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Canada

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Country Dossier - Canada

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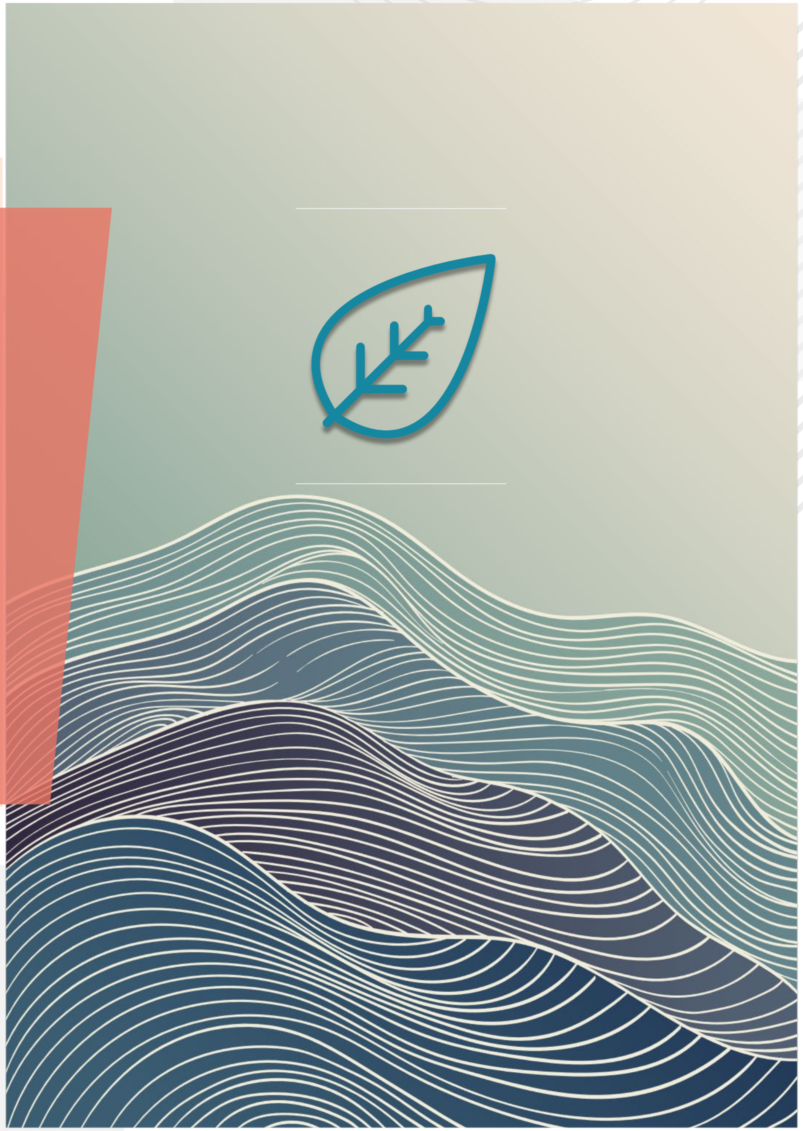
India is key to Canada's Indo-Pacific outreach. Canada is prioritizing six sectors in India from an investment and collaboration standpoint - agriculture, automotive, cleantech, infrastructure, information & communications technology, and life sciences. Canada's current economic partnership with India is valued at about USD 100 billion, with two-way trade at USD 10.5 billion and services exceeding USD 6.67 billion. The two-way foreign direct investment is valued at USD 5 billion and portfolio investment is at USD 65 billion. The two countries have agreed to relaunch the India-Canada Comprehensive Economic Partnership Agreement negotiations formally. This is being looked at as a precursor to an FTA and will be used to liberalize tariffs on certain goods before a formal FTA is signed.



G2G initiatives

The bilateral relationship between India and Canada could get a major boost next year, with as many as eight Canadian cabinet ministers and Prime Minister Justin Trudeau expected to visit India to participate in G20 events. It is expected that bilateral initiatives should be pushed forward, particularly on economic, energy, technology, climate and defence issues.

Sectoral Synergies

Mergers & Acquisitions

- Caisse de dépôt et placement du Québec (CDPQ), Canada's second-largest pension fund manager, is exploring investments in sustainable mobility and the telecom industry as it looks to expand beyond roads and energy in the Indian infrastructure space. Recetntly, Maple Highways, a dedicated India road investment platform of CDPQ, completed the Rs 62.67-billion acquisition of the Eastern Peripheral Expressway (EPE) encircling the National Capital Region (NCR). The purchase of the Toll Operate Transfer (TOT) project from the National Highways Authority of India (NHAI) is the largest road transaction under the government's asset monetisation programme.
- Canadian fund CPP Investments (CPPIB), Singapore's government-owned Temasek and Swedish buyout firm EQT AB (that owns Baring Private Equity Asia) are among a bunch of suitors in separate talks to acquire a significant minority stake in J M Baxi Ports & Logistics.
- India will account for 5-10% of Ontario Teachers' Pension Plan's (OTPP) assets in the next 15-20 years, as the Canadian fund looks to expand investments in areas such as infrastructure, healthcare and renewables. OTPP's current exposure to India is less than 2% of its USD 240 billion in assets globally.
- Canada Pension Plan Investment Board (CPPIB), General Atlantic (GA), and Abu Dhabi Investment Authority (ADIA) are evaluating about USD 250 million investment in API Holdings, India's largest digital healthcare platform.

Aerospace

- Garuda Aerospace and Lockheed Martin Canada CDL Systems have signed a pact to integrate the Indian company's locally-made drones with the latter's advanced Uncrewed Aerial Systems (UAS) software solutions for defence and commercial purposes. Under the partnership, the companies will work closely to explore opportunities to develop drone-based service applications in sectors such as defence, agriculture, mining, large-scale mapping and industrial inspection.

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