



CANADA

Nicolas Lepage
Senior Trade Commissioner

May 2018



Global Affairs
Canada

Affaires mondiales
Canada

Canada



1 Canada-Poland Bilateral Relations

2 Canada-EU: Comprehensive Economic and Trade Agreement (CETA)

3 What makes Canada one of the best places in the G7 to do business?



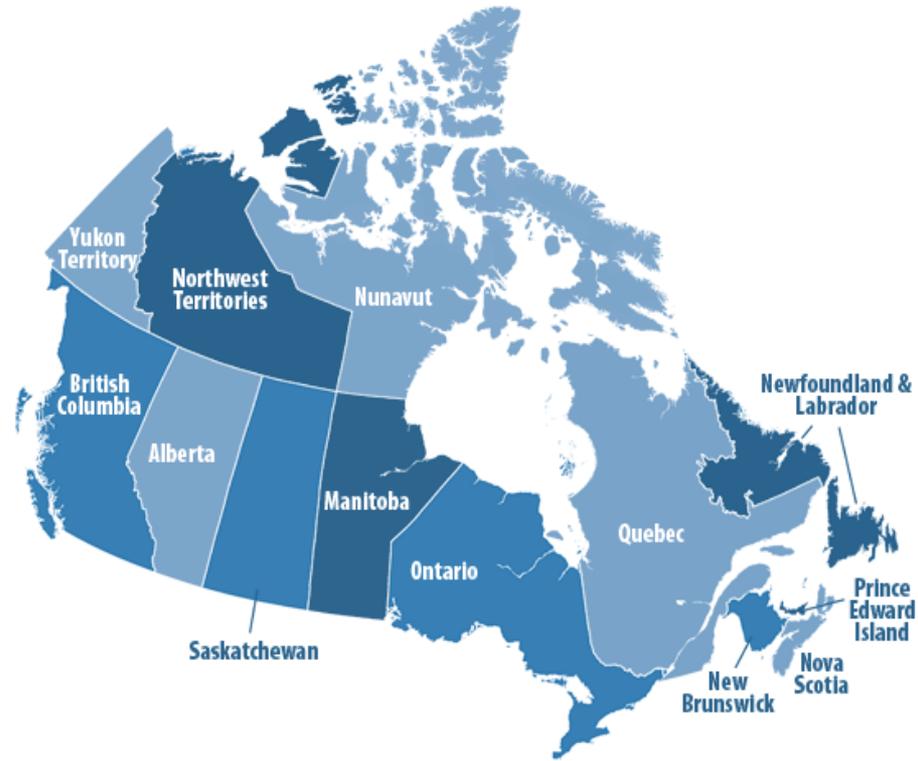
CANADA – POLAND BILATERAL RELATION

Canada: Basic Facts



Key Facts

Official name	Canada
Federal monarchy	10 Provinces and 3 Territories
Capital	Ottawa
Official languages	English and French
Area	9,985 million km ²
Total Land	9,093,507 km ²
Freshwater	891,163 km ²
Currency	Canadian Dollar (CAD) 1 CAD ~ 0.78 USD or 1 USD ~ 1.28 CAD 1 CAD ~ 0.64 EUR or 1 EUR ~ 1.57 CAD 1 CAD ~ 2.67 PLN or 1 PLN ~ 0.37 CAD
Time zone	Central (Ottawa, SK, MB) UTC -6h Eastern (Nunavut, ON, QC) UTC -5h Atlantic (Labrador, NB, NS, PEI) UTC -4h Mountain (Alberta, NT) UTC -7h Pacific (BC, Yukon) UTC -8h
Population	36,155,487 on April 1, 2016
Immigration to Canada	target of 310,000 new permanent residents for 2018 across all immigration categories



Strong Bilateral Relations



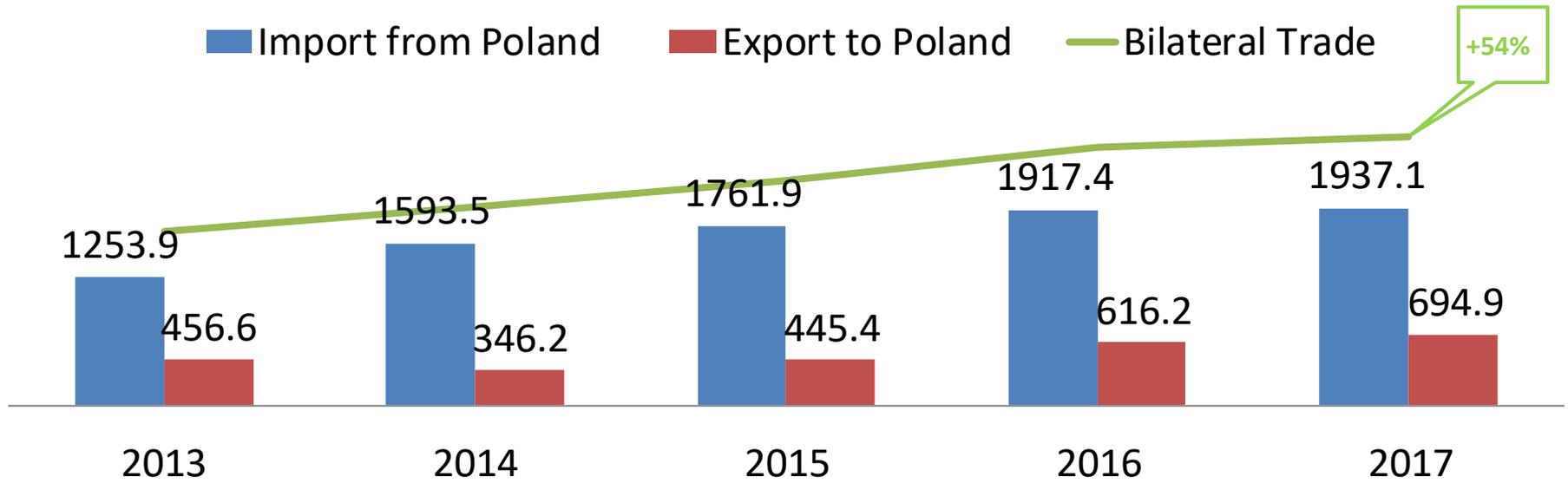
- Excellent multifaceted relationship.
- People-to-People connection.
 - Over a million Canadian of Polish origin.
- Longstanding Military Cooperation.
 - WWII: fought together in historic battles of Monte Cassino and Normandy.
 - Canada was the first country to ratify Poland's accession to NATO in 1999.
 - NATO Reassurances: 200 Canadian troops in Drawsko Pomorskie between May 2014 – August 2017.
 - NATO enhanced Forward Presence Battlegroup Latvia with Poland.
- High Level Engagement.
 - 2016: visit to Poland of minister of Defence, visit by President Duda to Canada, PM Trudeau visit to Poland for NATO Summit.
 - 2014/2015: visits to Poland by PM Harper, Governor General. Johnston and Ministers of Foreign Affairs, Defence, Finance and Multiculturalism.
 - 2012: visit by former Prime Minister Tusk to Canada.



A Growing Trade Bilateral Relations



Trade in Goods - mln CAD



Canadian imports from Poland

Parts - Turbojets/Turbopropellers	43.7%
Raw Furskins	11.0%
Vessels (Ferry boats)	10.8%
Wooden/Metal Furniture	10.1%
Machines - Insulated Electric Conductors	9.2%
Undercarriages/Parts - Airplanes/Helicopters	3.5%
Silver, Articles o Jewelry, Platinum	3.4%

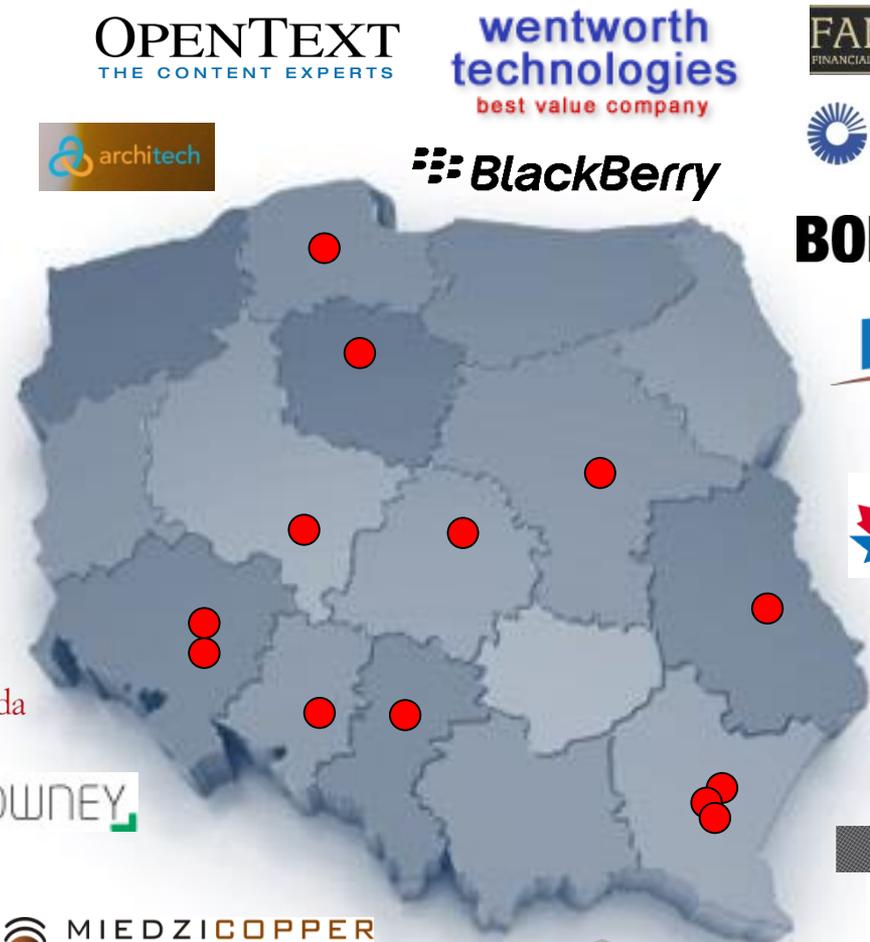
Canadian exports to Poland

Parts - Turbojets/Turbopropellers	43.8%
Coal (Briquettes)	31.1%
Electrical equipment, Electric Motors	5.5%
Orthopedic Appliances	5.5%
Parts and Accessories for Motor Vehicles	4.7%
Preparations - Animal Feeding	2.0%
Plastics plates/Film, Polymers, Propylene	1.9%

Canadian Investment in Poland



- Canadian direct investment in Poland: **\$1.03 billion in 2016**
- Over 15,600 jobs supported in Poland by Canadian investments
- ICT, Pharma, Advanced manufacturing, Food processing/retail, Mining, Oil&Gas



OPENTEXT
THE CONTENT EXPERTS

wentworth technologies
best value company

FAIRFAX
FINANCIAL HOLDINGS LIMITED

NETUR
USINER POUR PROPULSEUR

architech

BlackBerry

Pratt & Whitney Canada
A United Technologies Company



BOMBARDIER

Horizon



Heli-One



VALEANT
Pharmaceuticals International, Inc.

CGI

InterHealthCanada

APOTEX
ADVANCING GENERICS



HDIRATHDOWNEY



MIEDZICOPPER
WIEDZICOPPER

SUM LTD



WSP

Optiva

Northgate
Industries Ltd.

MAGNA

MAGELLAN
AEROSPACE

THORDON
THORDON BEARINGS INC.

Polish Investment in Canada



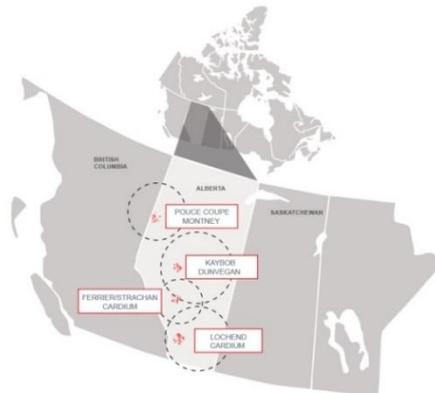
- 2012: KGHM acquired Quadra FNX for 3.5 billion C\$ - besides assets in Chile, two mining projects are now under development in Ontario (Sudbury) and British Columbia (Kelowna). Two operating mines in production in Ontario.
- 2013: Wroclaw gaming studio Techland opened up a new studio in Vancouver, Canada to assist on the development of its open-world zombie game Dying Light.
- 2014/2015: Orlen Upstream acquired Calgary-based Kicking Horse Energy for C\$356, TriOil for \$183.7 million and Birchill Exploration for \$256 million.
- 2015: Comarch opened two offices in 2015 (in Montreal and St. John, NB) to deliver a smart city project for the city of Montreal.
- 2015: InPost started a roll-out of their services in the Toronto area with 200 sites.



KGHM
INTERNATIONAL



COMARCH



Canada-EU: Comprehensive Economic and Trade Agreement (CETA)



CANADA-EUROPEAN UNION

COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT



CETA is a landmark agreement

Reflects our shared values and strengthens our relationships

Brings significant benefits to all segments of society

Sets a model for modern & progressive FTAs



CANADA-EUROPEAN UNION

COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT





Trade in Goods: CETA eliminates most tariffs

Manufactured products

- **98% of tariff lines duty free** on day one
- 99% of tariff lines duty free after phase-out period (up to 7 years)

Agriculture and agrifood products

- 92% of tariff lines duty free on day one
- 93% duty free after phase-out period (up to 7 years)
- New tariff rates quotas for cheeses





Regulatory Cooperation & Non-Tariff Barriers: CETA cuts red tape

Regulatory Cooperation

- Promotes communication and cooperation between regulators
- Establishes an annual high-level dialogue on regulatory matters

Protocol on Conformity Assessment

- Facilitates the ability of EU companies to have their products tested and certified to Canadian standards in the EU
- Reduces administrative costs and marketing delays for exporters





Government Procurement: CETA provides access to public contracts at all levels

Government procurement

Unprecedented access to Canadian procurement opportunities at all levels;

New access to energy utility and mass transit procurement in provinces and territories;

Single electronic point of access for procurement tenders at all levels;

Governments have the ability to protect human health, the environment, national security and public safety.





Government Procurement: CETA provide access to Canada's \$171 billion government procurement market

Entity / Procurement Type	Goods	Services	Construction Services
EU-level institutions / Member State government entities *	Improved Access	Improved Access	Improved Access
Regional government entities **	Improved Access	Improved Access	Improved Access
Local government entities and bodies governed by public law	New Access	New Access	New Access
Utilities	New Access	New Access	New Access
Procurement funded by EU cohesion funds at local government level	New Access	New Access	New Access

* Removal of reciprocity notes

** Lowering of thresholds





Services and Labour Mobility: CETA enhances & provides new opportunities for services suppliers

Best coverage ever offered for Services in a FTA

- Negative list and ratchet mechanism
- Most-favoured nation treatment
- National Treatment

Increased certainty and predictability for service providers

- Temporary entry for a range of business persons
- Framework for the mutual recognition of professional qualifications
- Chapter on domestic regulation





Intellectual Property: CETA protects innovation

Intellectual Property

- Additional period of IP protection of up to two years
- Locked-in eight years of total data protection
- Effective right of appeal

Geographical indications

- Recognition of European agricultural tradition
- More than 170 GI terms covering foodstuffs

Copyright

- Supports advances in technology and international standards
- Compliance with WIPO Internet Treaties





Investment: CETA promotes and protects investments

Government's right to regulate

- Governments' ability to regulate and legislate in the public interest is fully protected.

Investment rules

- Increase certainty, stability, transparency and protection.
- Investors and investments must be treated fairly, equitably and no less favourably than domestic or other foreign investors.

Investment dispute resolution mechanism

- Members of tribunal nominated by Canada and EU.
- Arbitrators randomly selected to form panel.
- Appellate tribunal.
- Code of ethics for members of tribunal.



What Makes Canada One of The Best Places In The G7 To Do Business?





I

EXCELLENT ECONOMIC FUNDAMENTALS

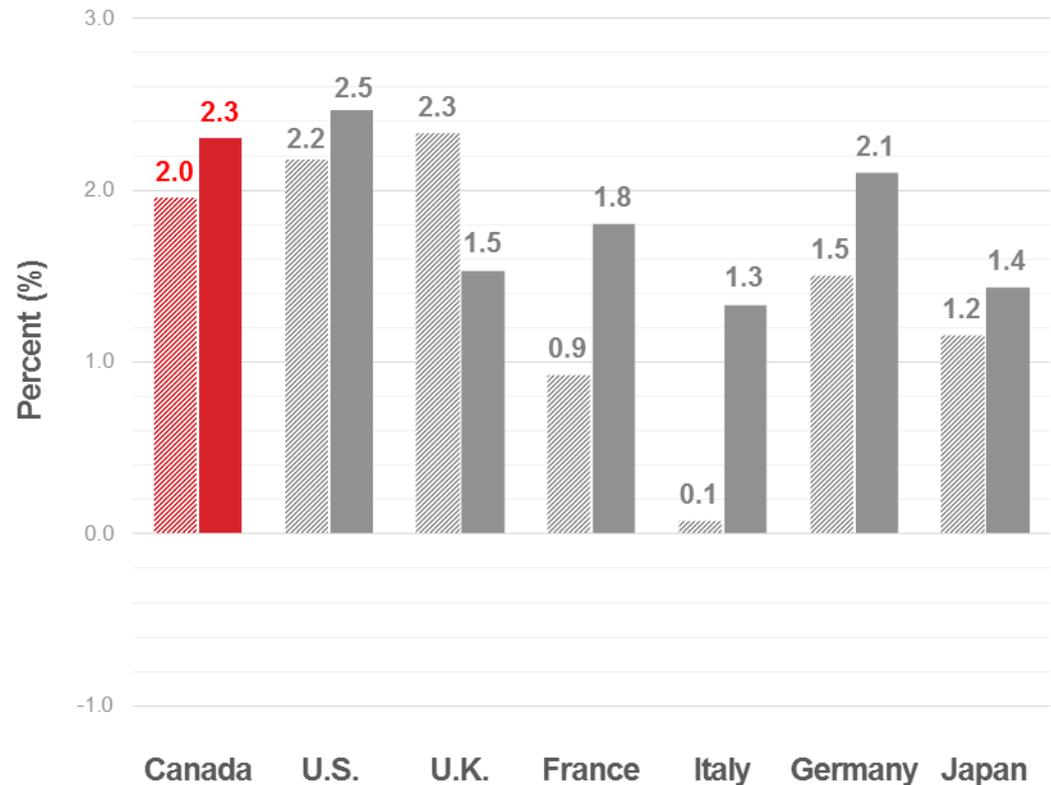
Despite the global slowdown, Canada's economic prospects are strong, based on a consensus of forecasts.



- According to Consensus Economics, Canada has been a strong performer among G7 countries in GDP growth during the 2013-16 period and is expected to continue this trend through 2017-19.

Real GDP Growth and Projections (%)

▨ 2013-2016 ■ 2017-2019



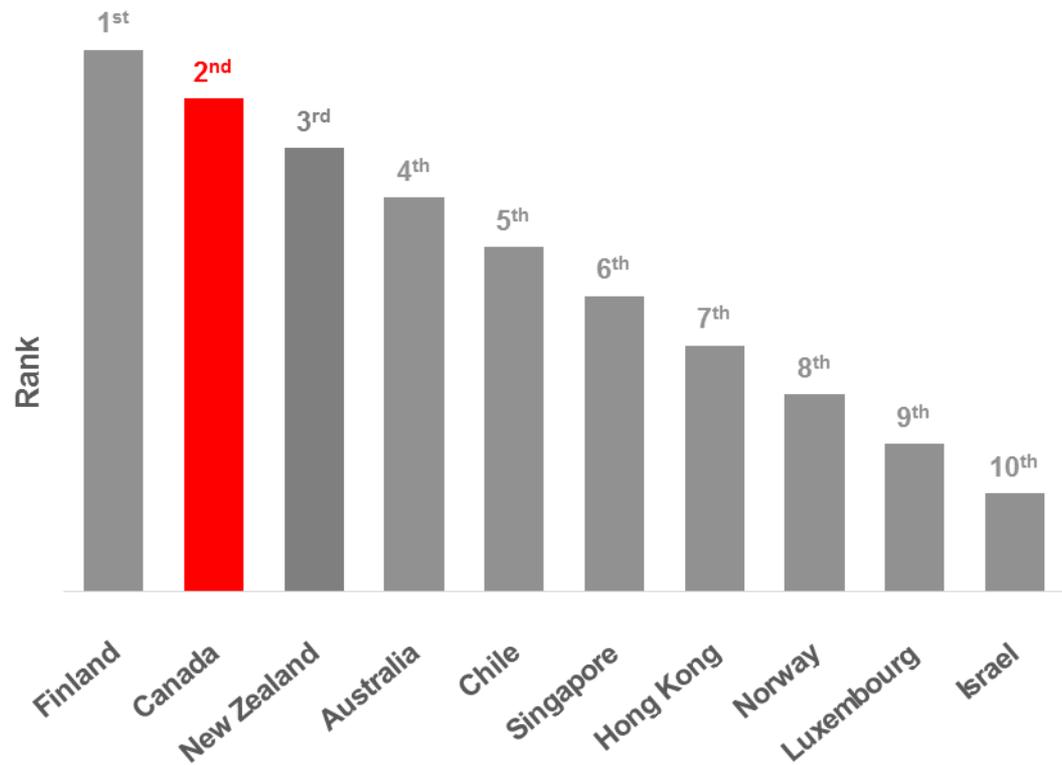
...and has sound financial institutions.



- Investors can take comfort in the fact that Canada's banking system is ranked 2nd in the world and is soundest in the G7.
- Five of the world's 50 safest banks are in Canada, according to a recent study**:
 - Toronto Dominion Bank (19th)
 - Royal Bank of Canada (23rd)
 - Caisse Centrale Desjardins (34th)
 - Scotiabank (48th)
 - Bank of Montreal (50th)



Soundness of Banks* World Rank



*Standing among 137 countries. Ranking based on the degree of soundness of financial institutions. Source: *Global Competitiveness Report*, 2017-2018

** Standing among 500 world banks based on total assets and long-term credit ratings. Source: *Global Finance Magazine*, September 2017



||

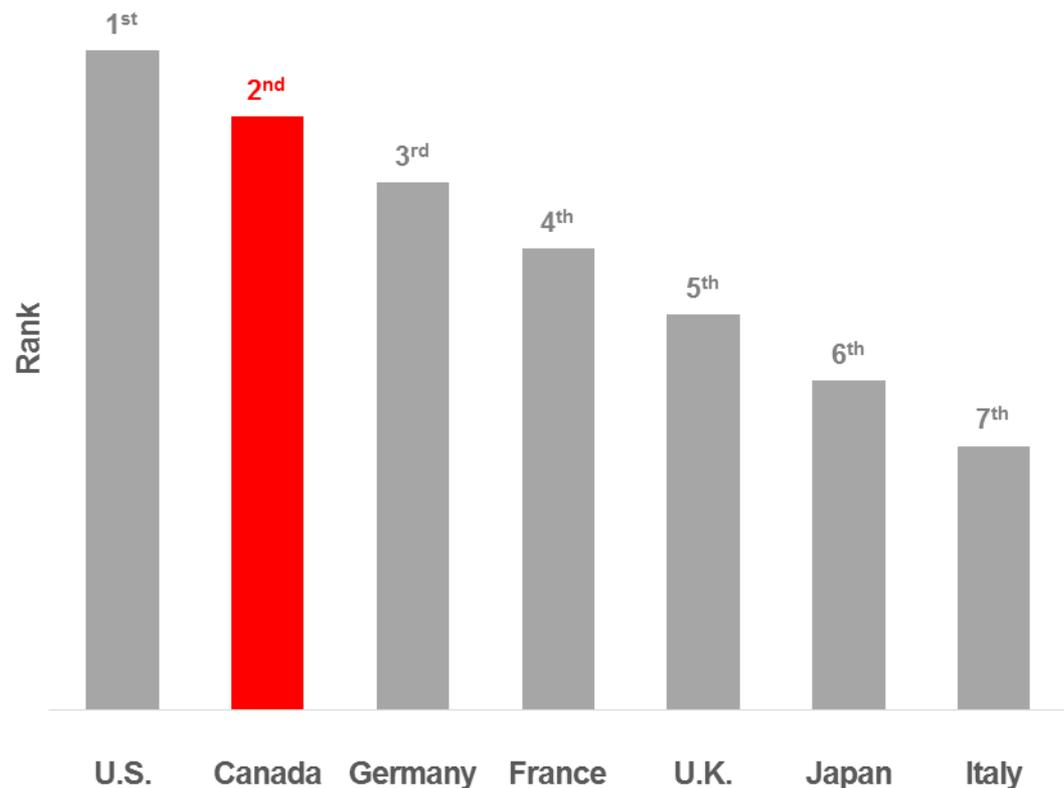
A HIGHLY COMPETITIVE BUSINESS ENVIRONMENT

Canada is acclaimed by the EIU for its superior business climate...



- Canada understands the importance of its business community and has created an environment to encourage its success.
- Canada is the 2nd best country in both the G7 and the G20 for doing business over the next five years, according to the Economist Intelligence Unit (EIU).
- Canada ranks seventh among 82 countries in the Economist Intelligence Unit's global business rankings for the forecast period (2018-2022).
- The country ranks well for its infrastructure, market opportunities, foreign trade and exchange and low tax rates.

Business Environment of the G7 Countries Rank for Forecast Period 2018-2022



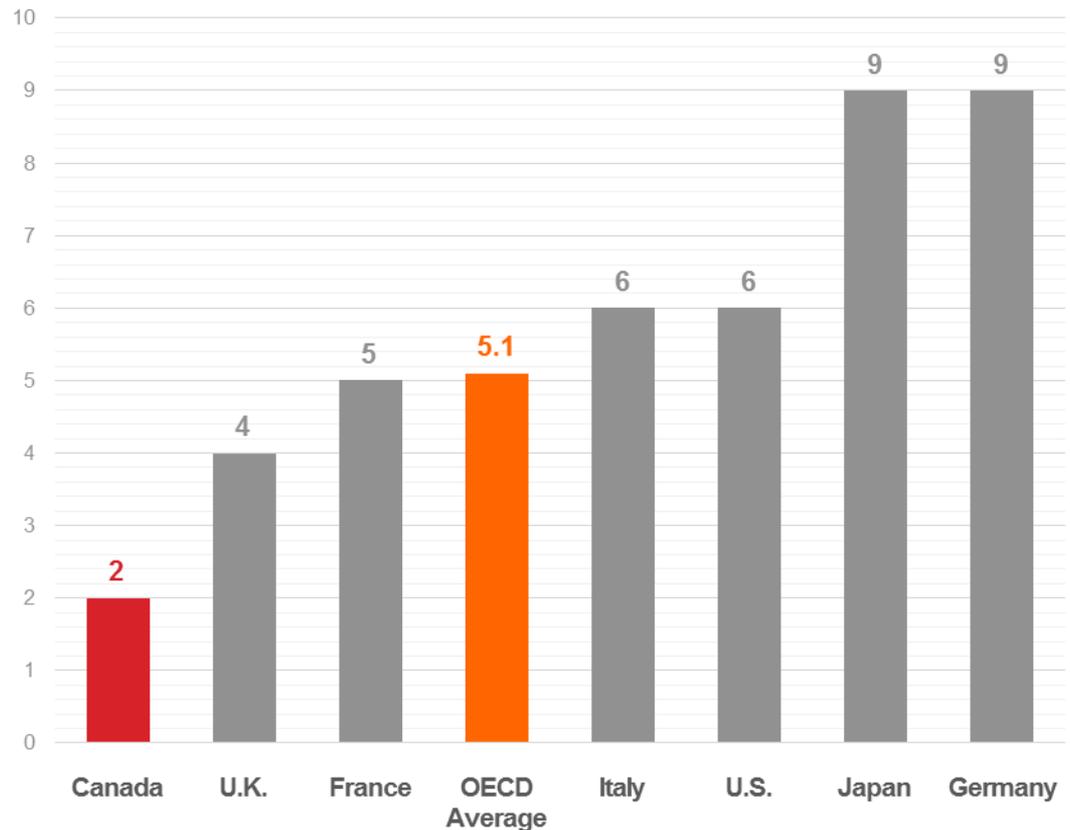
Establishing a business in Canada involves relatively few steps...



- Regulations pertaining to the creation of new businesses are considerably more flexible in Canada than in other G7 countries.
- Canada ranks first among the G7 and OECD countries for the lowest number of procedures required to establish a new business.



Number of Procedures*



Source: *Doing Business in 2018* - The World Bank Group, November 2017. *A "procedure" is defined as any interaction of the company founder with external parties (government agencies, lawyers, auditors, notaries, etc). Interactions between company founders or company officers and employees are not considered as separate procedures. For example, an inauguration meeting where shareholders elect the directors and secretary of the company is not considered a procedure, as there are no outside parties involved.

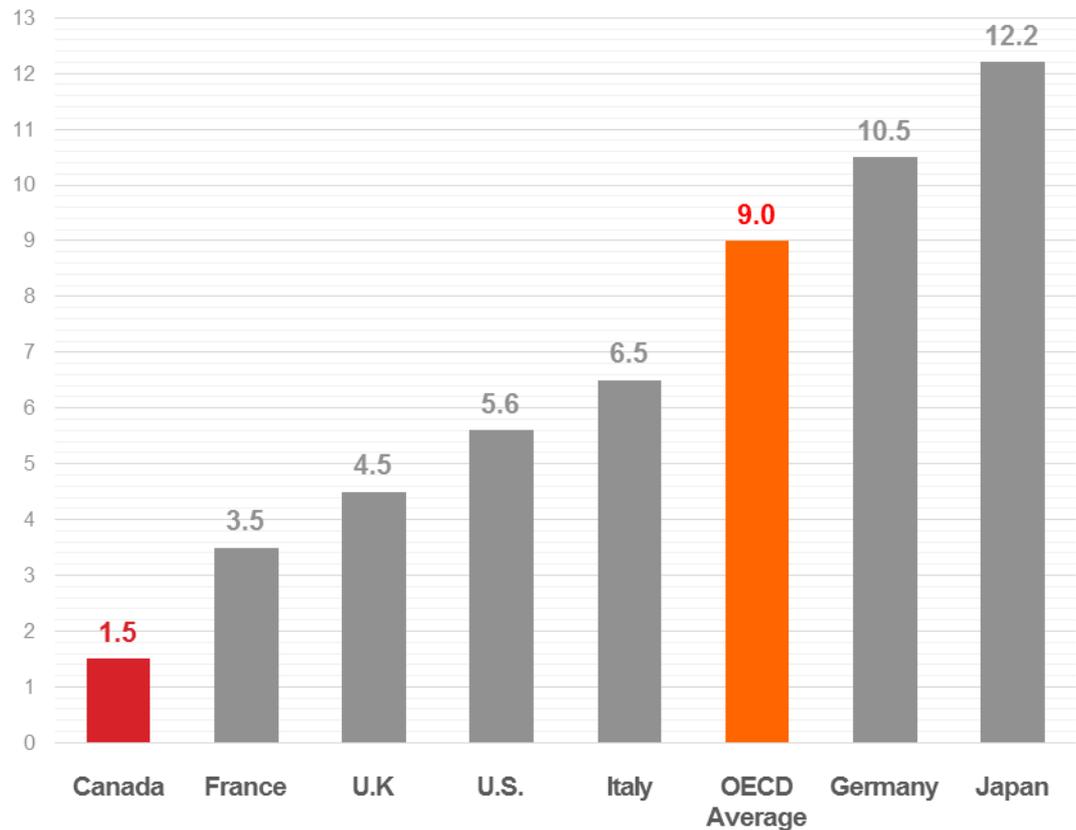
...and takes relatively less time.



- In Canada, it takes fewer days to establish a new business than it does in any other G7 country.



Time Required to Start a Business Days

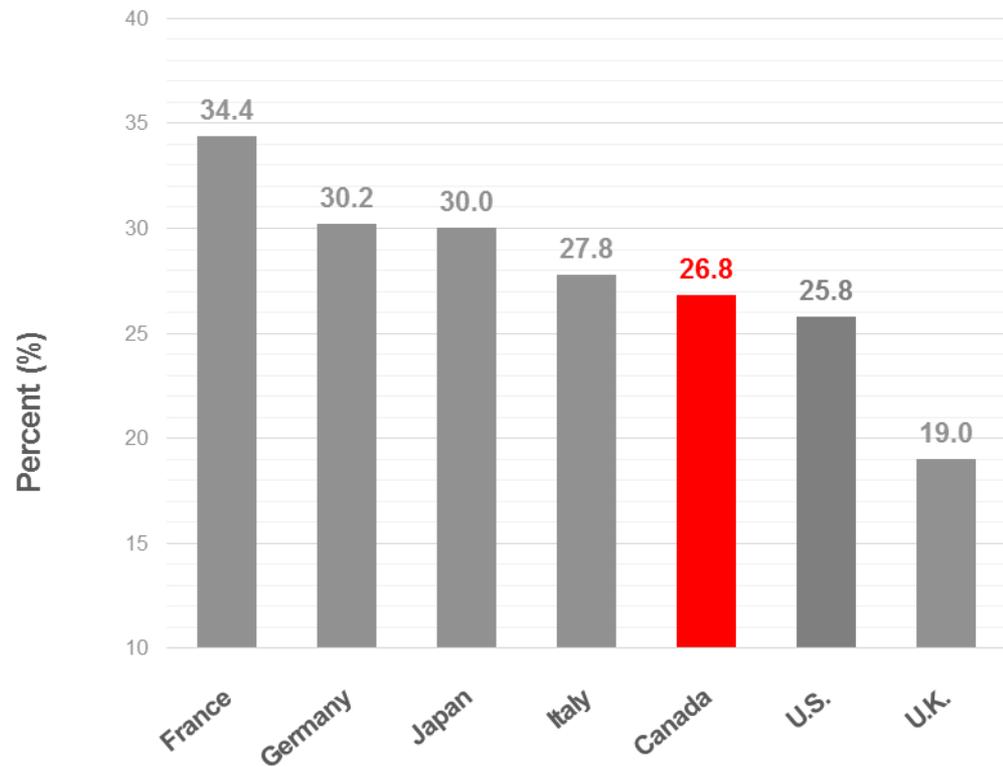


Canada has relatively low corporate income tax rates.



- Canada has the third-lowest statutory corporate income tax rate in the G7 in 2018.

Statutory General Corporate Income Tax Rates in the G7, 2018



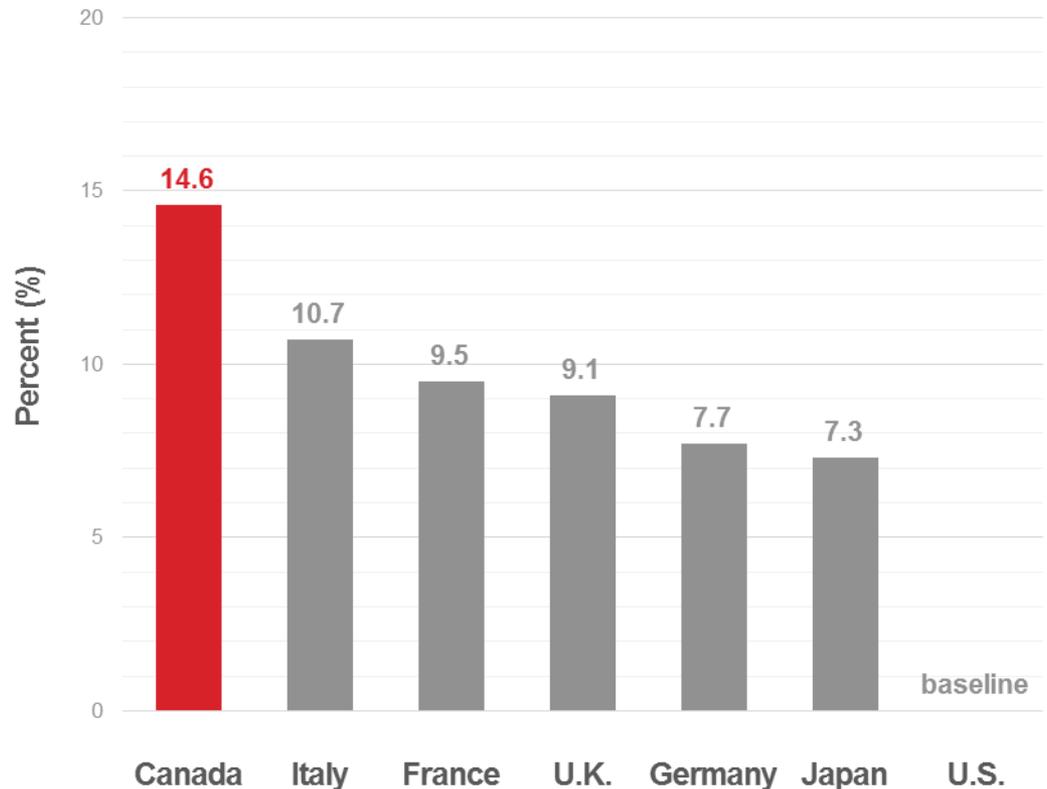
Canada has the lowest business costs among G7 countries...



- KPMG's *Competitive Alternatives* study finds that Canada has the lowest business costs among G7 countries.
- Canada's cost advantage ranges from 3.9% for Italy (14.6%-10.7%) to 14.6% for the United States.



Percentage Cost Advantage Relative to the United States, G7 Countries



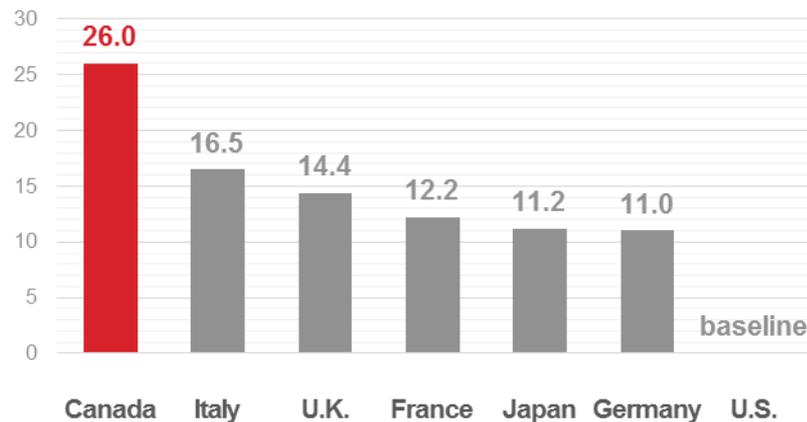
...especially in the digital and research & development sectors.



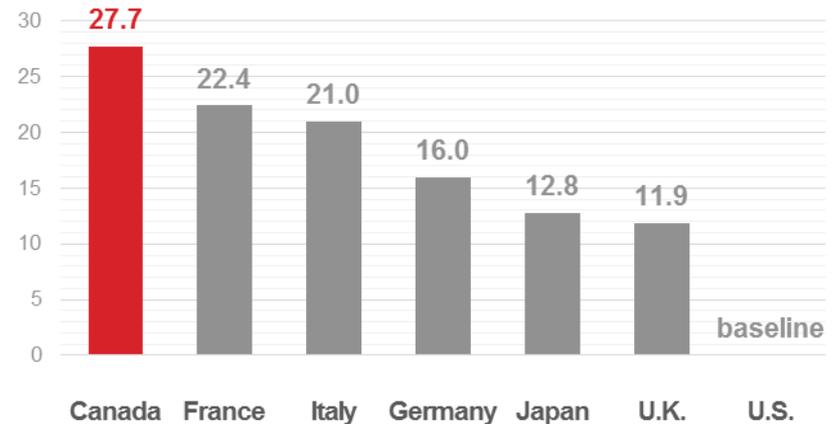
- Canada is the lowest cost G7 country in the Digital and Research & Development sectors.
- Of the two industries in the Digital sector, Canada is the lowest-cost G7 country in both the Digital Entertainment and Software Design industries.
- Among the industries comprising the Research & Development sector, Canada is the lowest-cost G7 country in all three: the Biotechnology, Product Testing and Clinical Trials industries.

Percentage Cost Advantage (Disadvantage) Relative to the United States

Digital



Research & Development



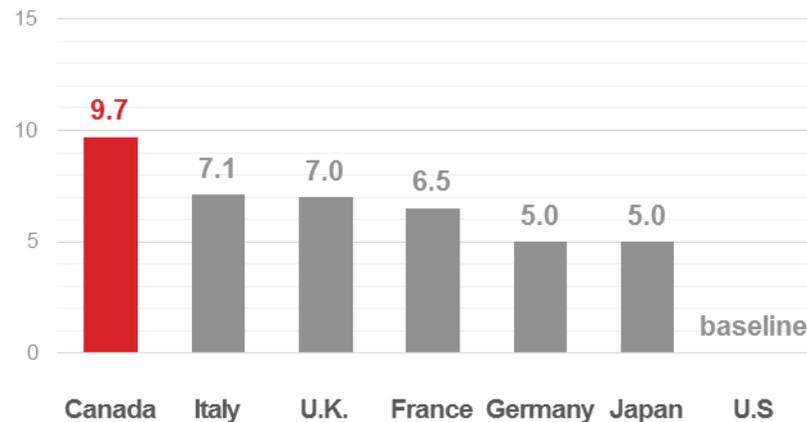
Canada is also highly cost-competitive among the G7 in the manufacturing and corporate-services sectors...



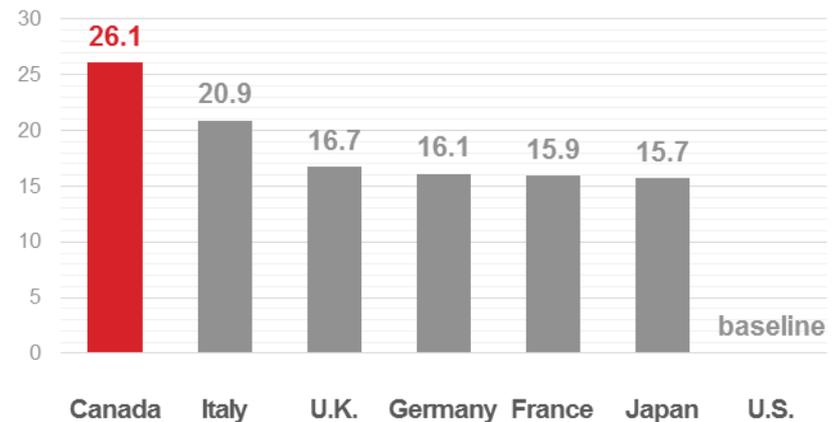
- Canada is the lowest-cost G7 country in the manufacturing sector and the corporate-services sector.
- Canada is the lowest-cost G7 country in all 12 manufacturing-sector industries: aerospace, agri-food, automotive, chemicals, electronics, green energy, medical devices, metal components, pharmaceuticals, plastics, precision manufacturing and telecommunications.
- Canada is the lowest-cost G7 country in both corporate-services sector industries: professional services and support services.

Percentage Cost Advantage (Disadvantage) Relative to the United States

Manufacturing



Corporate Services





A DYNAMIC WORKFORCE

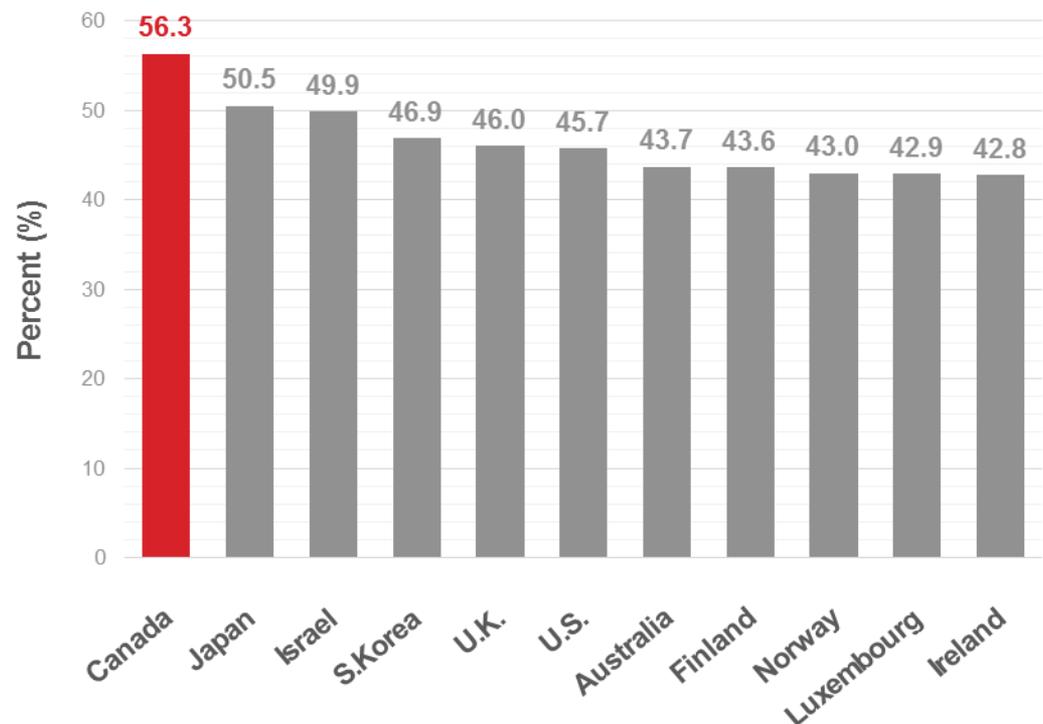
Canada has one of the world's best-educated talent pools and some of the best universities...



- Canada's talent pool is the most highly educated among OECD member countries, with over half of its population aged 25-64 having attained tertiary-level education.
- The 2017-2018 edition of the U.K.-based *Quacquarelli Symonds* (QS) rankings places four Canadian universities among the top 100 in the world:
 - University of Toronto 31st
 - McGill University 32nd
 - University of British Columbia 51st
 - University of Alberta 90th



Percentage of Individuals Aged 25-64 Having Attained Tertiary Level Education Top OECD Countries



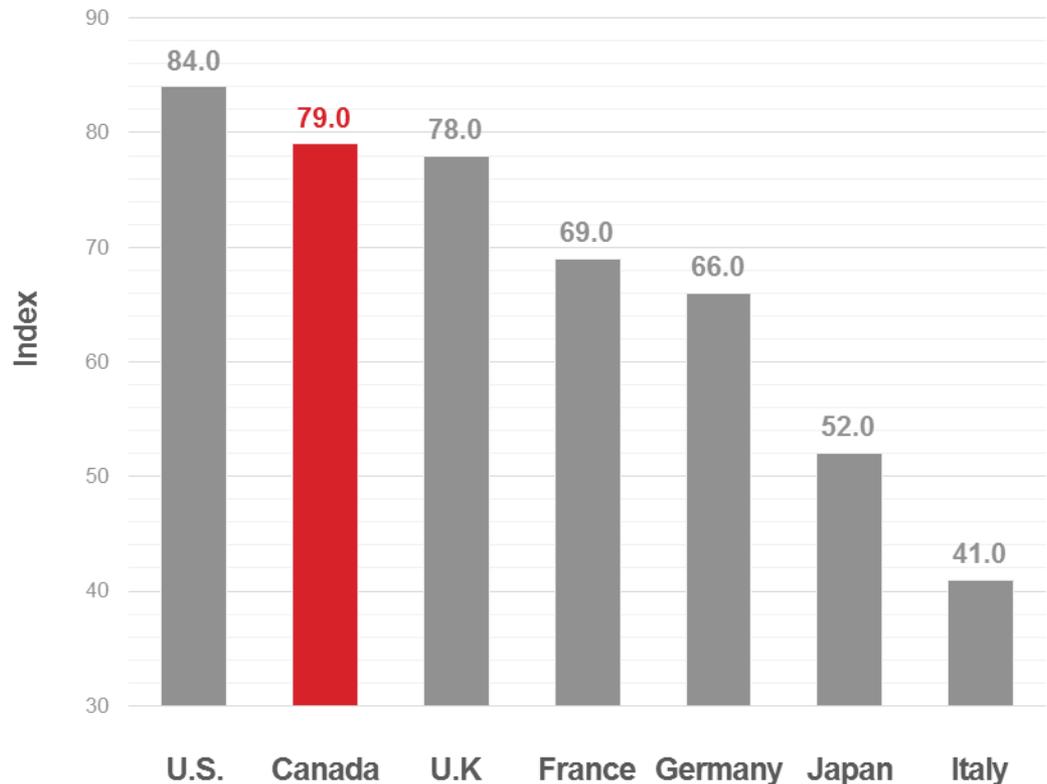
...and has one of the world's best business climates for entrepreneurs.



- According to the *Global Entrepreneurship Index**—a measure of the health of a country's entrepreneurship ecosystem—Canada ranks second in the G7 and third among 137 countries.
- Canadian policymakers are better equipped than those in most economies to implement policies that support entrepreneurship innovation, productivity and job creation.



Global Entrepreneurship Index* **G7 Ranking**



*The *Global Entrepreneurship Index* ranks countries based on 3 sub-indices: entrepreneurial attitudes, entrepreneurial abilities and entrepreneurial aspirations standing on 14 pillars: opportunity perception, start-up skills, risk acceptance, networking, cultural support, opportunity start-up, technology absorption, human capital, competition, product innovation, process innovation, high growth, internationalization and risk capital.

Source: Global Entrepreneurship Index 2018 – The Global Entrepreneurship and Development Institute, November 29, 2017



IV

A PROMISING VENUE FOR INNOVATION & INVESTMENT

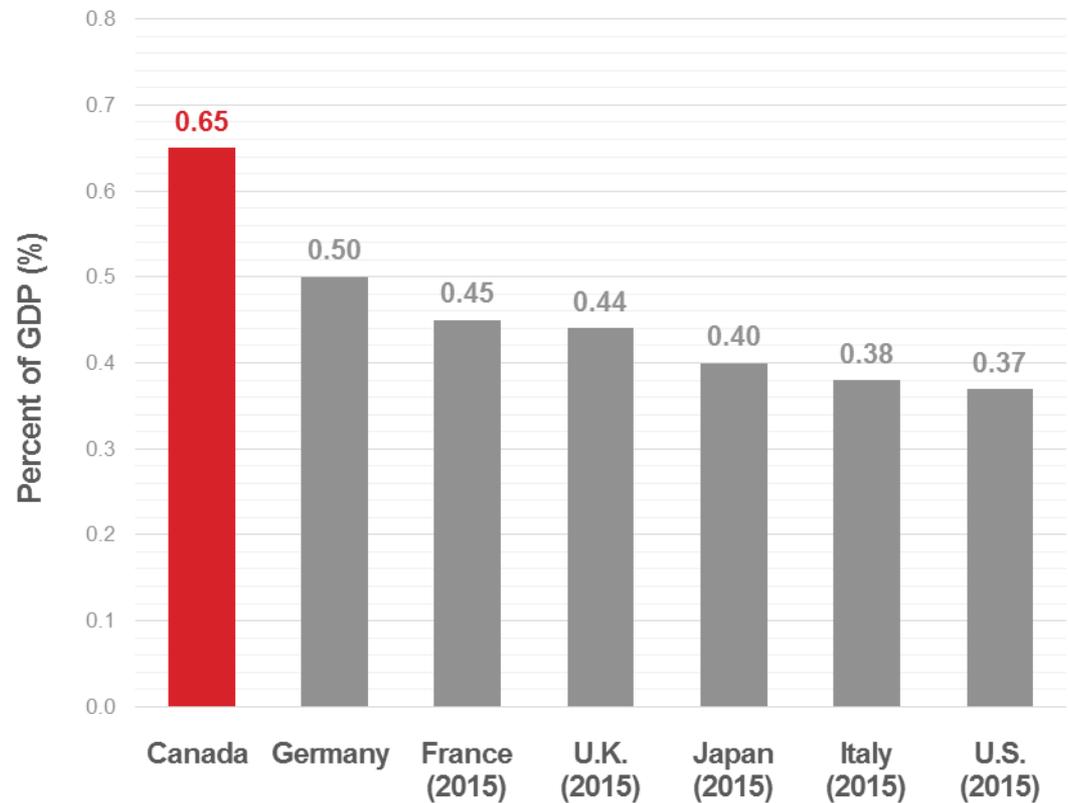
Canada has a high level of R&D investment in higher education...



- Canada is a world leader in post-secondary research, outpacing other G7 countries on higher education investment.



R&D Investment in the Higher Education Sector 2016



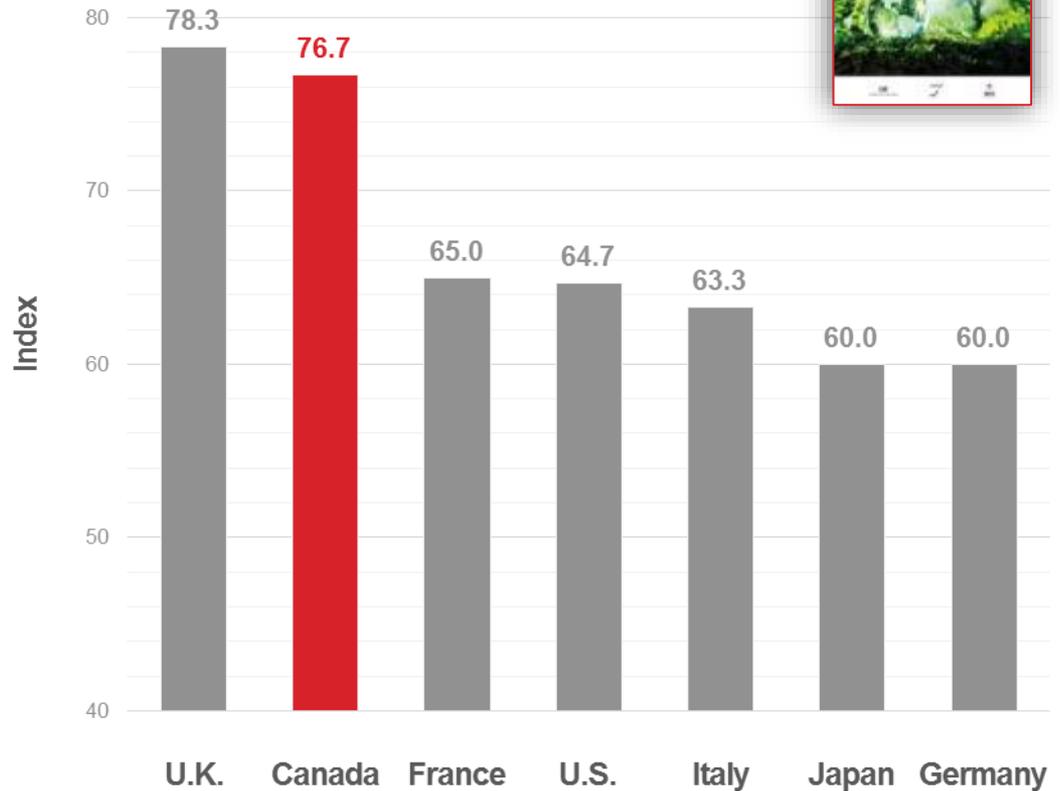
...with solid investor protection...



- Canada is ranked second in the G7 and seventh out of 127 countries, by the Global Innovation Index for the ease of investor protection.



Ease of Investor Protection* G7 Ranking



* Standing based on three dimensions of investor protection: transparency of related party transactions, liability for self dealing, and shareholders' ability to sue officers and directors for misconduct. Source: *Global Innovation Index 2017*, Cornell University, INSEAD Business School, and World Intellectual Property Organization (WIPO)



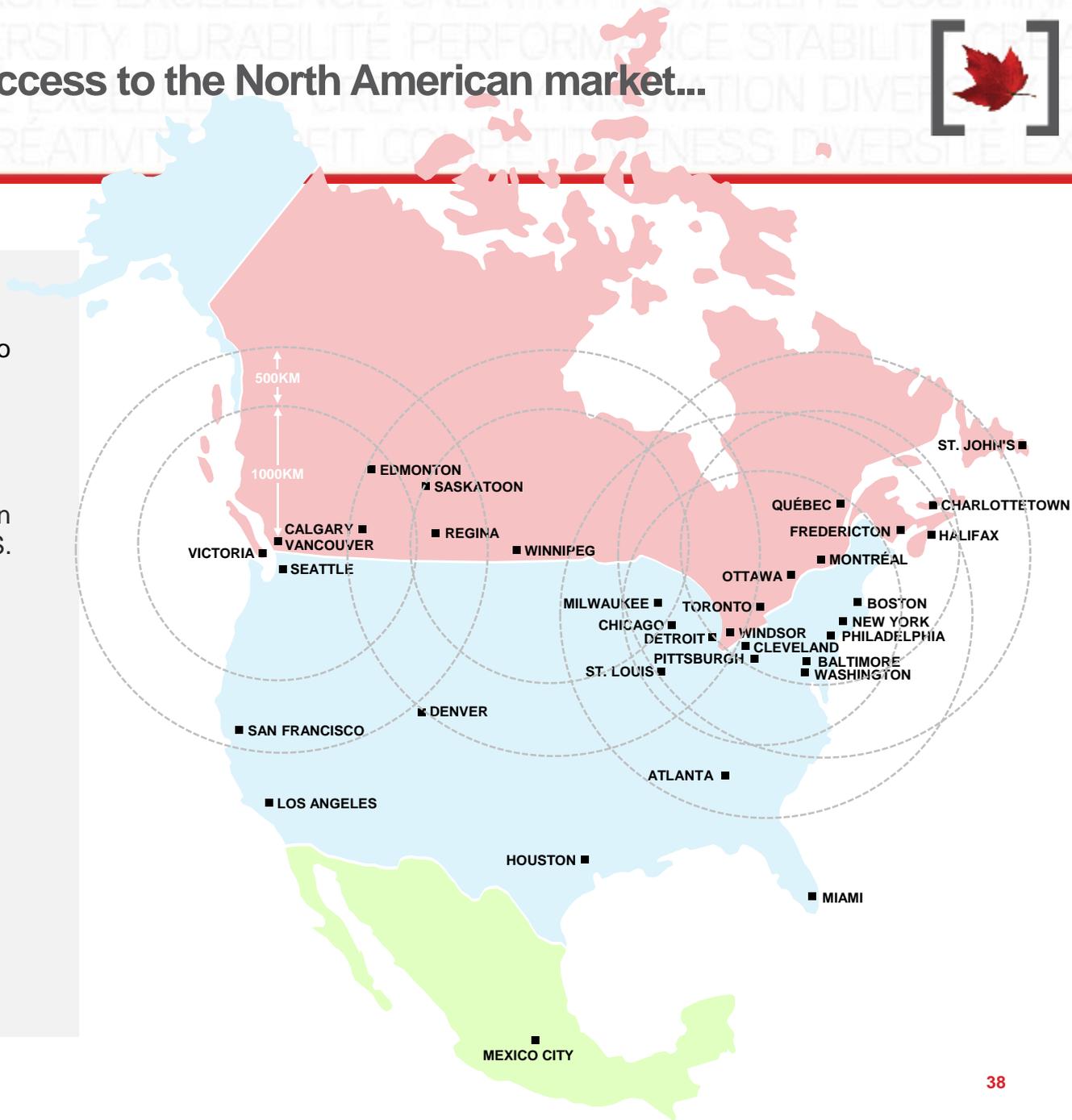
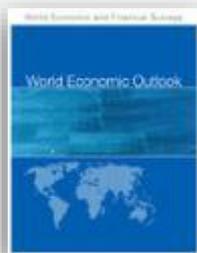
V

EASY ACCESS TO MARKETS

Canada has direct access to the North American market...



- Canadian-based businesses have access to one market of nearly 482 million consumers with a combined GDP of over US\$21 trillion.*
- Many Canadian production hubs are very close to U.S. markets with 16 of Canada's 20 largest cities within a 1.5-hour drive of the U.S. border.



* Source: IMF World Economic Outlook, October 2017.

...excellent global market access for businesses...



- With the Canadian-European Union Comprehensive Economic and Trade Agreement (CETA) provisionally in force, firms operating in Canada have preferred market access to 45 foreign countries.
- Canada's preferred market access represents over 1.2 billion consumers and over US\$41.4 trillion or 55.0%, of global GDP.
- Canada's market access is supported by a reliable and efficient transportation system, providing for effective Canadian business participation in global supply chains.

Countries and Economic Zones with Free Trade Agreements with Canada, 2016
Gross Domestic Product (GDP) (US\$)





VI

AN EXCELLENT PLACE TO LIVE

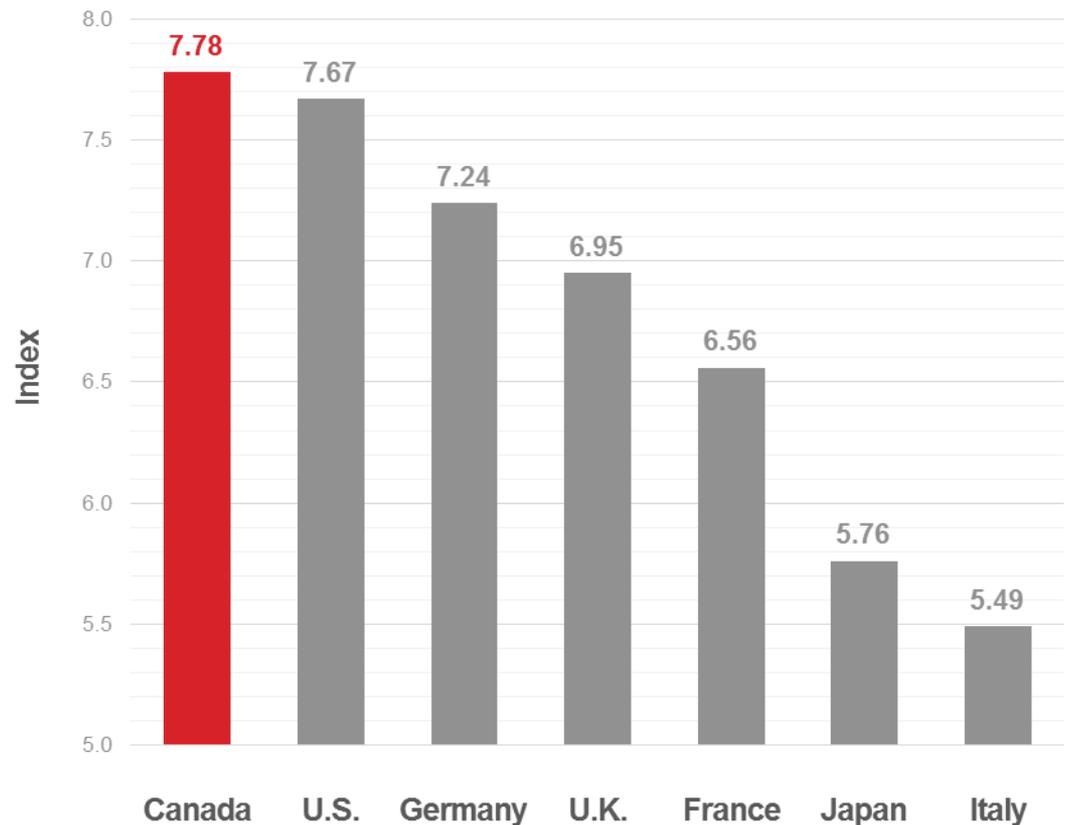
Canada's overall quality of life is one of the world's best.



- Canada ranks first in the G7 and fifth among the 35 OECD countries in terms of overall living conditions and quality of life.



Better Life Index* G7 Ranking

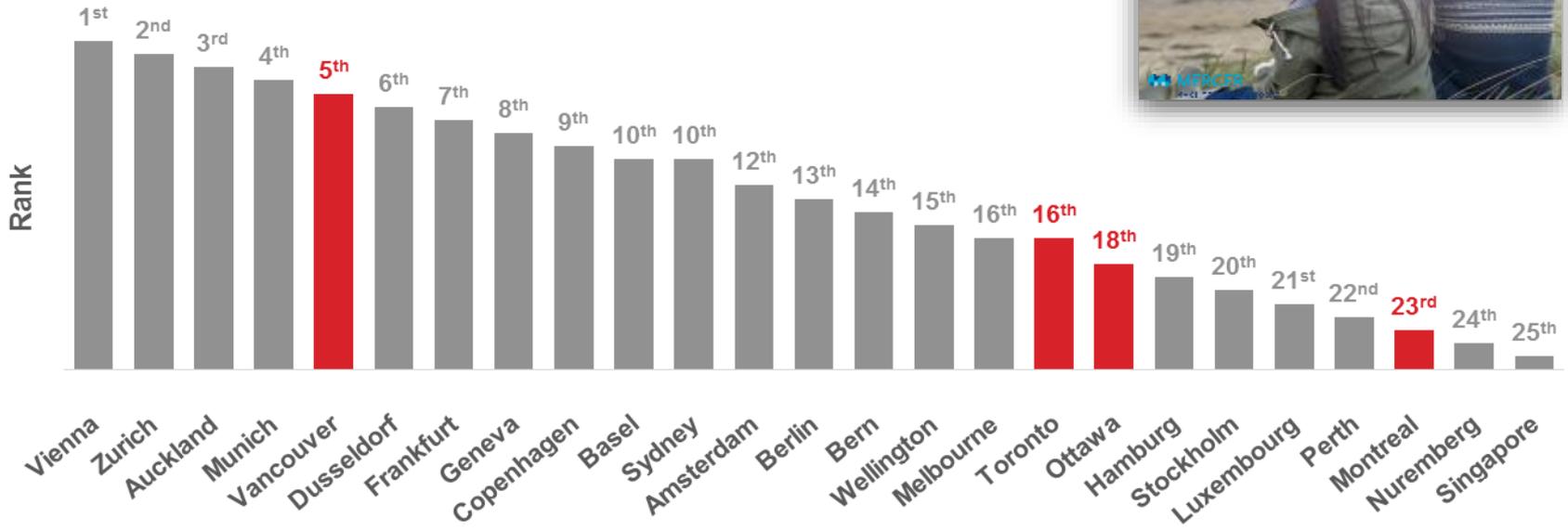


...an exceptional quality of life in its cities...



- In a recent annual ranking of the quality-of-life in 230 cities, four Canadian cities are among the top 25.

Overall Quality of Life Ranking Top 25 Cities





INVEST IN **CANADA**

Embassy of Canada | Ambassade du Canada

Matejki 1/5, 00-481

Warsaw, Poland | Varsovie, Pologne



wsaw-td@international.gc.ca

