



Government
of Canada

Gouvernement
du Canada

The Canadian Trade Commissioner Service

Doing business with Canada

Canada-Italy Trade Relations

AGENDA

1. What is Canada?
2. Canada-Italy Trade & Investment
3. Opportunities in Canada

presentation by

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Commercial Division

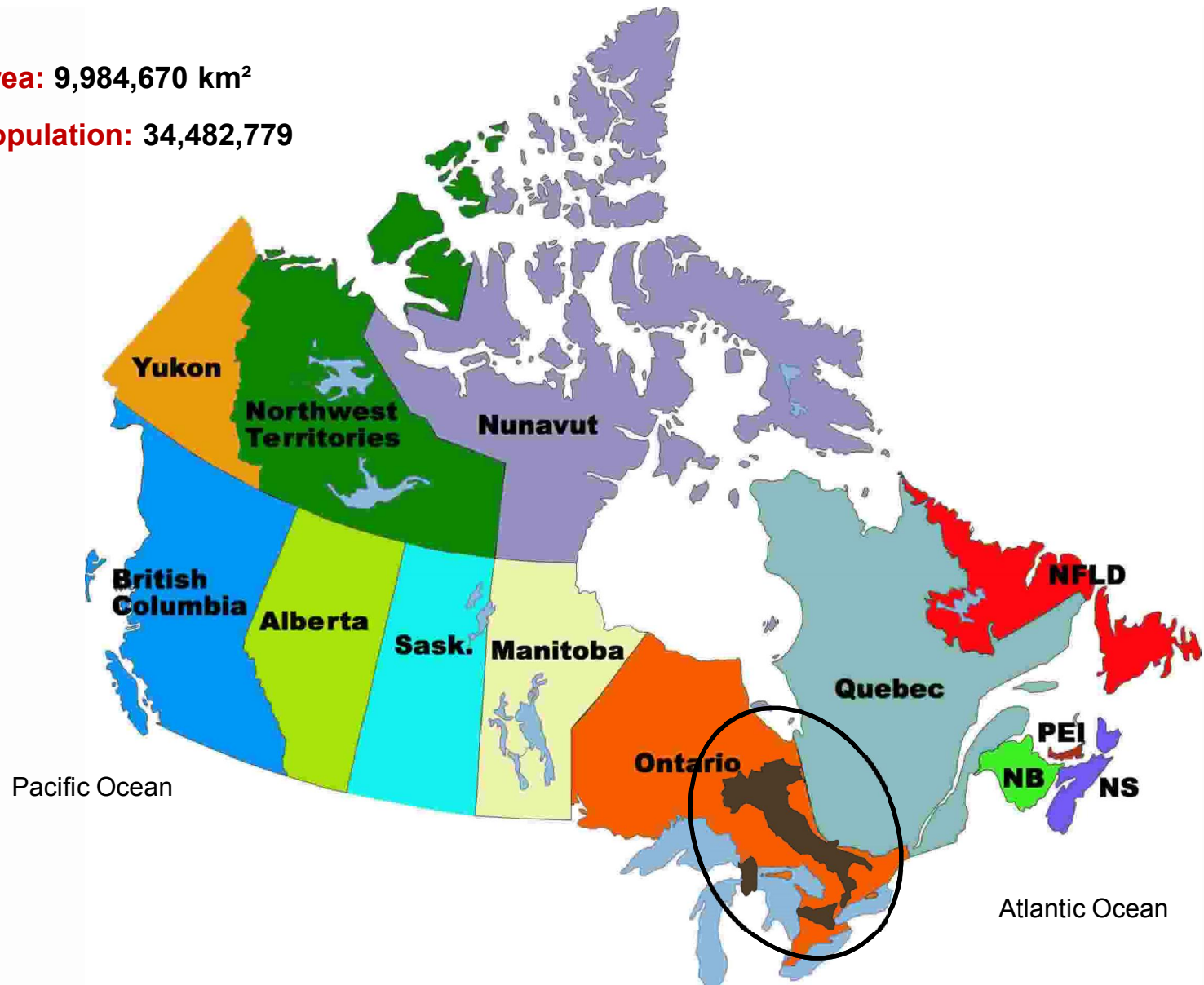
EMBASSY OF CANADA

Perugia, March 2015

WHAT IS CANADA?

Area: 9,984,670 km²

Population: 34,482,779





CANADA & ITALY

Economic Snapshot - 2014

	CANADA	ITALY
Population	35 m	60 m
GDP (trillion \$ US)	\$1.99	\$2.06
GDP per capita - PPP (\$US)	\$56,067	\$34,455
GDP growth rate (%) actual	2.4%	-0.1%
Inflation	1%	0.24%
Unemployment	6.6%	12.5%
Canadian Exports	\$4.16 billion <ul style="list-style-type: none">• Mineral Fuel, Oil (\$1.59b)• Pharmaceuticals (\$737m)• Cereals (\$600m)	
Canadian Imports	\$6.4 billion <ul style="list-style-type: none">• Machinery (\$1.7b)• Pharmaceuticals (\$544m)• Beverages (\$533m)• Agrifood (\$483m)	
Two-way Trade	\$10.5 billion	

Source: Statcan, IRI, ISTAT

TRADE, INVESTMENT AND S&T ARE IMPORTANT FOR THE CANADIAN ECONOMY

- Trade is equivalent to 60% of Canadian GDP.
- Almost half of Canadian manufacturing output is sold outside of Canada. One-in-five jobs in Canada are linked to trade.
- Innovation and investment are key drivers of Canada's future competitiveness and productivity.
- International trade and commercial agreements create a system of rules and builds business confidence.
- In order to grow our economy, Canada needs capital, labour and technology



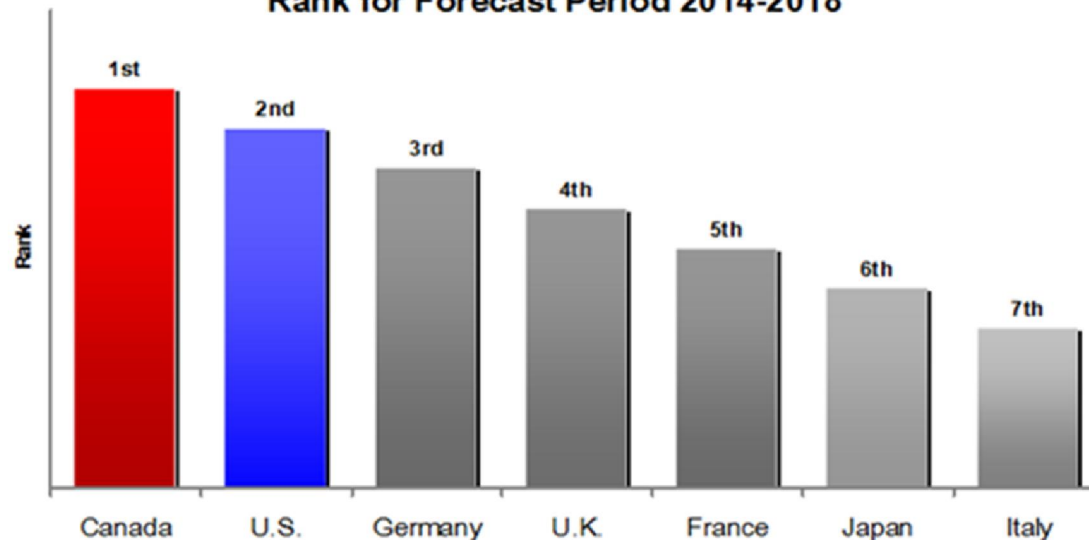
Canada is acclaimed for its superior business climate...

Open for business: Canada understands the importance of its business community.

Canada is the best place for doing business among the G-7 over the next five years .

Canada is the easiest place to start a business in the G7.

**Business Environment of the G-7 Countries,
Rank for Forecast Period 2014-2018**



Source: The Economist Intelligence Unit, August 2014

CANADA & EU

Canada-EU Trade Agreement

FACTS:

- On 18 October 2013, EU & Canada signed agreement on the key elements of a trade agreement (CETA).
- Canada & EU are key partners in trade, investment and innovation.
- The agreement between Canada and the EU will offer advantages to businesses on both sides.
- CETA goes beyond the issue of tariff elimination to also tackle other barriers to trade in goods & services and to investment between Canada and the EU.
- Bilateral trade between Canada and EU = €61.6 billion.



CANADA & EU

Canada-EU Trade Agreement

WHERE ARE WE TODAY & NEXT STEPS:

- Big issues are agreed, but technical work remains (*finalization of text, legal review and translation*)
- Canada and EU are committed to completing these steps as soon as possible
- Once technical work is completed, Canada and EU will each move forward with their respective ratification processes
- Goal is to bring agreement into force as quickly as possible



CANADA & EU

Canada-EU Trade Agreement

CETA = BENEFITS

INVESTMENT

- Canada investment in EU = \$180 billion (28% total CDIA)
- EU investment in Canada = \$171 billion (24% total FDI)
- Investment review threshold will be C\$1.5 billion
- Greater certainty, stability, protection

GOVERNMENT PROCUREMENT

- Greater access to Canada & EU procurement market
- New export opportunities
- Most favourable market access offered by Canada under any of its FTA's



CANADA & ITALY

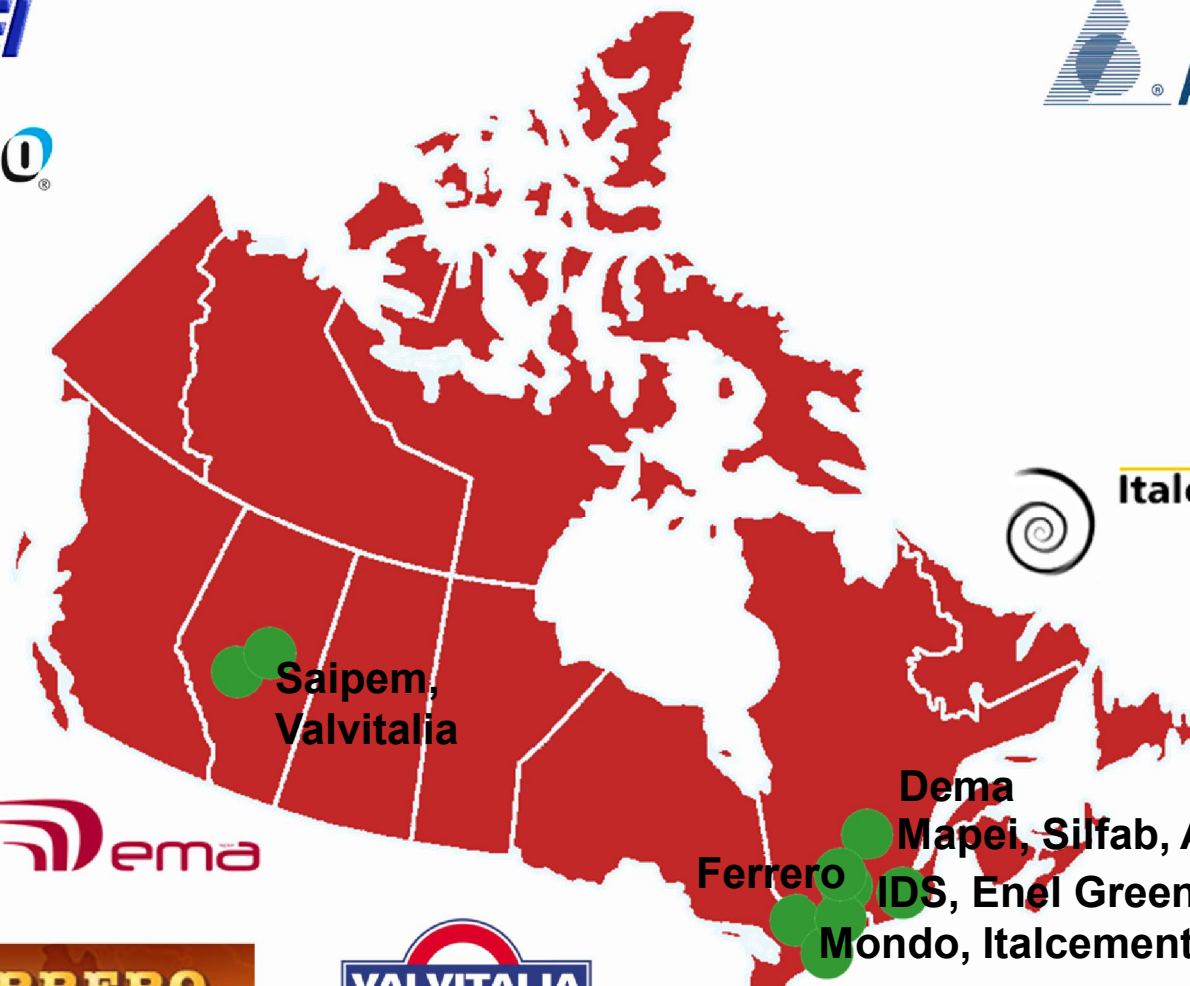
Selected Italian Investments in Canada



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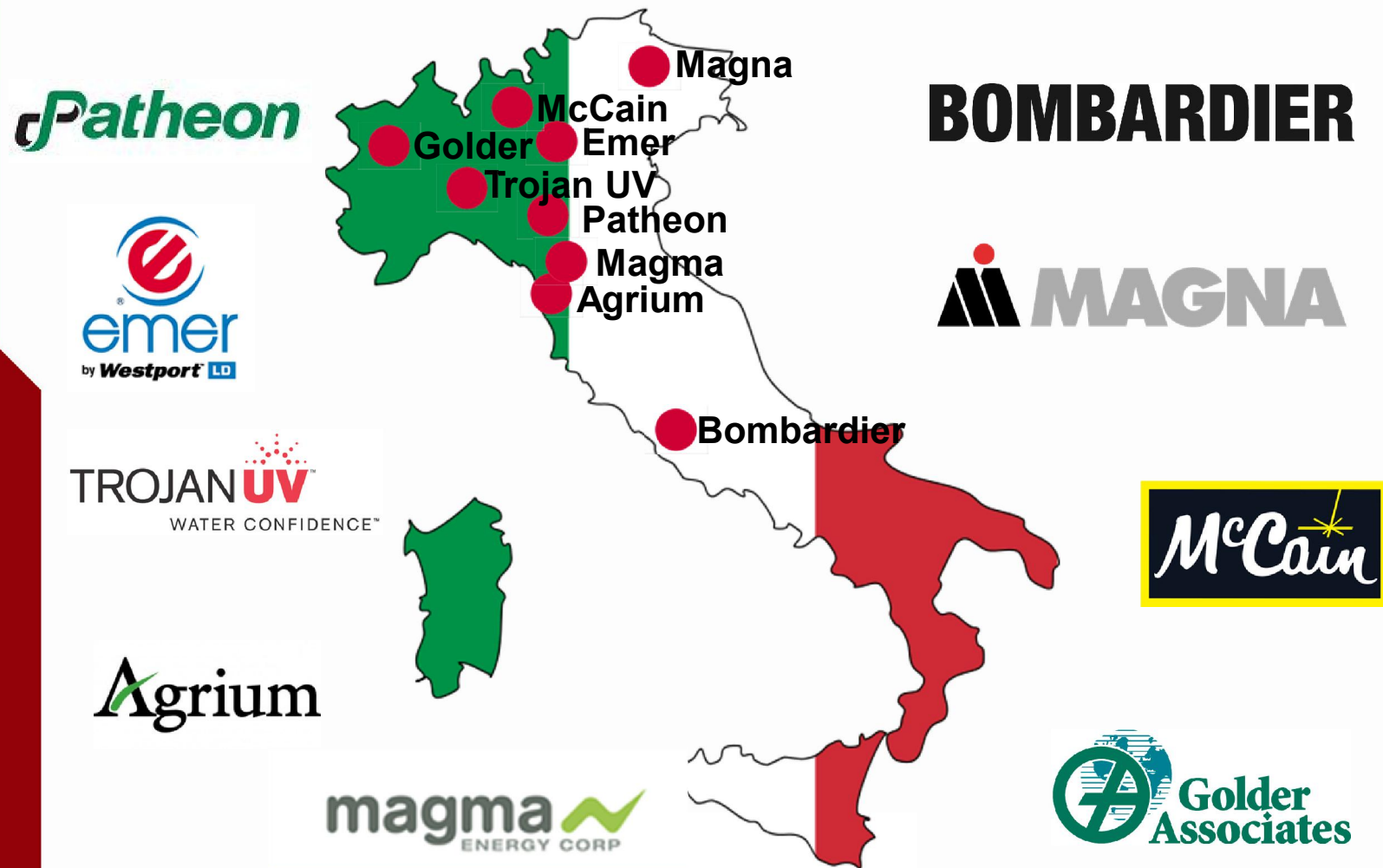
Italcementi Group



Dema
Mapei, Silfab, Arneg
IDS, Enel Green Power
Mondo, Italcementi, Riello
Astaldi, Parmalat

CANADA & ITALY

Selected Canadian Investments in Italy



COMPETITIVE ADVANTAGES

Canada is a solid venue for innovation

- Canada benefits by having one of the best R&D tax treatments in the G-7.
- Canada currently offers one of the most favourable tax treatments for R&D among the G-7.
- Canada provides a system of tax credits and accelerated tax deductions for a wide-variety of R&D expenditures.
- Eligible costs include: salaries, overhead, capital equipment, and materials.
- These tax-based treatments permit firms to significantly reduce R&D costs through direct investment or sub-contracting in Canada.



The Canadian Trade Commissioner Service

OPPORTUNITIES IN CANADA

- Infrastructure & major projects
- Oil & gas
- Automotive
- Aerospace
- ICT



trade commissioner.gc.ca

OPPORTUNITIES IN CANADA

MAJOR PROJECTS IN CANADA

- New Building Canada Fund
- Responsible Resource Development
- Gateway projects
- Développement Nordique
- Alberta Oil Sands
- Canada's Pipelines



BUILDING CANADA FUND

- \$75 billion for public infrastructure over the next decade, including
- \$53-billion New Building Canada Plan for provincial, territorial and municipal infrastructure.

<http://www.infrastructure.gc.ca/plan/nbcp-npcc-eng.html>



RESPONSIBLE RESOURCE DEVELOPMENT

RRD = JOBS, GROWTH, PROSPERITY

- Ensures timely, efficient and effective project reviews while strengthening Canada's world class environmental standards
- Over the next 10 years, more than 600 new projects representing over \$650 billion in natural resources.
- Projects Map:
 - www.actionplan.gc.ca



GATEWAY PROJECTS

CANADA'S STRATEGIC GATEWAYS AND TRADE CORRIDORS

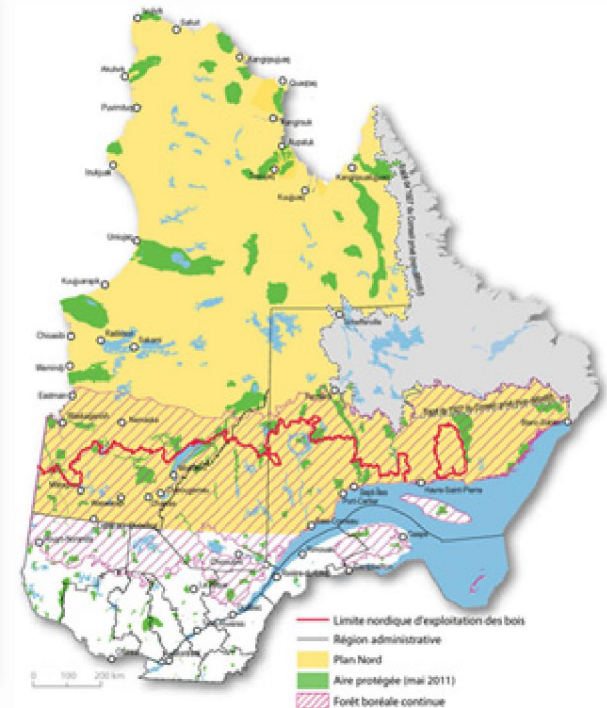
- **Asia-Pacific Gateway and Corridor:**
 - Shortest travel distance between North America and Asia
- **Atlantic Gateway and Trade Corridor:**
 - Provides competitive and strategic supply-chain solutions
 - Shortest travel distance between North America and Europe and between North America and India
 - Network of transportation infrastructure in BC Lower Mainland and Prince Rupert Ports
- **Continental Gateway:**
 - multimodal transportation system (Quebec and Ontario)
 - Seamless integration with Atlantic & Pacific Gateways



DÉVELOPPEMENT NORDIQUE

THE PROJECT OF A GENERATION

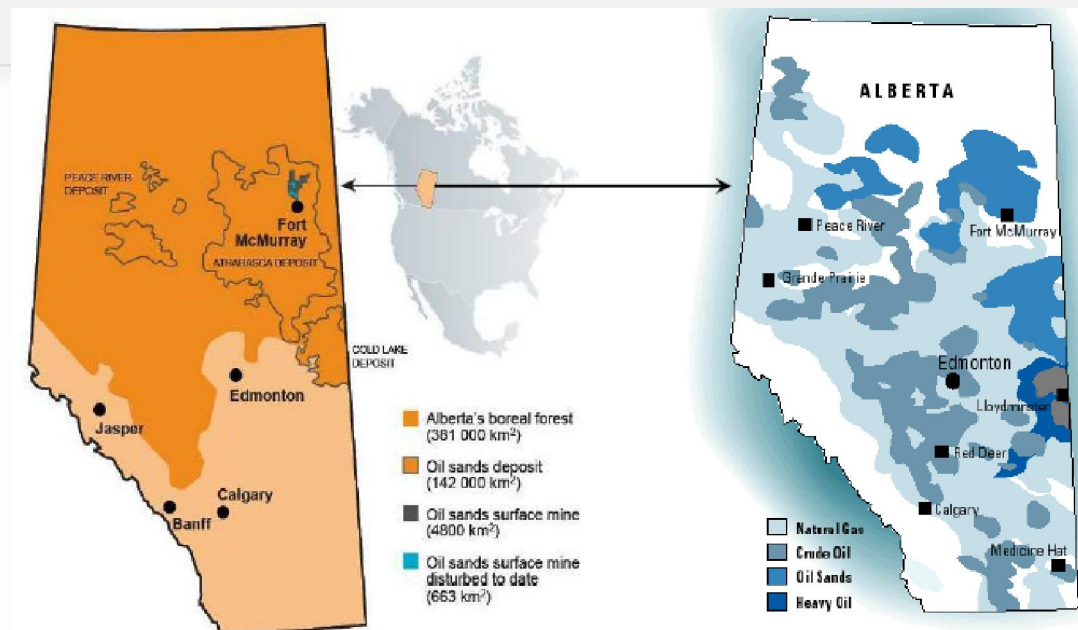
- An approach centred on innovative partnerships.
- A **sustainable development** project that integrates **energy, mining, forest, bio-food, tourism** and **transportation development** along with the protection on **wildlife**, the **environment** and **biodiversity**.
- Développement Nordique will create 20,000 jobs



CANADA'S OILSANDS

CAPTURING OPPORTUNITIES IN ALBERTA

- Canada is the world's 6th largest crude oil producer (~3 million barrels/day)
- Alberta has the world's 3rd largest oil reserves
- Government of Alberta 20 year strategic plan
- \$2 trillion estimated investments, reinvestments and revenues from new oil sands projects by 2035.



CANADA'S PIPELINES

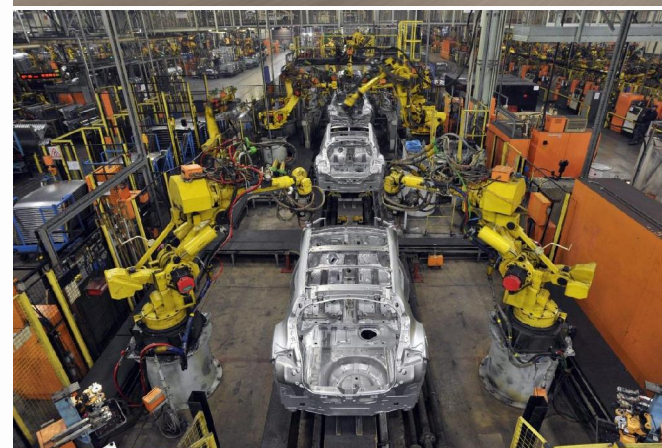
PIPELINES TO ACCESS WORLD MARKETS

- **Oil & Gas industry** = prime engine for Canada's economy
- **Energy products** = largest sector of Canada's export economy
- **BUT**, lack of pipeline infrastructure is hurting Canada's ability to get natural resources to world markets.
- **Key** = pipelines.



AUTOMOTIVE

- Canada's major manufacturing sector
- 15% of North American vehicle production
- revenues of \$84.7 billion
- production 2.37 million units
- 37 high-volume assembly plants within a 500-km radius of the Windsor-Detroit border
- 450 automotive components companies, 1,250 facilities in Canada
- \$27.9 billion in annual shipments and nearly \$13 billion in exports.



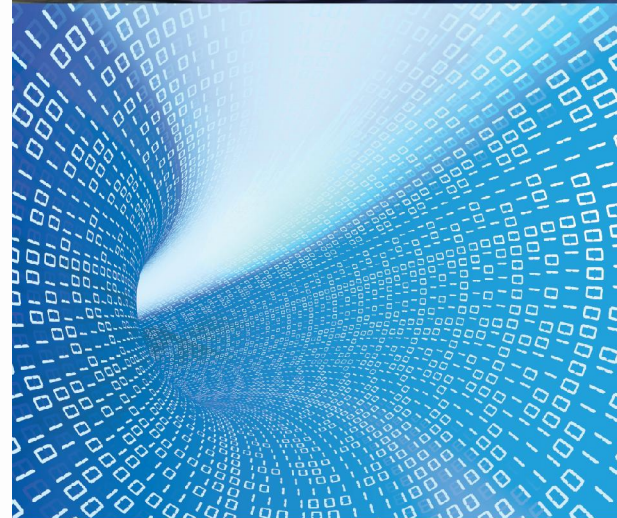
AEROSPACE

- More than 700 firms located across every Canadian region
- More than 170,000 employees
- More than \$25 billion revenues
- 4th aerospace manufacturing sector among OECD countries in terms of revenues and GDP
- 54% of total product exports to the US, 26% to Europe, 12% to Asia and 8% to Africa, Middle East as well as Central and South America



ICT

- **29,840** companies
- **\$46.4** billion in revenues (est.)
- **302,500** jobs
- **\$26.2** billion contributed to Canada's GDP
- **Top Sectors of Activity**
 - Enterprise Application Software
 - Cyber Security
 - Financial Technology
 - Health IT
 - Digital Media/Gaming



Canadian Embassy in Italy

HOW WE CAN HELP

- 90 Employees
- 2 offices in Rome
- Honorary Consulates located in Milan, Udine, Malta, Albania
- **Embassy's main sections:** Commercial, Political, Public Affairs, Immigration, Consular
- The embassy covers the countries of Albania, Malta, and San Marino.
- **Commercial Division:**
 - 10 team members including:
 - 1 located in Milan
 - 1 Investment Specialist
 - 1 Innovation Specialist
 - Sector officers in priority sectors (A&D, Agrifood, Automotive, ICT, Life Sciences, Renewable Energy)



The Canadian Trade Commissioner Service

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For more information, visit our websites:

www.tradecommissioner.gc.ca/it

www.investincanada.gc.ca

www.italy.gc.ca



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