sup>th</sup> largest importer of agrifood products and the country has a rapidly expanding middle class.

s13, s16, s17

**Chile** – one of fastest-growing economies in Latin America -- during the past 20 years, the country recorded an average annual per capita growth of 3.8 % and per capita income almost doubled in real terms; BC exports have increased from \$78 million in 2007 to \$130 million (2012).

s13, s16, s17

s13, s16, s17

**Colombia** -- fifth largest economy in Latin America; key economic indicators demonstrating the positive long-term effect of Colombia's political and economic policies include: GDP growth of 7% in 2011, and 4% in 2012; foreign direct investment reached a record high of nearly \$16 billion in 2012; and a rise in industrial production of 5.1 percent in 2011 over 2010 figures. Since the Canada-Colombia FTA, BC exports to Colombia have more than doubled increasing from \$18 million (2010) to \$45 million (2012).

s13, s16, s17

**Peru** – one of the best-performing economies in Latin America and saw one of the strongest market recoveries in the region, recovering following the recession from growth of 1% in 2009 to 6.2% in 2012. On average, the economy grew ~6.4% per year between 2002 and 2012. Since the Canada-Peru FTA, BC goods exports have increased from \$30 million (2008) to \$32 million (2012).

s13, s16, s17

**The Pacific Alliance** (Mexico, Chile, Colombia and Peru) has a combined population of 215 million and a combined GDP of \$2 trillion, making it the ninth largest economy in the world. It accounts for over 55% of Latin America's exports and attracts roughly 40% of all foreign direct investment in the region. The Alliance promotes the free movement of goods, services, capital and people within the trade bloc, largely to attract foreign direct investment from, and increase trade with, emerging Asian economies. Canada is an observer member as are several other countries, including the United States and China.

## Appendix B: BC Links to Latin America - Trade Flows Comparison

**BC Exports to Latin America, 2012**

Destination Market:	BC Exports (\$M Cdn)
Brazil	\$466
Chile	\$130
Mexico	\$101
Colombia	\$45
Cuba	\$43
Peru	\$32
Venezuela	\$24
Guatemala	\$18
Argentina	\$13
Panama	\$11
Total Latin America	\$937

**BC Exports to Latin America and ASEAN, 2012**

Destination Market:	BC Exports (\$M Cdn)
Brazil	\$466
Philippines	\$168
Chile	\$130
Thailand	\$103
Mexico	\$101
Indonesia	\$86
Singapore	\$65
Vietnam	\$57
Colombia	\$45
Cuba	\$43
Peru	\$32

Pages 149 through 153 redacted for the following reasons:

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## MEETING NOTE

### *Intergovernmental Relations Secretariat - Office of the Premier*

#### I. ISSUE NOTE:

**MEETING EVENT:** Her Excellency LIU Fei, Consul General of the People's Republic of China in Vancouver.

**SIGNIFICANCE:**

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China's population, growing economy, and rapid development, along with strong personal, family and business ties between British Columbia and China, make positive relations a priority for BC.

**KEY BC  
OBJECTIVE:**

Introduce Mr Ben Stewart as BC's high level official representative on the ground in Asia, headquartered in Beijing.

Re-affirm BC's longstanding productive and respectful relationship with China

**KEY MESSAGES:**

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**THEIR  
INTERESTS:**

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## MEETING NOTE

### *Intergovernmental Relations Secretariat - Office of the Premier*

#### I. BACKGROUND

##### POLITICAL/ECONOMIC UPDATE

###### **Political Update:**

- Xi Jinping and Li Keqiang became China's new President and Premier in March 2013.
- Xi and Li along with 5 others, make up the 18<sup>th</sup> Politburo Standing Committee (PSC), the most powerful political organization in the Communist Party of China (and therefore in China).

###### **Economic Update:**

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##### CANADA – CHINA RELATIONS

- Prime Minister Harper visited China in 2009 and 2012.
- In August 2012 the Canada-China Economic Complementarities Study was released.
- FIPA negotiations between Canada and China concluded in September 2012. China has completed its internal processes to ratify the FIPA. Canada has not yet ratified the FIPA.

##### BC - CHINA RELATIONS

- **BC's priorities in China**
  - Increased trade, LNG exports, agriculture exports, forestry exports, education, tourism, investment, and ICT and new/digital media.
- **Air Access**
  - The Canada-China Air Transport Agreement (ATA) was recently expanded.
  - Air China announced on February 7<sup>th</sup> that it would increase the total number of flights per week between Beijing and Vancouver to 11, beginning May 17, 2013.
  - There are now 75 weekly flights between Vancouver International Airport and greater China (including Hong Kong), the most of any airport in North America.
- **Tourism**
  - Air China has been awarded Transit Without Visa (TWOV) and China Transit Trial (CTT) status from the Government of Canada, effective February 1, 2012.
  - Approved Destination Status (ADS) was established in 2010, allowing Chinese tour operators and travel agents to organize tours and advertise Canadian destinations, and for BC's tourism industry to promote directly to tour operators.
- **International Education**
  - The BC Ministry of Education has certified 33 schools in China to deliver the BC education program and issue BC Certificates of Graduation (Dogwood Diploma). These students have access to streamlined issuing of study permits. Many BC post-secondary institutions also have educational memoranda of understanding on student mobility and information exchanges with Chinese post-secondary institutions.

## MEETING NOTE

### *Intergovernmental Relations Secretariat - Office of the Premier*

Over 20 MOUs/agreements were signed during the Premier's first Mission to China between BC and Chinese institutions.

- **Wenchuan**

- In 2008, the Government of BC contributed \$5 million towards Earthquake\_reconstruction following the devastating Wenchuan earthquake in Sichuan Province. BC's Forestry Innovation Investment (FII) is managing three major institutional demonstration projects with funding under the Canada-BC Wenchuan Earthquake Reconstruction Project.

### BC – CHINA TRADE RELATIONS

- **Trade**

- China is BC's 2<sup>nd</sup> largest export destination at \$5.8 billion in 2012, up 18.4% from 2011. BC maintains four Trade and Investment Representative Offices in China, in Beijing, Shanghai, Guangzhou, and Hong Kong.

	2008	2009	2010	2011	2012
Exports	\$2.0 b	\$2.5 b	\$3.9 b	\$4.9 b	\$5.8 b
Imports	\$9.7 b	\$8.8 b	\$8.8 b	\$9.3 b	\$10.0 b

- **Investment**

- Chinese State Owned Enterprises (SOEs), including CNOOC, and a consortium of private Chinese companies are actively involved in LNG projects in BC.
- In recent years, Chinese companies have sought to buy into Canada's resource sector, especially mining and energy,

s16

- **RMB Bond Issue**

- On October 30, 2013, BC launched a RMB bond into the CNH Market and has received an excellent reception. When all the orders were in, the province closed a 2.5 billion RMB financing (or more than \$400-million the largest ever in that market). BC looks forward to diversifying the investor base and adding a new global source of liquidity, and finding a new avenue for building on the province's economic and trade relationship with China. The bond issue was lead managed by HSBC, with the Bank of China and the Industrial and Commercial Bank of China as co-managers.

## MEETING NOTE

*Intergovernmental Relations Secretariat - Office of the Premier*

### APPENDIX I – BIOGRAPHY

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#### Curriculum Vitae of Consul General LIU Fei

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## MEETING NOTE

*Intergovernmental Relations Secretariat - Office of the Premier*

### APPENDIX II – COUNTRY FACTS



**Capital:** Beijing

**Total Area:** 9,596,961 sq km

**Population:** 1,349,585,838 (July 2013 est.)

**Official Language(s):** Mandarin

**Nationality:** Chinese

**Type of Government:** Communist party-led state

**Chief of State:** President XI Jinping (since 14 March 2013)

**Head of Government:** Premier LI Keqiang (since 16 March 2013)

**GDP:** \$12.61 trillion (2012 est.)

**Foreign Representation in Canada:** Ambassador ZHANG Junsai

**Canadian Representation Abroad:** Ambassador Guy Saint-Jacques

**Event: MTW Dinner with COFTEC (Chongqing Foreign Trade and Economic Relations Commission)**

**Logistics:**

<b>DATE/TIME:</b>	19:30-21:00, Nov 24, 2013
<b>LOCATION:</b>	Liang Jiang Shui Hot Pot Restaurant, Chongqing
<b>MEETING WITH:</b>	President Yi WANG, COFTEC And 5 other officials from Chongqing COFTEC (TBC)
<b>ACCOMPANIED BY:</b>	Ben Stewart, Steve Carr, Tejindar Parhar
<b>STAFF SUPPORT:</b>	Henry Han, Greg Eidness, Leanne Yi,
<b>GIFT:</b>	One Medium or big gift
<b>SET UP:</b>	Round Dinner Table (Hot Pot)

**Meeting Information**

<b>MEETING EVENT:</b>	Dinner with COFTEC
<b>SIGNIFICANCE:</b>	Chongqing is one of the priority markets in China for BC. They are a key partner for BC to promote trade and investment in Southwest China.  Chongqing COFTEC will host the business luncheon on Nov 25, 2013 during PCC's first visit to Chongqing, Southwest China.
<b>KEY MEETING OBJECTIVE:</b>	Enhance BC's trade and investment cooperation with Chongqing.  Promote BC as an ideal investment destination for LNG projects and enhance the LNG technologies cooperation between BC and Chongqing.
<b>KEY MESSAGES:</b>	
<b>CONNECTION TO BC /</b>	COFTEC, together with a number of Chongqing companies have visited BC several

s16

<b>ICEBREAKER:</b>	times in the last few years.
<b>THEIR INTERESTS:</b>	Introduce Chongqing's economic development situation and strengths; Enhance Chongqing's economic relationship with BC, especially in the areas of education, personnel exchange and tourism.
<b>BACKGROUND:</b>	<p>Chongqing COFTEC is the municipal government agency of Chongqing People's government, managing Chongqing trade and economic cooperation activities with overseas countries.</p> <p>PCC will meet with Chongqing Mayor on Nov 25, 2013.</p> <p>An MOU between BC Ministry of International Trade and Chongqing COFTEC will be signed on Nov 25, 2013 during the business luncheon, to be witnessed by PCC.</p> <p>The Canadian federal government set up the Canadian Consulate in Chongqing in 1998. Chongqing is twinned with the City of Toronto in Canada.</p>

#### Scenario:

Time	Details	Contact
19:30	Depart from s15	Leanne Yi
20:00	Arrive at s15	Same
20:00-21:00	Dinner with President Wang of Chongqing COFTEC	Same
21:00	s15	Same

#### Biography

##### Mr. Wang Yi

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**Contact:**

Leanne Yi

Senior Business Development Manager

British Columbia Trade and Investment Office – South China

[lyi@britishcolumbia.ca](mailto:lyi@britishcolumbia.ca)

s17



MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**MEETING NOTE**

Cliff #:12260

Date: November 7, 2013

**PREPARED FOR:** Minister Teresa Wat

**DATE AND TIME OF MEETINGS:**

1. December 13, 2013 in Ottawa for the annual meeting of Federal, Provincial and Territorial (FPT) Ministers Responsible for International Trade; and,
2. December 12, 2013 in Ottawa, for the Committee on Internal Trade Meeting.

(Note: Agendas, list of participants and other materials for both events will be provided closer to the meeting date)

**ATTENDEES:** FPT Ministers Responsible for International Trade and Committee on Internal Trade (FPT Ministers Responsible for Internal Trade) and their officials.

**ISSUE(S):** 1. Annual meeting hosted by the Honourable Ed Fast, Minister of International Trade and Minister for the Asia-Pacific Gateway (Canada); and  
2. Annual meeting hosted by the Honourable James Moore, Minister of Industry (Canada) responsible for internal trade.

**BACKGROUND:**

1. The last annual meeting of FPT Ministers responsible for international trade was held in Ottawa in February 2012.
2. The last annual meeting of FPT Ministers responsible for internal trade was held via conference call in June 2012. The last in-person meeting was held in Prince Edward Island in 2011.

1. Topics of discussion for the international trade ministers' 2012 meeting included

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At the roundtable, British Columbia discussed its priority "BC Jobs Plan" China, Korea, India, and Japan markets, as well as its focus on the natural resource, agrifoods, infrastructure, aerospace, and other "BCJobs Plan" sectors.

2. Committee of Internal Trade meetings are held once a year (an invitation has been sent to Minister Wat). Discussions have included the Internal Trade Agreement

work plan to enhance or amend the agreement and reduce barriers to domestic trade, as well as outstanding disputes.

**DISCUSSION:** An agenda has not yet been provided for either event.

1. For the 2013 meeting on international trade, discussions will likely focus on s16

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**Attachment:** Appendix 1 on Key Messaging for the Annual Meeting of FPT Ministers Responsible for International Trade (note: key messaging for Committee on Internal Trade meeting will be included at a later date in a detailed agenda briefing note).

Prepared by: Josh Smith and Matthew Carnaghan, Trade Initiatives Branch

Office: 250-952-0790 / 250-952-0645

Reviewed by				
Dir: GG	ED: DW	ADM:	DM:	MIN:

**Appendix 1: KEY MESSAGING (will be finalized once an agenda is received):**

For the 2013 Annual Meeting of FPT Ministers Responsible for International Trade:

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MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**MEETING NOTE**

Cliff #: 12357

Date: November 13<sup>th</sup>, 2013

**PREPARED FOR:** Honourable Teresa Wat, Minister of International Trade and  
Minister Responsible for Asia Pacific Strategy and Multiculturalism

**DATE AND TIME OF MEETING:** 4pm - 4:45pm, November 18<sup>th</sup>, 2013

**Place:** Vancouver (TBC)

**ISSUE(S):** Minister Wat meeting with Weldon EPP, Consul General of Canada in  
Guangzhou, China

**BACKGROUND:**

- Consul General Epp was appointed Consul General of Canada in Guangzhou in October 2011. The consulate covers the six provinces in South China: Guangdong, Fujian, Guangxi, Jiangxi, Hunan, and Hainan.
- Consul General Epp has been very supportive of the efforts of our ministry in the South China market and the activities of our trade and investment representative office in Guangzhou.
- Premier Christy Clark and you will lead another trade mission to China later this week. This will be Premier Clark's third trip to China over the past two years. The mission will focus on advancing liquefied natural gas development opportunities.
- You will visit Guangzhou on 3 December, 2013 to expand trade and investment, and promote the twinning relationship between British Columbia and Guangdong province, established in 1995.

**DISCUSSION:**

- Consul General Epp wishes to discuss the following topics:

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- The six provinces, particularly Guangdong province, are the economic centre of China. They are major consumer markets for BC wood, minerals, seafood, wine, fruits, and education.
- Guangdong's GDP was \$941 billion in 2012, more than four times that of BC. The six provinces' combined GDP is \$1.9 trillion, which is equivalent to 112% of Canada's GDP.

**SUGGESTED RESPONSE/KEY MESSAGING:**

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**ATTACHMENTS:**

Appendix 1 Biography Weldon Epp, Consul General of Canada in Guangzhou

Appendix 2 Information on the six provinces

Appendix 3 Backgrounder

Contact: Raymond Zhu, Senior Manager, China, International Trade and Investment  
Attraction Division

Telephone: 604-660-5912      s17      (cell)

Reviewed by				
Dir: RZ	ED: KB	ADM: RS	DM:	MIN:

Appendix 1 Biography Weldon Epp

**Weldon Epp, Consul General of Canada, Guangzhou, PRC**

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## Appendix 2 Information on the six provinces

**Guangdong Province** is situated in the southern part of mainland China, with a GDP of CAD 941.6 billion in 2012, which is 433% of BC's GDP in 2012. There are very strong historical and cultural linkages between Guangdong and British Columbia. Guangdong and British Columbia have enjoyed a robust sister province relationships since 1995. Six pair cities of Guangdong and BC have also been twinned: Guangzhou-Vancouver, Zhongshan-Burnaby, Yunfu-New Westminster, Zhuhai-Surrey, Huizhou-North Vancouver, and Jiangmen and Prince George. BC and Guangdong collaboration include sectors in agri-food, environmental protection, renewable energy, mining, digital media, education, culture, medical research and transportation. BC has established a trade and investment representative office in Guangzhou. Furthermore, Guangdong has a high demand for BC resources such as seafood, minerals, pulp and paper, and wood.

**Jiangxi Province** is located in the southern bank of Yangtze River, with a GDP of CAD 189.1 billion in 2012, which is 87% of BC's 2012 GDP. There is an abundance of mineral resources in the province, and there is a strong ability of mining exploration and supply. Jiangxi has been witnessing rapid economic development in recent years, and possesses 94 industrial parks and three zones for export processing. Its agriculture is dominant in paddy rice as the main grain crop. Currently it is BC's secondary market with our focuses on advanced energy, education, and mining. Opportunities for BC include a potential market for BC education and low carbon sectors, and Jiangxi enterprises may have investment interests in BC mining exploration opportunities.

**Hunan Province** is located in the middle and lower reaches of Yangtze River, with Guangdong to the south. Its GDP is CAD 308.6 billion in 2012, which is 142% of BC's in the same period. There is a twinning relationship between Changsha city and Victoria, established in 2010. Although Hunan is BC's secondary market, there have been several successful outreaches from our Guangzhou's office for building network, including with Hunan Department of Commerce and Hunan Foreign Affairs Office. Hunan has several industries parks focusing on high-tech industry, biology project technology, new material industry, electronics and information technology, and processing industries. There are opportunities for BC to find a potential market for wood in Hunan, and to establish cooperation in the education sector.

**Hainan Province** is at the southernmost tip of China, and it is China's smallest province and also its largest special economic zone that serves as a gateway to Southeast Asian countries. Its 2012's GDP is CAD 41 billion, which equals to 19% of BC's 2012 GDP. The main sectors include marine fishing, tropical fruits, and livestock breeding. Currently, Hainan is our non-priority market. There is potential for BC in tourism, mining, education and logistics industries. Many developers are building hotels and luxury villas, which can be a potential market for BC wood suppliers.

**Fujian Province** is situated along China's south eastern coast, with a GDP of CAD 277.4 billion in 2012, which is 127% of BC's GDP. Fujian is a very important market for



BC wood. Fujian has had rapid economic development in recent years with leading industries of machinery, petrochemicals, and ICT. There are currently very few BC companies active in Fujian. Richmond has a twinning relationship with the city of Xiamen. Opportunities for BC include forestry, education cooperation, green building design companies, and seafood and wine.

**Guangxi Province** is located in the southern part of China, with GDP of CAD 191.3 billion in 2012, which is 88% of BC's for the same period. Agriculture is rich in variety in Guangxi, with a large output of sugarcane and fruits, as well as cash crops of peanuts and tobacco. There are also a number of mineral resources, especially manganese and tin. The province's capital, Nanning, has a twinning relationship with Victoria. The province hosts the China-ASEAN Expo every October for promotion of cooperation among the business world between China and ASEAN. There is a potential market for BC education and the annual expo serves as an opportunity to interact with ASEAN countries.

## Appendix 3 Backgrounder

**CHINA POLITICAL/ECONOMIC UPDATE**

- Xi Jinping and Li Keqiang became China's new President and Premier in March 2013.
- Xi and Li along with 5 others, make up the 18<sup>th</sup> Politburo Standing Committee, the most powerful political organization in the Communist Party of China (and therefore in China).

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**CANADA – CHINA RELATIONS**

- Prime Minister Harper visited China in 2009 and 2012.
- In August 2012 the Canada-China Economic Complementarities Study was released.
- FIPA negotiations between Canada and China concluded in September 2012. China has completed its internal processes to ratify the FIPA. Canada has not yet ratified the FIPA.

**BC -- CHINA RELATIONS**

s13, s16, s17

- **Air Access**
  - The Canada-China Air Transport Agreement (ATA) was recently expanded.
  - Air China announced on February 7<sup>th</sup> that it would increase the total number of flights per week between Beijing and Vancouver to 11, beginning May 17, 2013.
  - There are now 75 weekly flights between Vancouver International Airport and greater China (including Hong Kong), the most of any airport in North America.
- **Tourism**
  - Air China has been awarded Transit Without Visa (TWOV) and China Transit Trial (CTT) status from the Government of Canada, effective February 1, 2012.
  - Approved Destination Status (ADS) was established in 2010, allowing Chinese tour operators and travel agents to organize tours and advertise Canadian destinations, and for BC's tourism industry to promote directly to tour operators.
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  - The BC Ministry of Education has certified 33 schools in China to deliver the BC education program and issue BC Certificates of Graduation (Dogwood Diploma). These students have access to streamlined issuing of study permits. Many BC post-secondary institutions also have educational memoranda of understanding on

student mobility and information exchanges with Chinese post-secondary institutions.

- Over 20 MOUs/agreements were signed during the Premier's first Mission to China between BC and Chinese institutions.

- **Wenchuan**

- In 2008, the Government of BC contributed \$5 million towards Earthquake reconstruction following the devastating Wenchuan earthquake in Sichuan Province. BC's Forestry Innovation Investment (FII) is managing three major institutional demonstration projects with funding under the Canada-BC Wenchuan Earthquake Reconstruction Project.

## BC – CHINA TRADE RELATIONS

- **Trade**

- China is BC's 2<sup>nd</sup> largest export destination at \$5.8 billion in 2012, up 18.4% from 2011. BC maintains four Trade and Investment Representative Offices in China, in Beijing, Shanghai, Guangzhou, and Hong Kong.

	2008	2009	2010	2011	2012
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Imports	\$9.7 b	\$8.8 b	\$8.8 b	\$9.3 b	\$10.0 b

- **Investment**

- Chinese State Owned Enterprises (SOEs), including CNOOC, and a consortium of private Chinese companies are actively involved in LNG projects in BC.
- In recent years, Chinese companies have sought to buy into Canada's resource sector, especially mining and energy,

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- **RMB Bond Issue**

- On October 30, 2013, BC launched a RMB bond into the CNH Market and has received an excellent reception. When all the orders were in, the province closed a 2.5 billion RMB financing (or more than \$400-million the largest ever in that market). BC looks forward to diversifying the investor base and adding a new global source of liquidity, and finding a new avenue for building on the province's economic and trade relationship with China. The bond issue was lead managed by HSBC, with the Bank of China and the Industrial and Commercial Bank of China as co-managers.

MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**INFORMATION NOTE**

Cliff #: 12344

Date: November 19, 2013

**PREPARED FOR:** Shannon Baskerville, Deputy Minister

**ISSUE:** Report out on Federal-Provincial-Territorial (FPT) Annual Meeting of Deputy Ministers of International Trade held in Ottawa, November 6, 2013.

**BACKGROUND:** A meeting of deputy ministers of international trade is held annually as a precursor to the annual meeting of FPT ministers of international trade.

The 2013 FPT DM meeting was held in Ottawa on November 6, 2013. Janel Quiring, Director of International Trade, attended for British Columbia.

**DISCUSSION:** Summary notes below. Full agenda notes attached.

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**Attachment:** Full agenda notes.

Prepared by: Janel Quiring, Director, Trade Initiatives Branch

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Reviewed by			
Dir: JQ	ED: DW	ADM:	DM:

**Attachment: Full agenda notes.**

**Annual Meeting of Federal-Provincial-Territorial  
Deputy Ministers Responsible for International Trade  
Library room, 111 Sussex Drive, Ottawa  
November 6, 2013**

## **AGENDA**

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MINISTRY OF INTERNATIONAL TRADE AND  
MINISTER RESPONSIBLE FOR THE  
ASIA PACIFIC STRATEGY AND MULTICULTURALISM

**MEETING NOTE**

Cliff #: 12385

Date: November 20, 2013

**PREPARED FOR:** Teresa Wat, Minister of International Trade

**DATE AND TIME OF MEETING:** December 13, 2013 10:15 AM – 11:00 AM

**ATTENDEES:** His Excellency Mr. Leslie Gatan, Ambassador of the Philippines to Canada

**ISSUE(S):**

- Southeast Asia is an area of growing interest for the Province and the Philippines is an important part of the region.
- Explore potential to increase trade between B.C. and the Philippines

**BACKGROUND:**

COUNTRY BACKGROUND

- The Philippines is a member of the Association of Southeast Asian Nations (ASEAN) - a geo-political and economic organisation of ten countries. The ASEAN economy is the 3rd-largest in Asia, after China and Japan.
- By 2015, the ASEAN Economic Community (AEC) will be a single market and production base with a population of over 600 million people.
- With a population of 100million, the Philippines makes up one sixth of the total ASEAN population.
- The Philippines is a founding member of Asia-Pacific Economic Cooperation (APEC) which supports sustainable growth and prosperity in the Asia-Pacific region.

POLITICAL/ECONOMIC UPDATE

- President Benigno Aquino III is a fourth-generation politician. His great-grandfather was a delegate to the Malolos Congress, his grandfather served as Speaker of the House of Representatives and his parents were President Corazon Aquino and Senator Benigno Aquino.
- The President can serve only one 6-year term

- President Aquino's priorities include: securing the people's health, fighting corruption, focusing spending on education, health and other social services, and addressing infrastructure problems through public-private partnership infrastructure initiatives.
- The Philippines' economy grew by more than 7% in 2013 and GDP per capita has risen to \$4,660.

#### TYPHOON HAIYAN

- One of the strongest storms on record slammed into the central Philippines on November 8, 2013 forcing hundreds of thousands from their homes and knocking out power and communications in several provinces.
- Approximately 5000 casualties have been reported and the numbers are growing every day.
- The Canadian and British Columbian governments have joined many other countries by pledging assistance, both financial and humanitarian to those affected the typhoon.
- Premier Christy Clark announced that the provincial government will match public monetary donations to the Canadian Red Cross given before December 9, up to a maximum of \$300,000.

#### CANADA – PHILIPPINES RELATIONS

- Canada's bilateral relations with the Philippines are strong and friendly.
- Both countries work side by side at the United Nations to promote human rights, good governance, and improved global standards of living. Canada cooperates with the Philippines as an ASEAN Dialogue Partner, and both countries are active participants in the APEC Forum, the World Trade Organization (WTO), and the ASEAN Regional Forum (ARF).
- Recent high-level political visits to Canada have included His Excellency Albert Del Rosario, Secretary for Foreign Affairs, in June 2012. Officials from Canada visiting the Philippines include Foreign Affairs Minister John Baird in July 2012 and Prime Minister Harper, Minister of International Trade Ed Fast and Minister of Natural Resources, Joe Oliver in November 2012.
- There are approximately 800,000 people of Philippine origin in Canada. In recent years the Philippines has become the largest source country for immigrants to Canada. There are approximately 7,500 Canadians residing in the Philippines.

## BC – PHILIPPINES RELATIONS

- Visits

- Premier Clark visited the Philippines in May 2012 as part of her second Jobs and Trade Mission as Premier. Premier Clark was the first BC Premier to lead provincial trade mission to the country.
- During the mission, Premier Clark signed a Joint Communiqué with the Philippines' Department of Labor and Employment on areas of mutual benefits with respect to labour mobility. This responsibility now falls under the Labour Market & Immigration Division of the Ministry of Jobs, Tourism and Skills Training.

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This visit to

Manila also gave government the opportunity to strengthen BC's economic partnership with a country with which a strong cultural relationship already exists. The Communiqué identified the following shared priorities:

- Qualification Requirements – commitment to share information on qualification requirements and competency standards;
- Education, Training and Applicable Cooperative Projects – commitment to facilitate ways to strengthen relations in education, training and cooperative projects which directly assists Filipino workers in meeting BC requirements and standards; and
- Awareness-Raising Among Employers and Workers – commitment to ensure BC employers understand employer rights and obligations, and to share information in various areas such as worker rights and Canadian culture, to assist in the deployment and integration of Filipino workers.
- Ambassador Gatan will also be meeting Dave Byng, Deputy Minister, Ministry of Jobs, Tourism and Skills Training in lieu of Minister Shirley Bond who is unavailable. The meeting is scheduled for Wednesday, December 11, 10 -11am, at the legislature.
- Temporary Foreign Workers (TFWs – federal program)
  - As of December, 2012, BC had 9,433 TFWs from the Philippines, 3,676 of which were in BC through the Live-in Caregiver Program. (Note that these numbers may be as high as 6,800 due to changes in data collection methods from CIC).
  - In 2012, most TFWs in BC through the Live-in Caregiver Program were from the Philippines (84.9 per cent).

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- **Trade Relations**

- In 2012, the Philippines ranked 14<sup>th</sup> in the world for BC exports, an improvement from 2011 when the Philippines ranked 17<sup>th</sup>.
- The Philippines is the largest destination of BC exports for ASEAN.
- BC-Philippines trade relationship over the last 5 years:

	2008	2009	2010	2011	2012
<b>Total Exports</b>	\$211 m	\$192 m	\$264 m	\$155 m	\$170 m
<b>Total Imports</b>	\$195 m	\$176 m	\$270 m	\$310 m	\$370 m

- Top B.C. exports in 2012: copper ores and concentrates, lumber, cuts and edible offals, zinc, chemical woodpulp.
- Top B.C. imports in 2012: ignition wiring sets, clocks, shorts/trousers/overalls, golf bags, tubes/pipes/hollow profiles (iron).
- In September 2013, a Philippine delegation (3 man delegation) attended the Global Buyers Mission in Whistler. One company has since placed an initial order for one container of Spruce, Pine Fir (SPF) timber.
- Ayala Land Inc., a well known Filipino land developer has incorporated in BC. They have currently a joint venture with Rise Developments building a commercial/residential development in the Kingsway area. Introductory meeting with Hector Bremner, Executive Assistant to Minister Wat has taken place. s13, s17

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## DISCUSSION:

- Although the Philippines is not one of BC's main trading partners, the Philippines has importance for BC.
- In 2012, BC exported the most of any Canadian province to the Philippines (\$170m), and ranked 2nd for imports from the Philippines after Ontario (\$370m).
- According to the 2006 Census, more than 94,255 British Columbians identified themselves as being of Filipino origin. BC has the 2nd highest number of individuals of Filipino descent in Canada (after Ontario).

- In 2012, the Philippines was the 3rd top source country for immigrants to BC (5,030). The top 3 immigrant classes were: live-in caregiver (1,625), skilled worker (1,344), and family (1,049).
- In 2012, the Philippines was the top source country for Provincial Nominee Principal Applicants and Spouses/Dependents to BC, with 971 incoming immigrants over the year.
- MIT has been providing trade and investment services for Southeast Asia over the last 5 years through a manager based in Vancouver. Without a Trade and Investment Representative, the Southeast Asia Manager works through a range of stakeholders in market, including the federal Trade Commissioners.

**SUGGESTED RESPONSE/KEY MESSAGING:**

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**ATTACHMENTS:** Appendix I – Country Facts; Appendix II - Biography of Ambassador Leslie Gatan

Prepared by: Edwina Ramirez, Manager, India, SE Asia and Oceania, International Trade & Investment Attraction Division  
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Reviewed by				
Dir: MN	ED:	ADM:	DM:	MIN:

## APPENDIX I – COUNTRY FACTS

### The Philippines

**Capital:** Manila

**Total Area:** 300,000 sq km

**Population:** 105,720,644 (July 2013 est.)

**Official Language(s):**

**Nationality:** Filipino(s) (noun), Philippine (adjective)

**Type of Government:** Republic

**Head of State:** President Benigno AQUINO (since 30 June 2010)

**Head of Government:** President Benigno AQUINO (since 30 June 2010)

**GDP:** \$431.3 billion (2012 est.)

**Filipino Representation in Canada:** Ambassador Leslie B. Gatan

**Canadian Representation Abroad:** Ambassador Designate Neil Reeder

## **APPENDIX II – Biography of Ambassador Leslie Gatan**

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