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CANADA'S INDO-PACIFIC STRATEGY AND IMPLICATIONS FOR TRADE WITH ASIA

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Asia Pacific Foundation of Canada

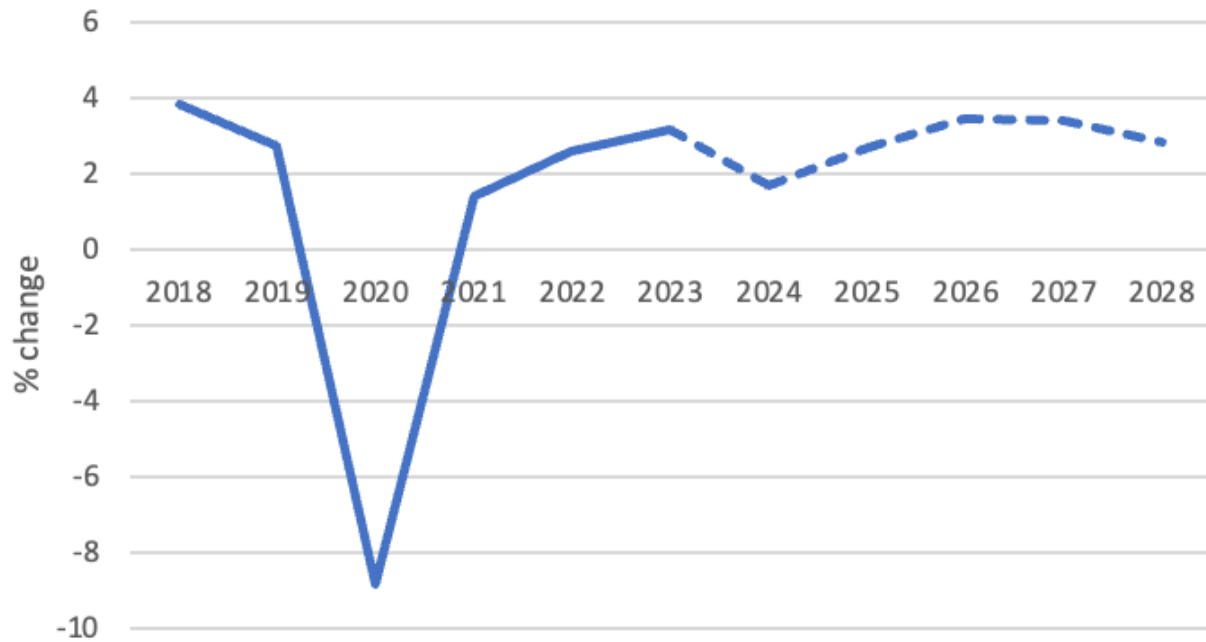


- **General Overview: Trade Projections**
- **Key Trade Areas: Agriculture, Energy, and Tourism**
- **Limits to Trade: Infrastructure**
- **Q & A**



GENERAL OVERVIEW: TRADE PROJECTIONS

Canada Goods & Services Exports Trends

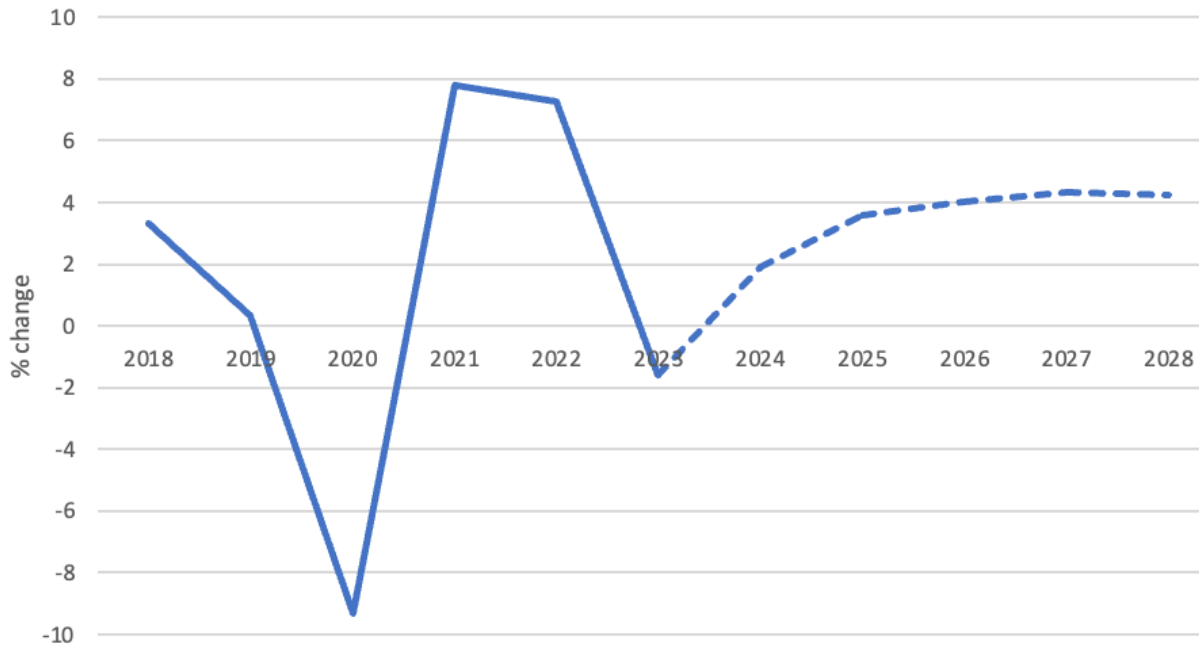


ASEAN Average, China, India, Japan, and Korea Goods & Services Export Trends

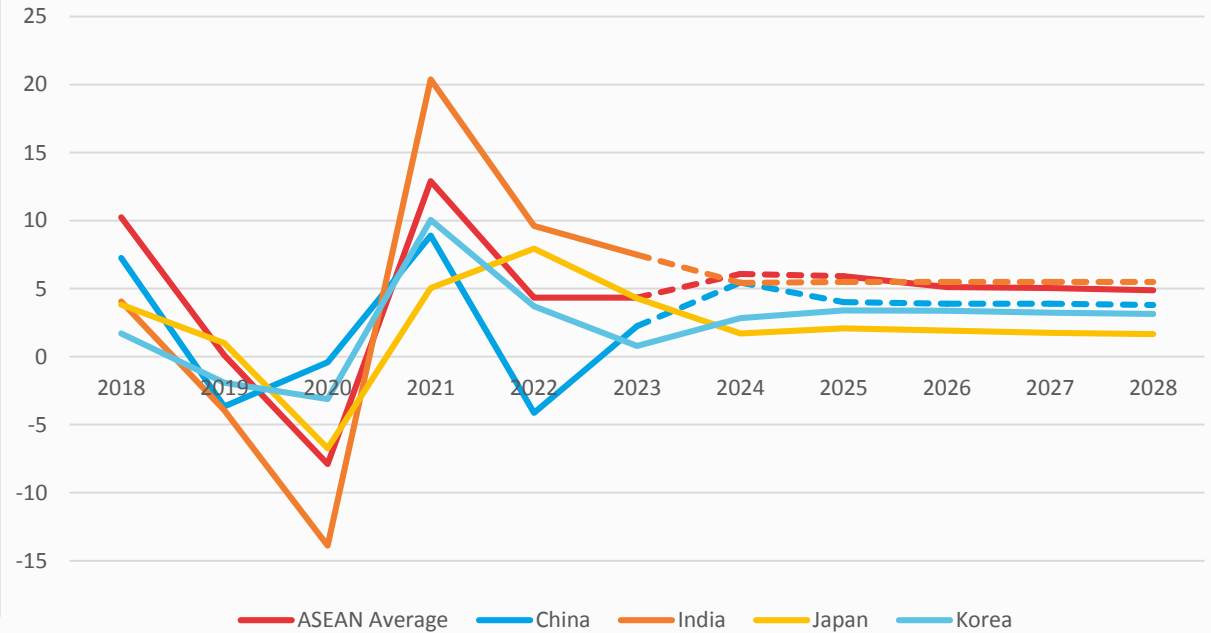


Source: WEO Database, IMF, 2023.

Canada Goods & Services Import Trends

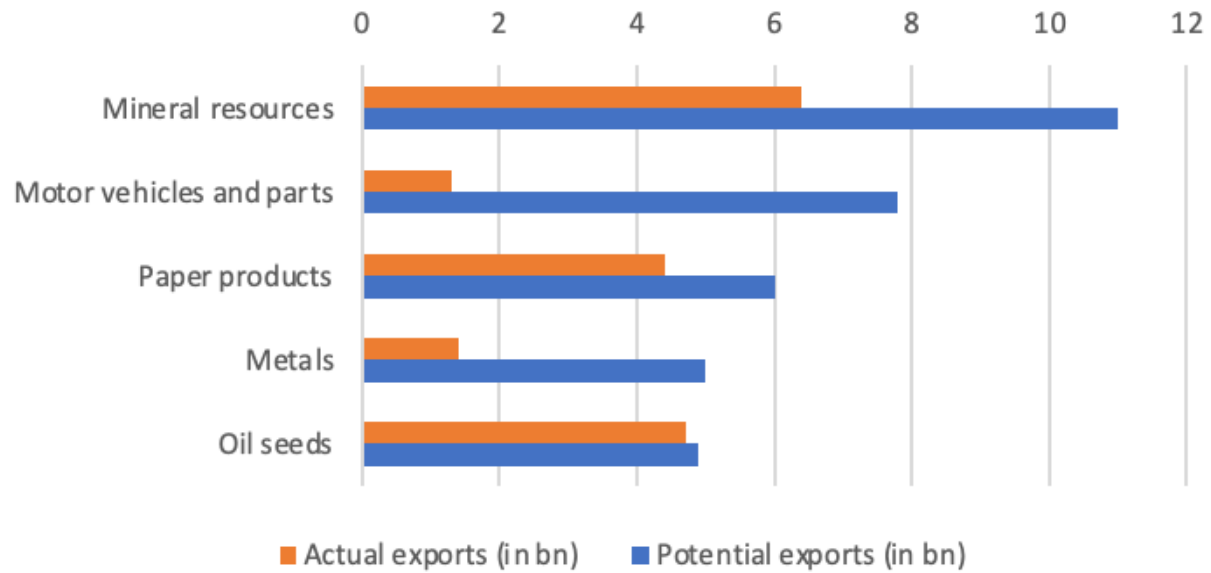


ASEAN Average, China, India, Japan, and Korea Goods & Services Import Trends

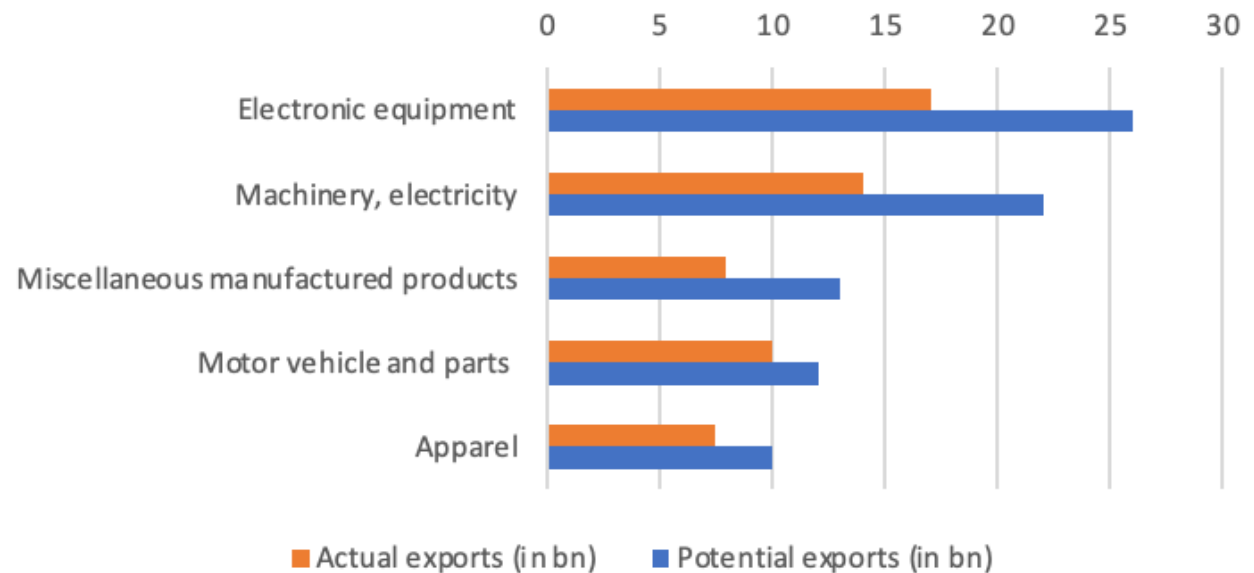


Source: WEO Database, IMF; Report for selected countries and subjects, April 7, 2023.

Export Potential for Canadian Exports in Asia (sub-sectors)



Export Potential for Asian Exports in Canada (sub-sectors)

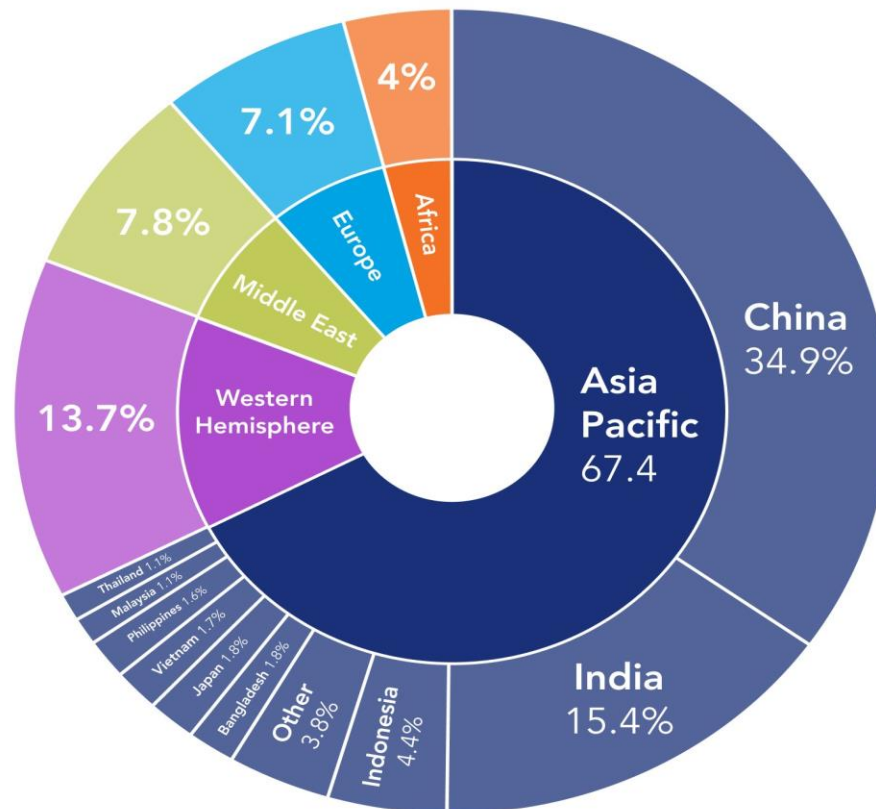


Source: *Export Potential Map*. International Trade Centre, 2023



Source: IMF, World Economics Outlook, April 2023

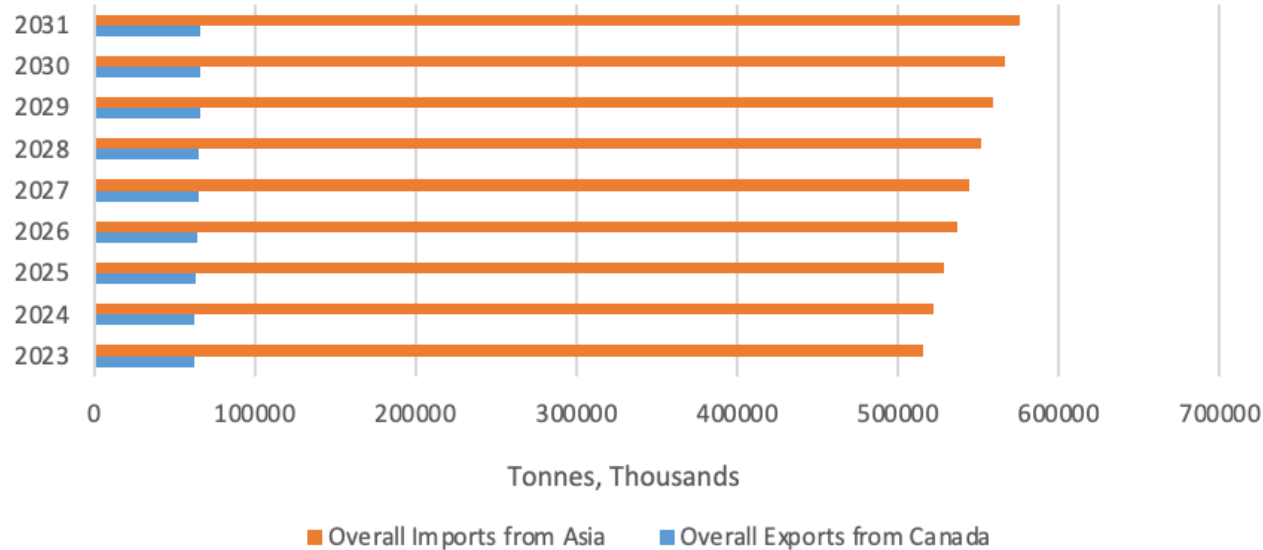
Projected Share of Global Growth in 2023



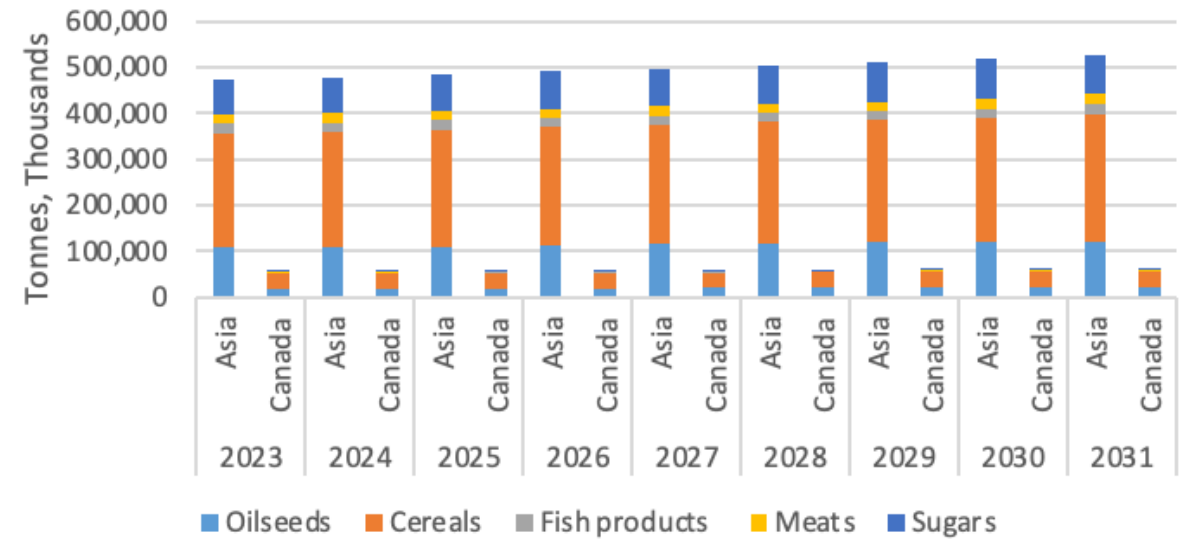


KEY TRADE AREAS: AGRICULTURE, ENERGY, AND TOURISM

Agriculture Trade: Asian Agriculture Imports and Canadian Agriculture Exports



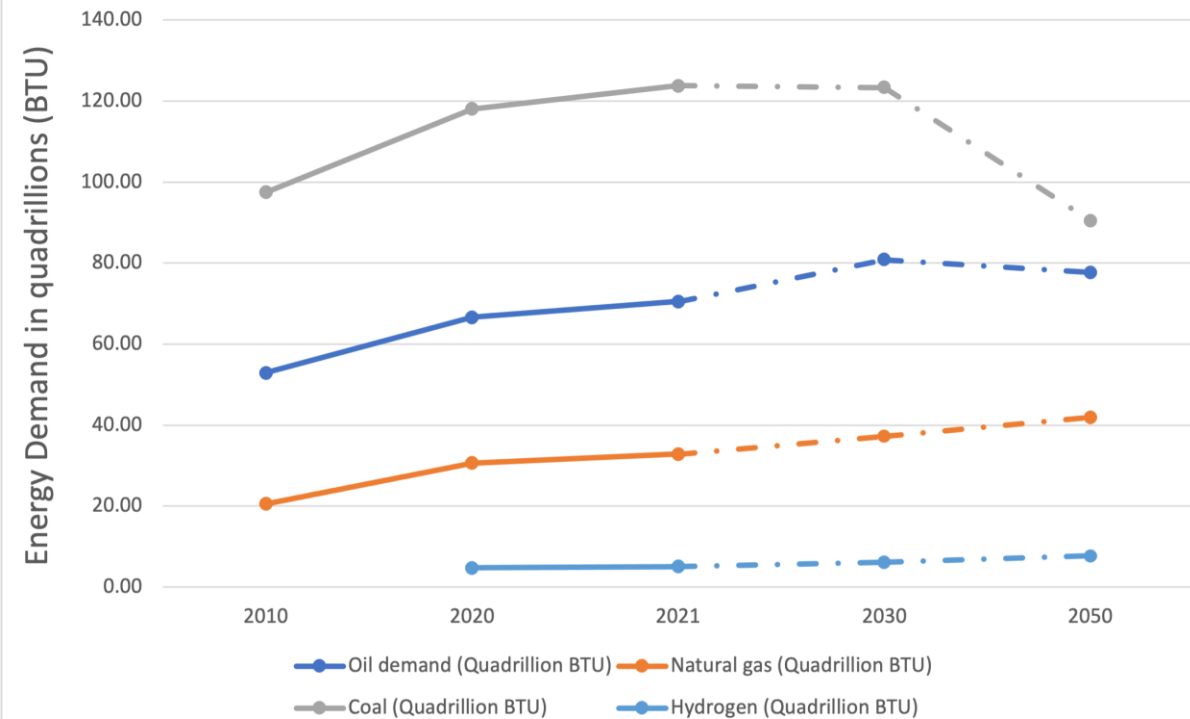
Top 5 Agricultural Products (Asia's Imports -- Canada's Exports)



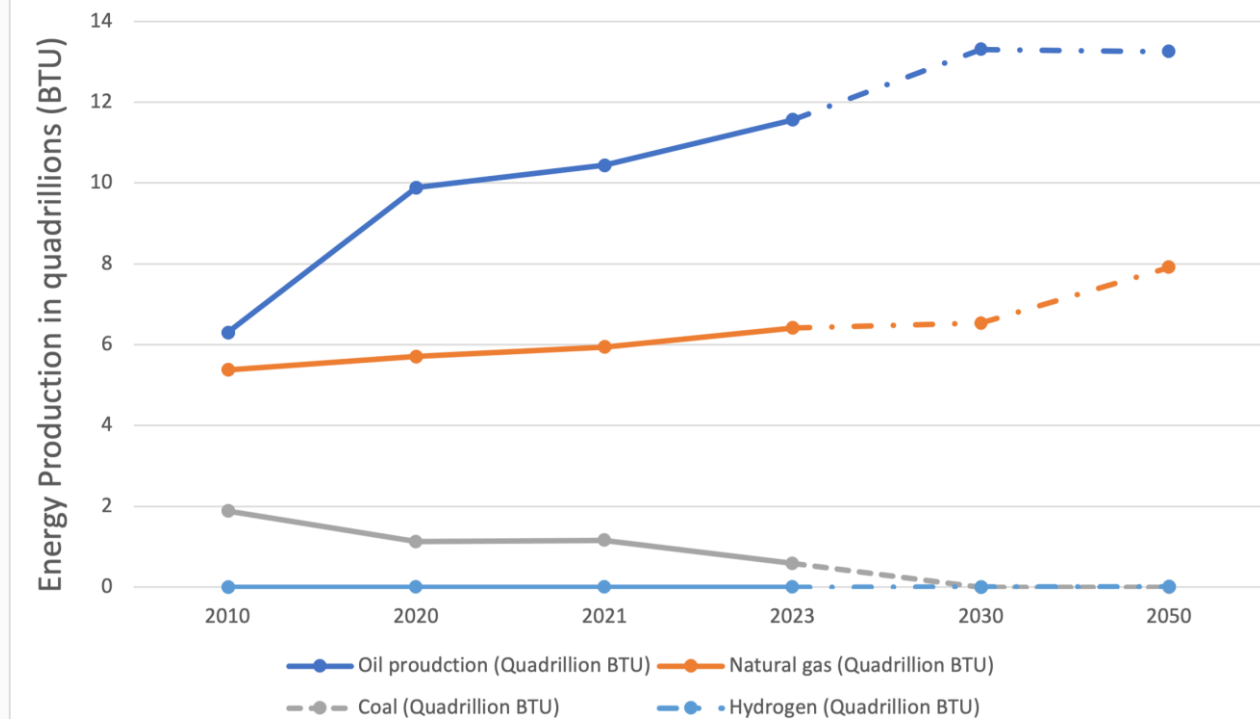
Source: OECD-FAO Agricultural Outlook 2022-2031

OUTLOOK | Energy

Forecasting Asia Pacific Energy Demand, 2010 - 2050



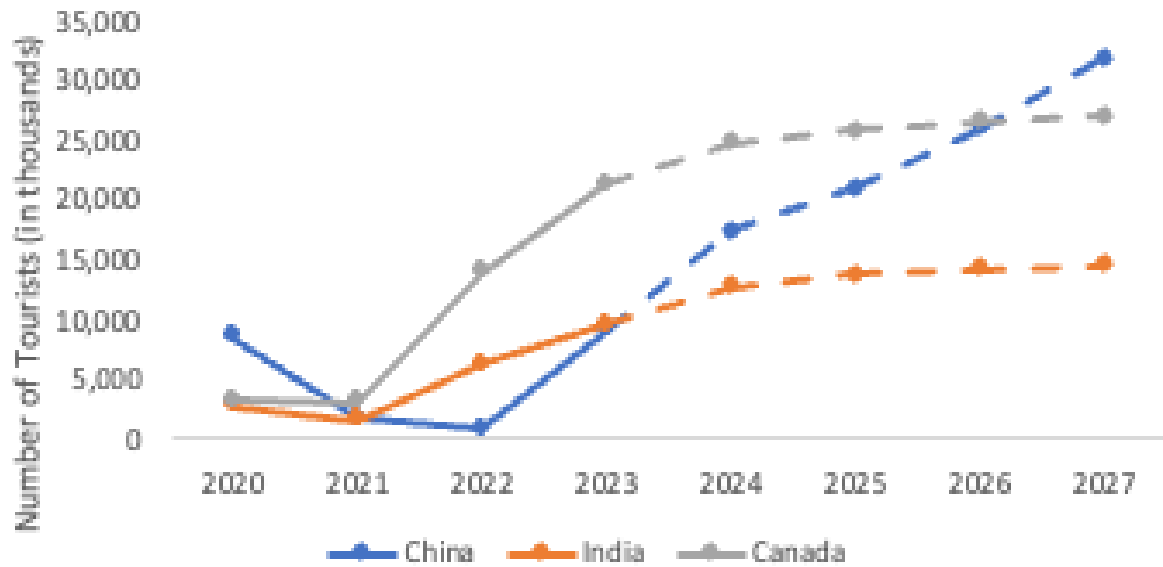
Forecasting Canada's Energy Production, 2010 - 2050



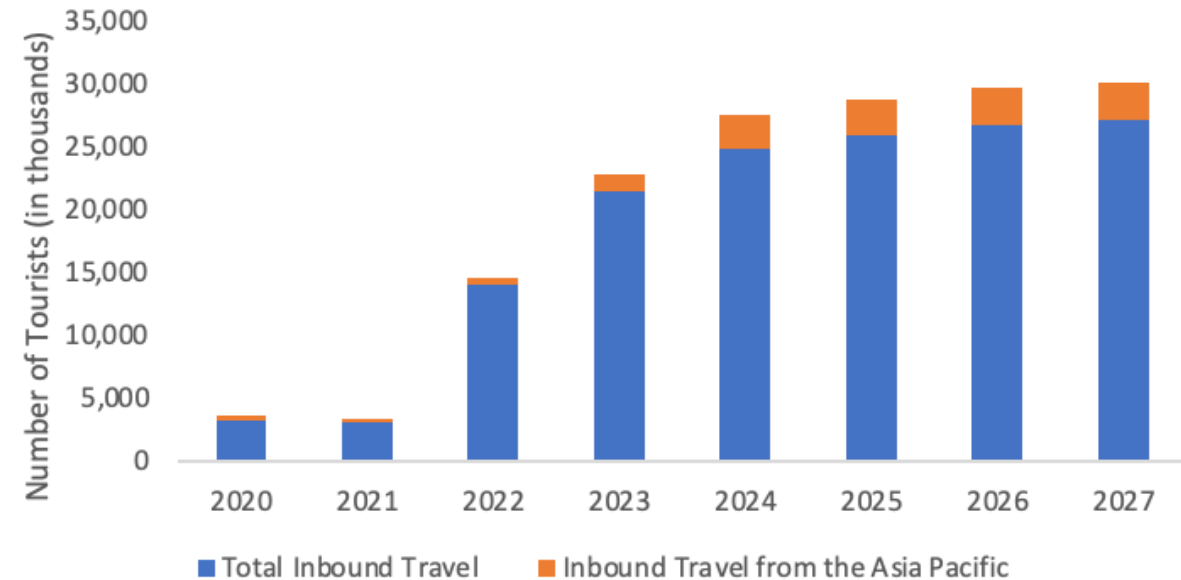
Source: IEA - World Energy Outlook 2022 Free Dataset; Canada Energy Regulator. Canada's Energy Future Data Appendices.; Statistics Canada. Table 25-10-0046-01 Coal, monthly production and exports (x 1,000)

OUTLOOK | Tourism

Forecasting Inbound Tourist Travel in Major Asia Pacific Economies and Canada, 2020-2027



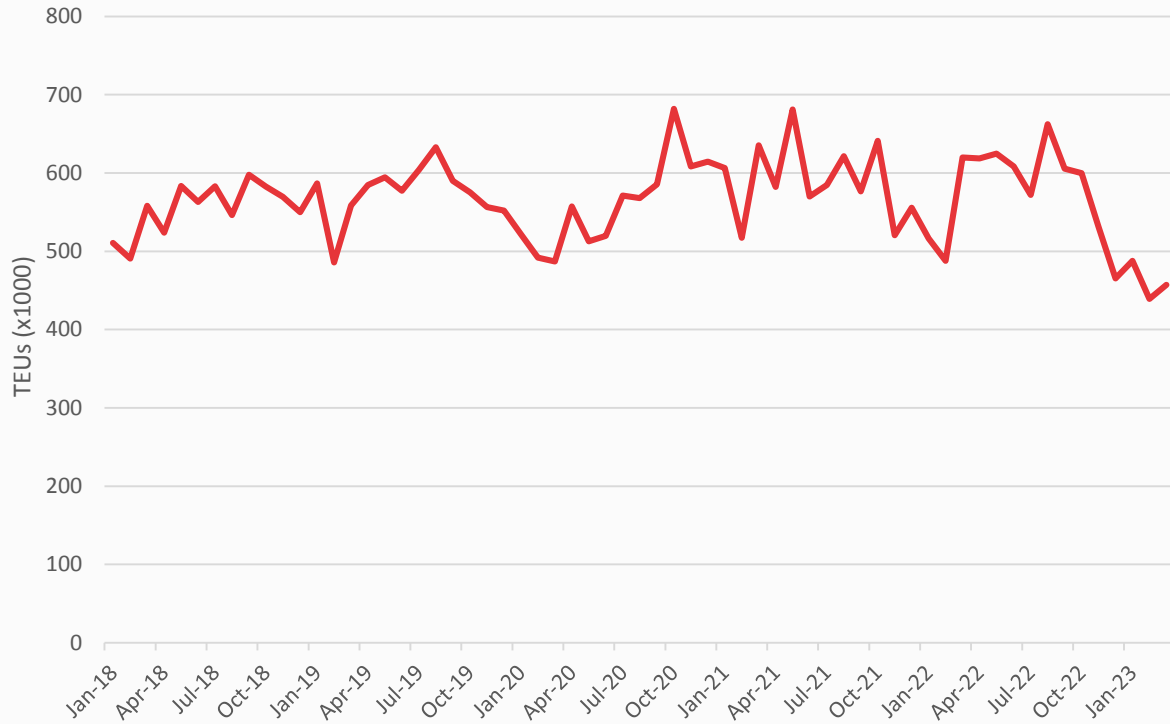
Asia Pacific Travel to Canada vs. Total Inbound Travel, 2020-2027



Source: BMI Tourism Report Q2 or Q3 2023 (India Tourism Report; Canada Tourism Report; and China Tourism Report)

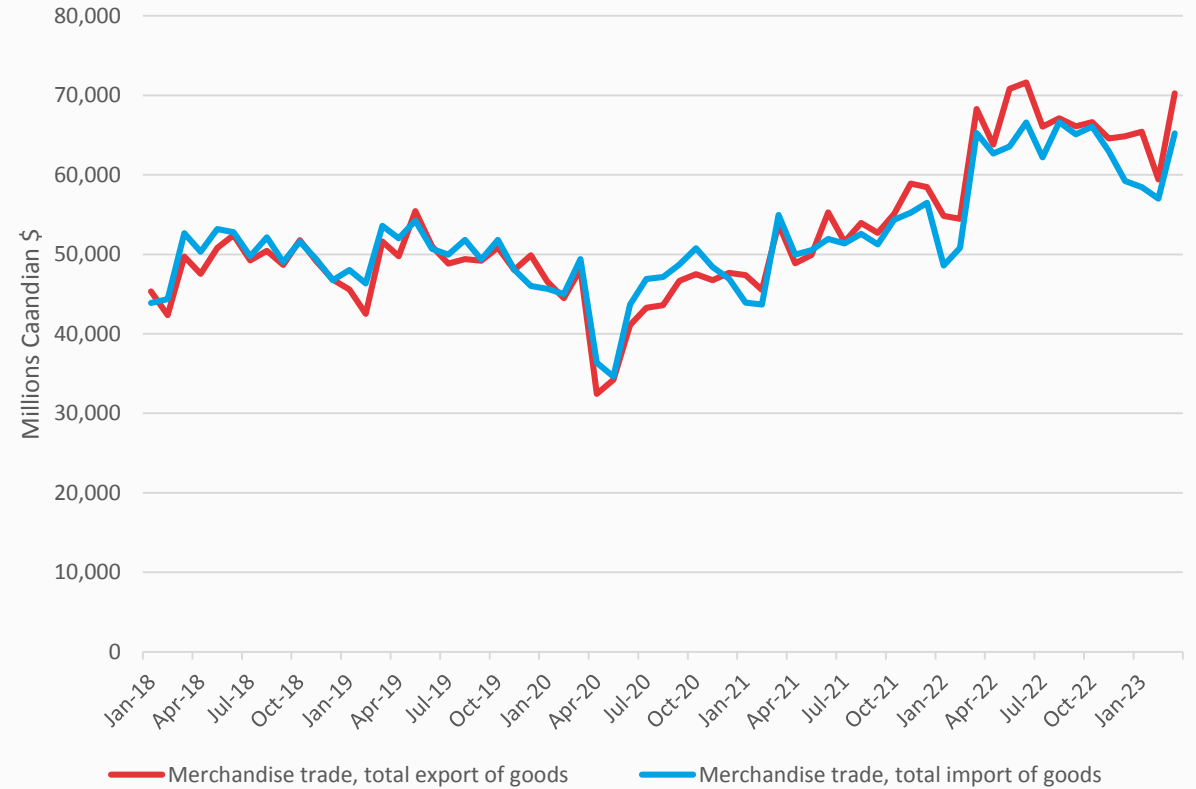
LIMITS TO TRADE: INFRASTRUCTURE

Canada International freight, total twenty-foot equivalent units (TEUs) handled at four major container ports



Source: StatsCanada 2022

Canada Merchandise trade imports and exports





Key Takeaways

1. **Asia's demand is rising, and there is significant unmet potential presenting opportunities for Canada.**
2. **Investment in Canada's port capacity (i.e. hard infrastructure) is required.**



Key Takeaways

- 3. Indo-Pacific Strategy: Explore new opportunities in Southeast Asia (in the context of Canada's current relations with India, China).**
- 4. The government should continue pursuing trade and investment agreements (i.e. soft infrastructure) in the region.**

QUESTIONS & ANSWERS



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Thank You!



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