

ASIA PACIFIC
FOUNDATION
OF CANADA

FONDATION
ASIE PACIFIQUE
DU CANADA

5-YEAR —————
ORGANIZATION AND
ACTIVITIES REVIEW ■

ANNEXES

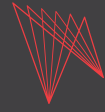


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STRATEGIC DOCUMENTS



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FRAMEWORK FOR A STRATEGIC PLAN (2014-2019)

1. As the world's centre of gravity shifts to Asia, new opportunities and challenges are emerging. Canada and Canadians must embrace this new reality with unshakeable determination. In 2008, the Competition Policy Review Panel concluded that we Canadians must more than ever "Compete to Win." Compete to win, they said, through "vigorous competition and a more ambitious mind set." This sharp emphasis from that Panel applies fully to our Asia Pacific Foundation of Canada as we plan ahead. The Foundation can and should play a key role in helping Canadians capture this unfolding opportunity. But this will happen only if we have the resolve and drive and sharp focus to be a leader in this historic transformation.
2. Our mission is to be Canada's catalyst for engagement with Asia and Asia's bridge to Canada. This means that we will develop ideas for action by business, governments and all of our institutions that will help Canadians seize the vast opportunities unfolding before us in Asia. Across Canada and around the world many initiatives aiming at this opportunity are likely to become active over the coming decades based in businesses, consulting organizations, the academy and governments, amongst others. There will be dozens that sprout up in Canada alone. For the Foundation to emerge as a front runner and leader in this challenging landscape will demand that we achieve a scale and scope that goes far beyond what we have realized over these past several decades. We must do this if we are to end up as one of the small handful of recognized leaders in Canada and across the globe. This is our ambition. Our vision. It is what Canada can and should expect from us.
3. Success will depend on strong leadership at the Foundation, starting with a new high-profile CEO who can drive the Foundation's next phase of growth. It will

also depend on our ability to forge strategic partnerships, attract highly-qualified talent and continue to grow our operating income so that we have a roughly balanced income stream of earned and endowment income. Our goal is to increase our endowment to \$200m over the next decade. We will enlist the best minds and leaders from all sectors to work with us on issues of direct relevance and value to Canada's interests in Asia.

4. Measuring success is central to realizing our vision and executing our plan. We measure success in terms of the following:

- Our influence on public policy debates and the formulation of policy at different levels of government;
- The volume and quality of private sector engagement in Asia;
- Our ability to stimulate increased and diversified trade between Canada and Asia, including in the energy and environment sector;
- Growing Canadian interest in Asia, including the number of Canadians working and studying in Asia, as well as Asian students in Canada;
- Our reputation as an organisation that produces high quality evidence-based research and fosters action by relevant stakeholders;
- The action-oriented support we provide to governments, business and the social sector which turn to us on difficult challenges in the Canada-Asia relationship;
- Our ability to build powerful networks and high-value strategic partnerships with leading organizations across sectors;
- The adoption of leading practices in accountability and performance measurement;
- The establishment of a work environment that attracts some of the best people to join our team;
- The achievement of our financial goals.

5. If we are to produce high quality work, our work program and allocation of resources must be driven by a small set of priority subjects and goals. We will organise our work based on thematic priorities rather than on countries of focus. By having a tightly-defined set of priorities, we will be better able to manage expectations and resist demands from our various constituencies to work on peripheral issues. Notwithstanding our focus, we will make an effort to ensure that we continue to have access to broad general expertise on issues of interest to Canadians that span the Asia-Pacific region.

6. Our priority themes for next 3-5 years are as follows:

- Promoting Trade, Investment and Innovation --fostering linkages between innovation ecosystems in Canada and in Asia and encouraging two-way business, including issues related to market access, export capacity, and barriers to investment;
- Mobilizing Energy Assets--moving quickly and effectively to meet Asia's changing energy requirements and promoting cooperation between Canada and Asia on a range of issues related to energy and the environment;
- Building Skills and Competencies-- increasing and enhancing two-way flows of students and providing Canadians with the skills, knowledge, and experience to be successful in Asia.

7. Specific projects under each theme will be developed and presented to the board for consideration as part of the annual work planning process. Recognising that there are other organisations working on our priority themes, the Foundation will focus on projects where we can add value.

8. The Foundation should offer clear, specific, and actionable policy advice and leadership based on sound research and analysis. The Foundation promotes policy ideas and actions as a trusted independent advisor to government and business. Our research and convening activities – including work funded under the grants program that is mandated by the Government of Canada – will be driven by our strategic priorities and will emphasize action rather than simply knowledge generation or information exchange.

JANUARY 28, 2016



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BUILDING BLOCKS FOR A CANADA-ASIA STRATEGY

PREPARED BY THE ASIA PACIFIC FOUNDATION OF CANADA



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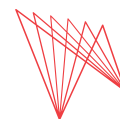


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ABOUT THE ASIA PACIFIC FOUNDATION OF CANADA

Established by an act of Parliament in 1984, the Asia Pacific Foundation of Canada (APF Canada) is a not-for-profit organization focused on Canada's relations with Asia. Our mission is to be Canada's catalyst for engagement with Asia and Asia's bridge to Canada. APF Canada supports the building of Asia-competency and promotes knowledge and understanding of developments in Asia. Its research and policy work focuses on trade, investment, innovation, energy, and the environment.

A leader in research and analysis on Canada-Asia relations for over 30 years, APF Canada partners with government, business leaders, academics, and opinion makers in Canada and across the Asia Pacific region to offer clear, specific, and actionable policy advice.

MESSAGE FROM THE BOARD OF THE ASIA PACIFIC FOUNDATION OF CANADA

Canada's economic prosperity and security are inextricably linked with Asia. This has become clear as Asia's transformation—the resurgence of China, the growth of India, the maturation of Japan and Korea, and developments within the Association of South East Asian Nations (ASEAN) region—provides new opportunities as well as challenges for its people and for the rest of the world.

Canada is ideally placed to not only benefit from the Asian transformation, but also to serve as a bridge linking this dynamic region to the rest of the world. The Board of the Asia Pacific Foundation of Canada firmly believes it is of utmost importance for the Government of Canada to strengthen its partnerships and deepen its engagement with Asia. We strongly encourage Prime Minister Trudeau and his government to develop a constructive and sustainable Asia strategy—one that takes into account the diversity of the region and is able to accommodate a degree of uncertainty and short-term volatility associated with emerging economies and changing polities.

This is an important and exciting time for Canada and Asia, and much is at stake. The Foundation itself has a vital role to play in supporting the government in this regard. The Board is therefore delighted to support and present *Building Blocks for a Canada-Asia Strategy*, a document that proposes a series of recommendations that can serve as the foundation for the government's elaboration of a Canada-Asia strategy.

Asia Pacific Foundation of Canada's Board Members:

David L. Emerson, Marie-Lucie Morin, Dominic Barton, Stewart Beck, Jean Charest, Colin Dodds, Kevin Falcon, Blaine Favel, George Heller, Murad Al-Katib, Vikram Khurana, Paul Lee, Kevin Lynch, Sandra Pupatello, Evaleen Jaager Roy, Indira Samarasekera, Graham Shantz.

MESSAGE FROM THE PRESIDENT AND CEO OF THE ASIA PACIFIC FOUNDATION OF CANADA

For over 30 years, the Asia Pacific Foundation of Canada has been contributing to the dialogue on Canada's engagement with Asia, a region of the world critical to our country's future. During this time, we have witnessed the strengthening of the ties between Canada and Asia. However, today, as Asia stands on the cusp of a new stage of dynamic development and growth, there is an opportunity for us to take our relationships with countries in the region to a new level where we will be better placed to take advantage of the changes underway.

This document outlines a series of recommendations for the Canadian government to consider as it articulates its response to the rise of Asia as a global economic power and political force. We have sought to address Asia as a whole and would recommend that our work be considered in tandem with other recent country-specific studies.¹

Prioritizing is always difficult, but I would like to draw the government's attention to three recommendations that call for immediate action:

- The Government of Canada should work with Parliament to ratify the Trans-Pacific Partnership, and accelerate negotiations on a Canada-China free trade agreement and the Canada-Japan Economic Partnership Agreement.
- The Government of Canada should develop a new generation of innovative trade promotion strategies and mechanisms targeting Asia that take into account the specific challenges faced by micro, small and medium-sized enterprises in the region. Such initiatives should target a few core, promising sectors including agriculture and agricultural logistics, clean technologies, and digital media.

- The Government of Canada should spearhead and support initiatives that help Canadians become more Asia-competent (i.e., have Asia-related skills and knowledge). This includes familiarity with the diversity of Asian cultures; knowledge about the region's economies, societies, and political systems; and the ability to speak Asian languages.

This is a pivotal time for Canada and for Canadians—a time to decide how to navigate through the ebb and flow of Asia's rise. A concerted and strategic approach to Asia is necessary to ensure appropriate engagement over the long term.

I would like to thank David Emerson, Marie-Lucie Morin, Dominic Barton, Don Campbell, Kevin Lynch, Pitman Potter, Hugh Stephens, and Michael Goldberg for their input, and members of APF Canada's Board for their support and guidance. I would also like to thank Eva Busza, Chantale Walker, and Valentine Ostaszewski for their hard work in drafting the paper.



A handwritten signature in black ink, appearing to read 'Stewart Beck', written in a cursive style.

Stewart Beck,
President and CEO, Asia Pacific Foundation of Canada

INTRODUCTION

The economic and political rise of Asia marks one of the defining shifts of the 21st century. In an increasingly globalized and competitive world, how Canada responds and positions itself to take advantage of this transformation will shape its future. Canada has been fortunate to have traditional partners, such as the United States and Europe, as sources of growth and stability, and these partnerships must be maintained. However, the growing significance of Asia has demonstrated the need for Canada to strategically deepen and diversify its existing partnerships in the region.

Some progress has already been made on this front; yet, Canada continues to face major hurdles to demonstrating its relevance, importance and commitment to Asia. Despite being a “Pacific nation” with approximately 60 per cent of all new immigration originating in Asia, Canada remains marginalized in many of its relationships with Asian countries and, to date, has limited ability to affect or benefit from developments in the region. Addressing this shortcoming is growing increasingly urgent, as a number of Canada’s friendly competitors have taken important steps to improve their own strategic and economic positioning within the region.

The Government of Canada has an opportunity to articulate a more targeted and strategic approach to Asia that both advances Canadian national interests and contributes to the sustainable development and growth of the region.

The key to leveraging Canada’s strengths is not to establish a “one-size-fits-all” approach to the region. An effective Asia strategy will require consideration of the sheer size, vastness, and diversity of the Asian region. It will require the co-ordination of a range of tactics, tools, and players. Most importantly, an effective Asia strategy of the Government of Canada will require strategic flexibility to engage in an agile and responsive manner with a region that is likely to experience periods of short-term volatility.

An effective, forward-looking Canada-Asia strategy will need to achieve four key objectives: 1) position Canada as a relevant and important partner to Asia; 2) ensure that Canada benefits from Asia’s development and growth through improving market access and trade opportunities in competitive sectors; 3) leverage Canada’s strengths to support a secure and sustainable Asian region; and 4) build Canada’s Asia competence by improving Canadians’ related skills and knowledge.

To achieve these objectives, we offer the following recommendations to the Government of Canada for its consideration:

- 1. Foster greater political engagement.** Political engagement with Asian countries and the region must be made a priority so as to strengthen Canada-Asia relations. Engagement should begin at the federal level with a committee co-ordinating policy engagement with Asia. From there, active participation in regional institutions and conferences will help Canada become a relevant player in Asia.
- 2. Engage Asia on good governance and human rights.** Promoting good governance and human rights in the Asian region will help sustain Canada's political engagement. Canada could offer to lead an international advisory group that could serve as a resource on governance issues like anti-corruption, anti-bribery, transparency, accountability, legal frameworks, and human rights. Further, Canada could work with Asian partners to address social and economic inclusion challenges.
- 3. Work with Parliament to ratify the Trans-Pacific Partnership, and accelerate negotiations on a Canada-China free trade agreement and the Canada-Japan Economic Partnership Agreement.** Trade linkages between Canada and Asia have the potential to grow exponentially, but mechanisms to facilitate trade like free trade agreements and foreign investment promotion and protection agreements in the region are lacking.
- 4. Develop a new generation of innovative trade promotion strategies and mechanisms targeting Asia** that take into account the specific challenges faced by micro, small and medium-sized enterprises in the region. Such initiatives should target a few core, promising sectors including agriculture and agricultural logistics, clean technologies, and digital media.
- 5. Build cross-border partnerships to promote entrepreneurship and innovation.** With entrepreneurship and innovation essential to strengthening Canada's economy, more Canada-Asia cross-border partnerships to encourage entrepreneurship and innovation should be cultivated. Some examples of possible bilateral partnerships include collaborations between universities and incubators/accelerators; mentorships; international fellowships and internships; and, field visits.
- 6. Become a hub for international talent.** Strategically positioned to connect Asia, the Americas, and Europe, Canada should be promoted as a hub, not only for trade and investment but also for international talent. Two-way talent flows can be encouraged through visa agreements and enhanced international mobility agreements.
- 7. Build Asia's capacity to respond to global challenges.** Over the coming years, Asia will face a range of non-traditional security challenges: climate change; water, food, and energy security; and health challenges. Canada, with its expertise, research, and technologies, can capitalize on this opportunity to help Asia prepare and respond to these challenges.

8. **Enhance Canada’s conflict and disaster prevention and recovery assistance to countries throughout the region**, either through bilateral agreements or through existing regional and multilateral mechanisms.

9. **Support social and economic inclusion as well as peace and security in Asia through skills development and training for young people**. Canada can help address the shortage of skilled workers in South Asia and parts of Southeast Asia while also helping governments address the potential risks associated with large, unemployed youth populations. This can be done by supporting partnerships to develop educational programs and training in Asia, and facilitating the exchange of best practices to address labour needs.

10. **Spearhead and support initiatives that help Canadians become more Asia-competent**. Canada must build its Asia competence so as to deepen its relations with Asia. A broader foundation of knowledge and understanding about Asia should be developed, especially among public servants and students through interactive course models and scholarships to study or work in Asia. The Government of Canada should encourage Canadians to take advantage of the Asian language skills of recent immigrants, as well as encourage the provinces to promote Asian language acquisition and development among young Canadians. The government can further build Canada’s Asia competence by advancing a domestic strategy to achieve increased transparency of foreign direct investment rules, including promoting knowledge of Canadian investment rules and practices. This will help build Canadians’ trust in the process and recognition of the economic benefits of foreign investment.

Implementing these recommendations will require a careful allocation of assets, sustained political engagement, and a willingness to be a committed and constructive partner to the region where Canada and Asia share common interests and objectives.

The Government of Canada has the opportunity to strengthen its position as a credible and reliable collaborator and partner in Asia. An engagement that respects Canadians’ core beliefs—yet is open to the traditions, interests, and values of the region—will help build enduring relationships and understanding that will strengthen the fabric of Canada as a whole.

DRIVERS OF CHANGE IN ASIA

The Asian region will see considerable change over the next half-century as it gains a more dominant and influential role in the world's economy. Change will be led by drivers in the following five main categories: politics and security; economics; global challenges; technology and innovation; and, demographics. In crafting a constructive and sustainable strategy for Asia, the Government of Canada's policies and practices will need to take these dynamics into account.

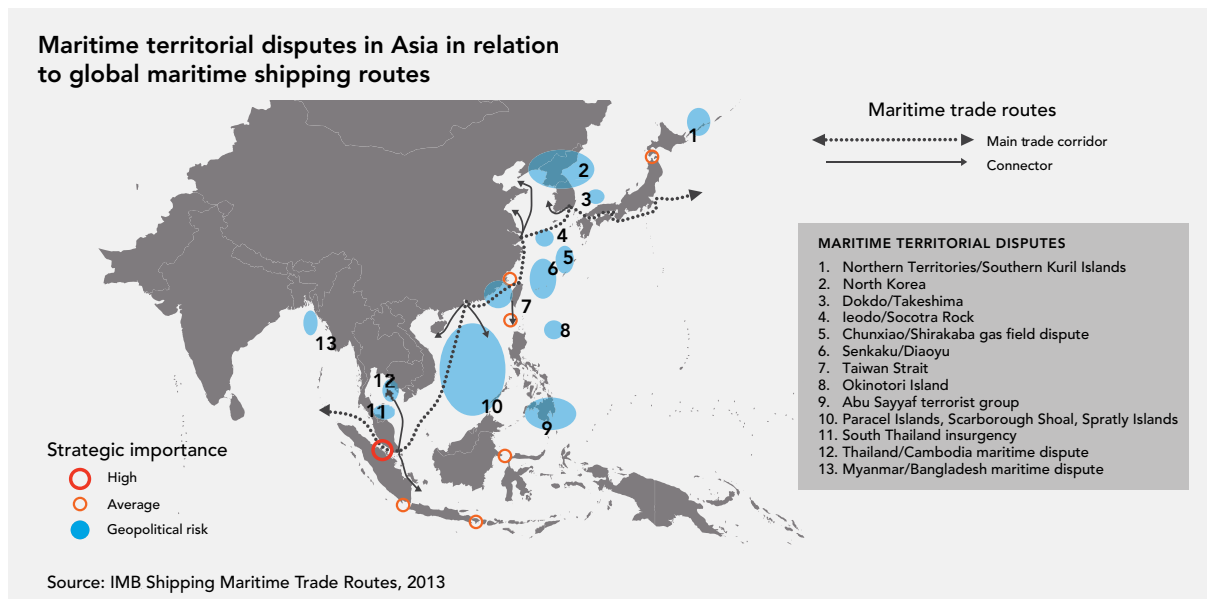
DRIVER 1: POLITICS AND SECURITY



Asia's complexity arises from not only its economic diversity but also its political diversity. The region is home to various political regimes ranging from multi-party to single-party systems and from authoritarian to emerging to mature democracies. The scope and strength of governance capacities and structures also varies significantly throughout the region. These elements will play an important role in determining how stable and predictable political trajectories and policy directions are likely to be in specific countries over the next decade.

Competition over territory, trade routes, regional power, and resources will also play an important role in shaping politics in Asia. This competition will be reflected in defence spending. Asia’s defence spending is projected to represent half of the total expected growth in global defence spending by 2020.² China will be the leader of this spending and is forecasted to double its defence spending in the next five years.³ As China pursues a role of leadership in Asia through a more assertive foreign policy, its rising military strength will shape politics and security in the region.

The rise of China as a military power will intensify tensions in the region. The character of the emerging relationship between the United States and China will be of particular importance. The end of 2014 showed the possibility of co-operation between the two countries as the presidents made progress on trade and security issues, and announced U.S.-China climate change targets. Even so, a number of matters remain unsolved, such as maritime territorial disputes in the East and South China seas, China’s military modernization, U.S. arms sales to Taiwan, China’s holdings of U.S. treasuries, and China’s environmental and human rights issues.



Further east, tensions are heightening as Japan’s passage of a series of security-related bills in 2015 created new strains with China and South Korea, and as the unresolved tensions on the South Korea/North Korea peninsula intensified. Unpredictable North Korean behaviour, as witnessed with the alleged testing of an H-bomb in early January 2016, presents dangers for the stability of East Asia in particular. Where Chinese tactics and policies go—continuing to support the North Korean regime or not—holds great importance for the future of the Korean peninsula.

In South and Southeast Asia in particular, although political conflicts are present, piracy, terrorism, and trafficking are more common security challenges. From 2007 to 2014, there were 1,007 instances

of piracy, with most occurring in the waters off Indonesia, Bangladesh, and Malaysia.⁴ In South Asia, terrorist incidents and insurgencies continue in countries such as Pakistan, Sri Lanka, and Bangladesh, yet they have dropped from 29,638 incidents in 2009 to 6,668 in 2013.⁵ Tensions between Pakistan and India seem to have decreased in the last year, especially after the agreement of both countries to engage in diplomatic discussions, but the risk of conflict re-emerging remains high.

Lastly, the digital age has called upon Asia to invest more in cyber security. By 2020, 35 per cent of the global cyber security market will be held by the region,⁶ with spending amounting to US\$22B.⁷ China, Japan, and South Korea allocate the most money towards their cyber security systems compared with other countries in the region. Countries with the lowest national engagement in cyber security are Laos, the Maldives, Nepal, Bhutan, Pakistan, and Afghanistan. Notwithstanding investments in cyber security, cyber threats are likely to continue to disrupt peace and security in the region. Of particular concern is the possibility that alleged incidents of state-sponsored cyber spying will lead to escalating conflict, particularly between China and the United States.

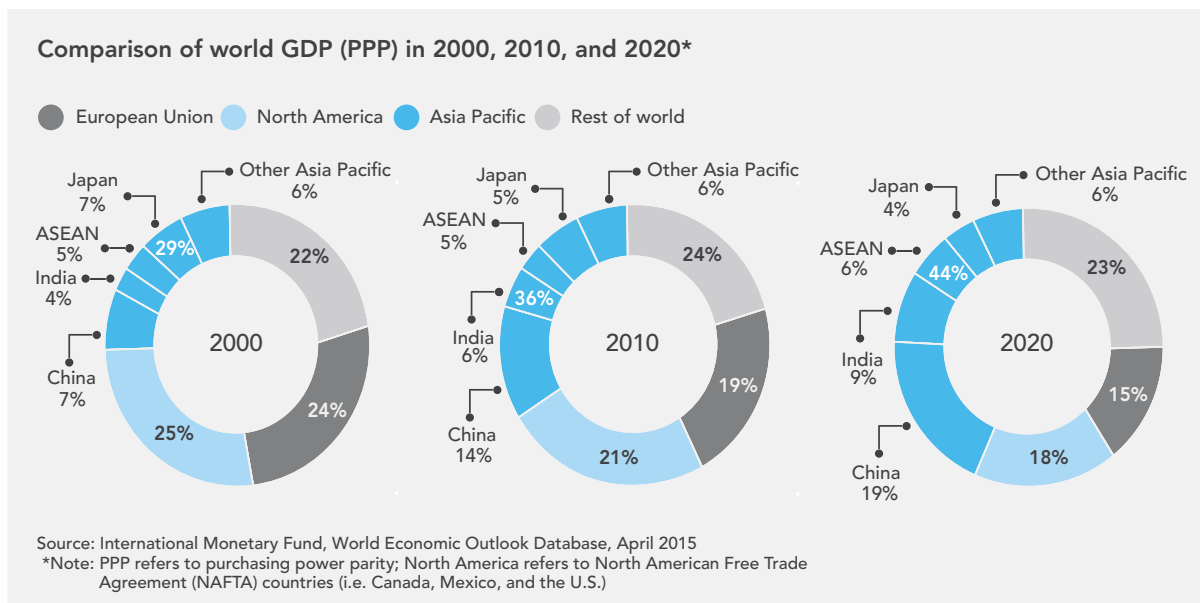
DRIVER 2: ECONOMICS



In 2015, the International Monetary Fund projected that Asia, led by economic development in China and India, would account for close to 45 per cent of the world's GDP by 2020.⁸ With recent indications of strains in the Chinese economy (e.g., reduced growth rates, volatility of the stock market, and an increasing budget deficit) and identification of future challenges (e.g., an aging population, increased income expectations, and environmental challenges), debate has re-emerged regarding China's future. While Asian economic power may grow more or less quickly, and specific countries may experience setbacks and economic turbulence, the region over the long term is on track to becoming a global powerhouse due in part to one billion new middle-class consumers, major infrastructure investments, growth in established and emerging economies, and greater regional economic integration.

China’s recent attempts to shift towards a more consumption-based economy and its increasing investment in Asia, Europe, Latin America, and Africa are leading to the expansion of its regional and global influence. As China funds national and regional infrastructure investment needs of up to US\$776B per year through contributions towards the New Development Bank (US\$100B), the Silk Road Fund (US\$40B), and the Asian Infrastructure Investment Bank (US\$50B), China’s economic and social influence is likely to continue to grow.⁹

Following China’s earlier path, India is now pushing for export-led growth, positioning itself as the world’s next factory. With a projected GDP of US\$9.6T by 2020, India is expected to overtake Japan as the world’s third-largest economy.



Although large, fast-growing markets like China and India are currently the dominant players in shaping the economic landscape in Asia, other countries in the region are also likely to play an important role like Japan, Korea, Indonesia, the Philippines, and Vietnam. ASEAN is poised to play a larger role in global value chains. The ASEAN Economic Community integration plan, which aims to create a single market of 600 million consumers, is designed to help establish a stronger ASEAN presence in the region and the world. It is expected to create between US\$280B and US\$615B in annual economic value by 2030.¹⁰ Within ASEAN, the Philippines could surpass Malaysia and Singapore as the second-biggest economy in the region by 2020 and, a decade later, Indonesia is projected to become the world’s seventh-largest economy.

The economic growth of Asia is likely to translate into higher income gains and growth of the middle class, turning the region into a “consumer powerhouse.” By 2020, 1.7 billion people in Asia, or 54 per cent of the world’s middle class, are projected to spend close to US\$15B annually, or 42 per cent of the world’s total consumption.¹¹ China is expected to be at the forefront of this consumption with its middle class representing more than half of China’s urban population.¹² From 2007 to 2025, India is projected to increase its aggregate consumption from C\$364B to C\$728B and, by 2030, could even surpass China and the United States as the world’s largest middle class consumer market.¹³ ASEAN is also on the path to double its number of affluent households to 125 million between 2014 and 2025.¹⁴

A more macroeconomic picture of the region reveals that regional economic integration is likely to intensify if Asian countries are successful in expanding and solidifying trade relations in the region. Three of the most noteworthy initiatives are the Regional Comprehensive Economic Partnership (RCEP), the Trans-Pacific Partnership (TPP), and the Free Trade Area of the Asia-Pacific (FTAAP). If RCEP is put into force, income gains could reach US\$644B by 2025.¹⁵ Its future, however, is uncertain as negotiations may stall due to already established free trade agreements between some RCEP members, differences in members’ economic structures and development stages, and members’ participation in other regional integration agendas. The TPP, which was concluded at the beginning of October 2015, could boost global income by US\$295B per year.¹⁶ The FTAAP is still in the midst of talks but, if put into play, could increase the region’s agricultural trade by 65 per cent (US\$260B) and trade in manufactured goods by roughly 85 per cent (US\$5.2T).¹⁷

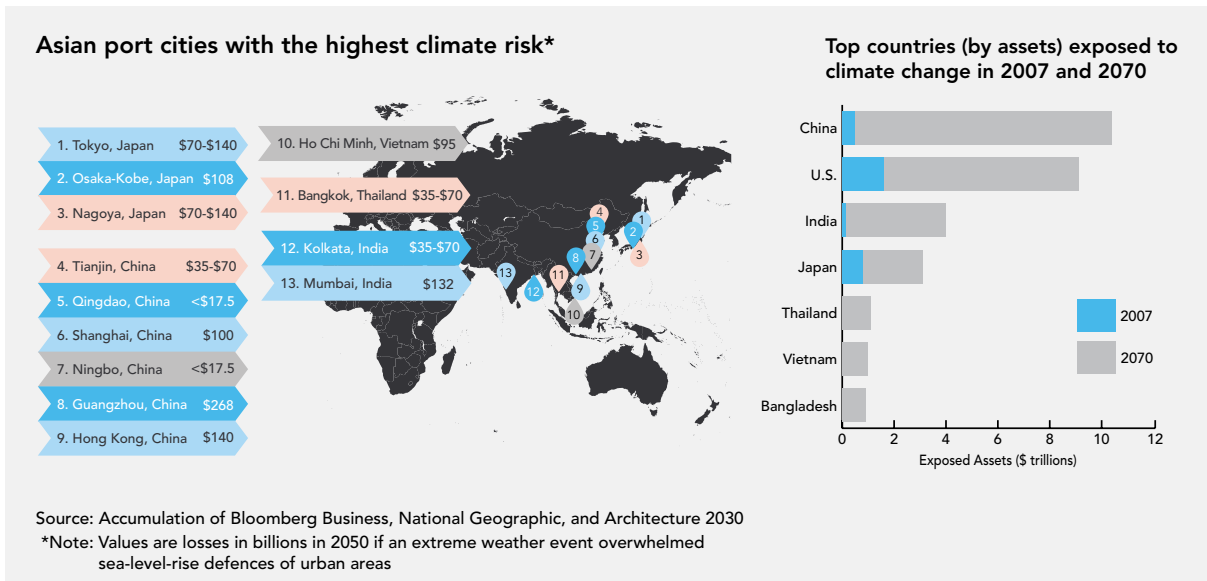
Over the past decade and a half, Asia has looked not only inward, but outward, as can be seen through the considerable amount of interest Asian governments and businesses have expressed in Latin America. From 2000 to 2014, Latin America’s trade with Asia grew from eight per cent to almost 25 per cent,¹⁸ and by 2020 trade is expected to reach US\$750B.¹⁹ China is the biggest Asian investor in Latin America and, in the next 10 years, China is planning to invest US\$250B in Latin America and the Caribbean, and to double its trade to US\$500B.²⁰ The Pacific Alliance, established in 2012, is considered a gateway to both regions’ economies that promotes investment, trade flows, and the integration of value chains.

DRIVER 3: GLOBAL CHALLENGES



In Asia, as elsewhere, a number of global challenges will need to be addressed. Climate change is top of the list in terms of global threats. Climate change has the potential to drastically change Asian species and ecosystems, affect the region’s water and food resources, threaten health, and destroy the livelihoods and homes of millions of people in the region.

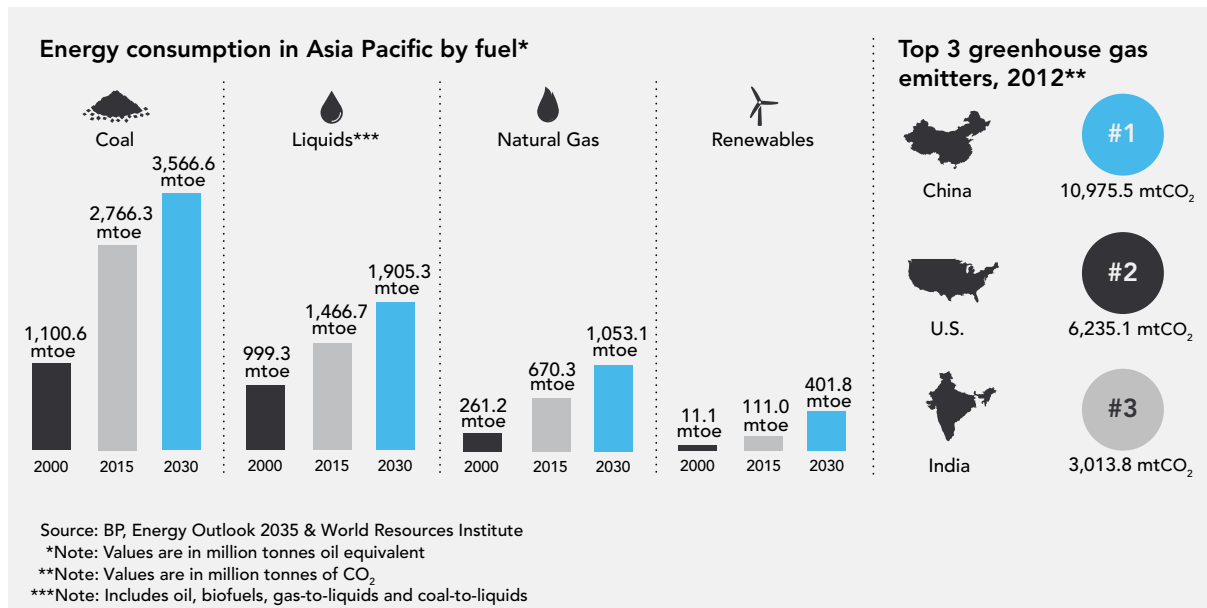
Its impact is already being strongly felt throughout the region. For example, in the case of water resources, already 380 million people in the region have no access to safe drinking water.²¹ In China, a



total of 660 cities currently do not have enough water to meet the demand of their inhabitants.²² India will be considered a water-scarce country as early as 2020. The gap between supply and demand in 2030 is projected to be severe (20 to 80 per cent) in India and moderate (zero to 20 per cent) to severe in China.²³ Both water scarcity and contamination will cause an increase in prices, soil degradation, deforestation, and trans-boundary environmental issues.

Water-related disasters will also affect the Asian region over the coming years. In 2013 alone, the region lost US\$51.5B and over 17,000 people to water-related disasters.²⁴ As the effects of climate change intensify, millions of people in the region will have to be relocated because of rising sea levels, an increase in natural disasters, and intensified storms. With the Philippines, Pakistan, Myanmar, Vietnam, and Bangladesh considered the most vulnerable to water-related disasters, 410 million urban Asians are projected to be at risk of coastal flooding by 2025.²⁵

Along with water supply challenges, food security will continue to be high on the Asian agenda. Although the number of food-insecure people is expected to decline to 320 million in 2020, 113 million less than in 2010, Asian food security will be threatened predominantly by deforestation and desertification.²⁶ More than one-third of the arable land in Asia is already at risk. More Asian countries will become dependent on food imports to meet food demand.



Asian countries are increasingly dependent on energy suppliers outside the region to power their economies. By 2035, the region will be consuming more than half of the world’s energy.²⁷ To meet this growing need, Asian countries will continue using coal, with a total increase of 47 per cent in the coming years.²⁸ Even so, this will not meet demand as some countries in South and Southeast Asia are expected to continue experiencing energy shortages as energy needs and prices rise.

Some important new developments may help Asia address its energy deficit and reduce its emission of greenhouse gases. Asia is slowly shifting towards more environmentally friendly sources of energy. As one of the biggest investors in renewable energy in the world, China is expected by 2020 to use renewable energy for 15 per cent of its total energy consumption,²⁹ and by 2025, Indonesia intends to increase its usage of renewable energy by 17 per cent.³⁰ The solar panel industry is also forecasted to grow to US\$37.8B by 2020 thanks to huge investments by India, Japan, China, and Indonesia.³¹ Hydropower will present economic opportunities in Bhutan, Laos, Nepal, China, India, and Thailand, while biofuels will become increasingly recognized, with China intending to produce 12 million metric tonnes of it by 2020.³²

Finally, health will also be a major challenge in the region, accelerated primarily by rapid urbanization. Already, air pollution in Asia caused by industrialization, as well as forest-fire-induced haze, and dust and sand storms, contributes to half a million deaths per year. Malnutrition and contaminated water, especially in developing countries, will also affect the health of children and adults. There are around 537 million undernourished people in Asia, with 299 million of them in South Asia alone.³³

DRIVER 4: TECHNOLOGY AND INNOVATION



Asia is at the forefront of modern technology and innovation as countries in the region scramble to be the most innovative in the world. In 2015, the Bloomberg Innovation Index ranked nine Asian countries or economies among the top 50 of the most innovative countries in the world, with South Korea coming first, followed by Japan second, Singapore eighth, and China 22nd.

This growth of innovation has changed the digital scene in the Asian region. India and China are currently the leading Internet users in the world with more than 100 million³⁴ and 600 million users,³⁵ respectively. The increase in Internet usage will transform domestic and traditional market economies

Bloomberg's 2015 ranking of the world's 50 most innovative countries

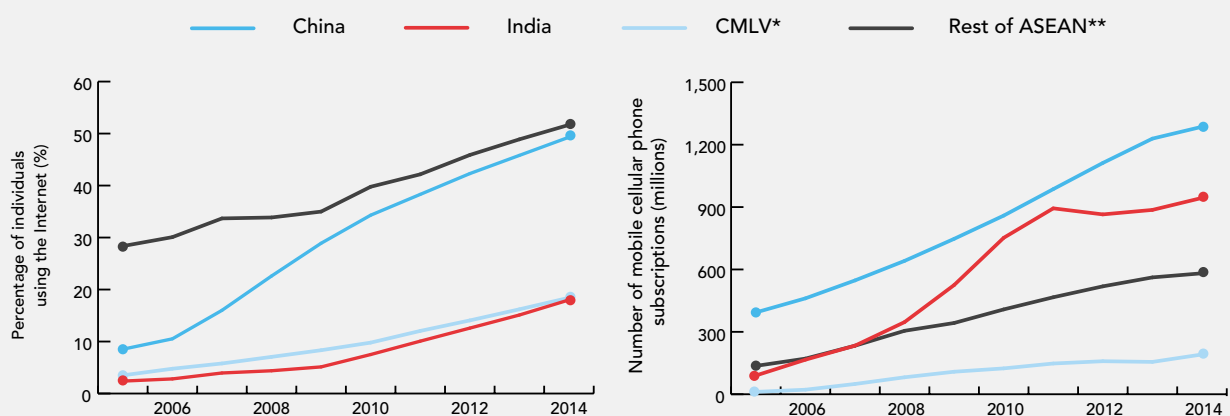
	R&D	HI TECH COMPANIES	RESEARCH PERSONNEL	PATENTS	OVERALL RANKING
1	South Korea	U.S	Finland	South Korea	South Korea
2	Israel	China	Iceland	Japan	Japan
3	Finland	Japan	Denmark	China	Germany
4	Sweden	South Korea	Israel	U.S.	Finland
5	Japan	Canada	Singapore	Germany	Israel

Source: 2015 Bloomberg Innovation Index

into global and digital ones, as can already be seen by a recent upsurge in e-commerce sales. From 2013 to 2018, Asia's e-commerce sales are expected to double to US\$854B.³⁶ China, as the world's top e-commerce market, was expected to spend US\$540B on e-commerce transactions in 2015.³⁷

M-commerce, or e-commerce conducted on mobile phones, is also becoming increasingly popular in the region. By 2020, half of the population in Asia will have mobile Internet access.³⁸ India will be one of the fastest growers in e- and m-commerce, and, by 2021, its market will amount to an estimated US\$90B.³⁹ Although Southeast Asia currently does not have mobile phone penetration rates as high as East Asia, the six largest Southeast Asian e-commerce markets (Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam) are expected to reach US\$34.5B by 2018.⁴⁰

Internet and mobile usage in Asia, 2004–2014



Source: World Telecommunications/ICT Indicators Database 2015

*Note: CMLV refers to average values for Cambodia, Myanmar/Burma, Lao P.D.R., and Vietnam

**Note: Rest of ASEAN refers to average values for Philippines, Indonesia, Malaysia, Brunei Darussalam, Thailand, and Singapore

DRIVER 5: DEMOGRAPHICS



The demographic landscape of the Asian region will be entirely redefined in the coming years. This change will come about as a result of three major demographic trends: urbanization, aging populations, and “youth bulge” populations. Urbanization will affect all of Asia as masses of rural residents move to urban areas. By 2020, the urban population is expected to reach 2.46 billion people, 70 times more than the population of Canada.⁴¹ The largest surge will occur in medium- to small-sized cities, or so-called “Tier 2” and “Tier 3” cities.

While urbanization will affect Asia as a whole, individual countries will fit into one of the following three demographic groups: aging populations, “youth bulge” populations, or a mix of both. In the developed countries of the Asian region, elderly populations will dominate as the number of people aged over 65 substantially increases. From 2013 to 2020, the number of elderly people in Singapore will increase by 41.3 per cent, followed by Hong Kong (39.2 per cent), Taiwan (34.2 per cent), South Korea (31.7 per cent), and Japan (20.25 per cent).⁴² Investment boosts in national pensions, health care, and research in medical technology have already started as governments prepare for the unique demands of the elderly. By 2020, the Japanese government plans to increase its share of GDP allocated to its health-care systems to almost 10 per cent,⁴³ while the South Korean government intends to have more than C\$900B in reserves in its national pension system by 2020.⁴⁴

On the other hand, developing countries in South and Southeast Asia will see a “bulge” in the number of young people. Almost half of Southeast Asia’s population will be under 30 years of age by 2020, providing a number of countries in the region (the Philippines, Laos, Malaysia, Cambodia, Indonesia, and Myanmar) with more than 10 per cent of labour force growth.⁴⁵ In the same year, India is projected to become the world’s youngest country, with 64 per cent of its population in the working age group.⁴⁶

China, Thailand, and Vietnam are special cases in that they are beginning to see demographic trends consistent with aging populations, yet still have a relatively strong labour force. This will change, though, as the countries’ demographics move towards more aging societies, as is expected to occur in China by 2050 when it will face the same situation Japan is experiencing now, with 26 per cent of its population over the age of 65.⁴⁷

CANADA AND THE DRIVERS OF CHANGE IN ASIA

The emergence of Asia as a political, economic, and socio-cultural force will have major implications on future international systems, institutions, and norms. Asia's growing importance has already been recognized by many of our international partners who are vying to secure prosperous relations with the emerging economies of Asia.

Canada flourished in the post-Second World War period, establishing itself as the 11th-largest economy in the world, a G7 and G20 member, and a leading “middle power.” However, in an increasingly competitive and dynamic world, Canada's position is in no way guaranteed. Canada needs to be proactively promoting its ideas, its goods, and its talents—particularly in Asia, a future centre of gravity for global economic and political decision-making and action.

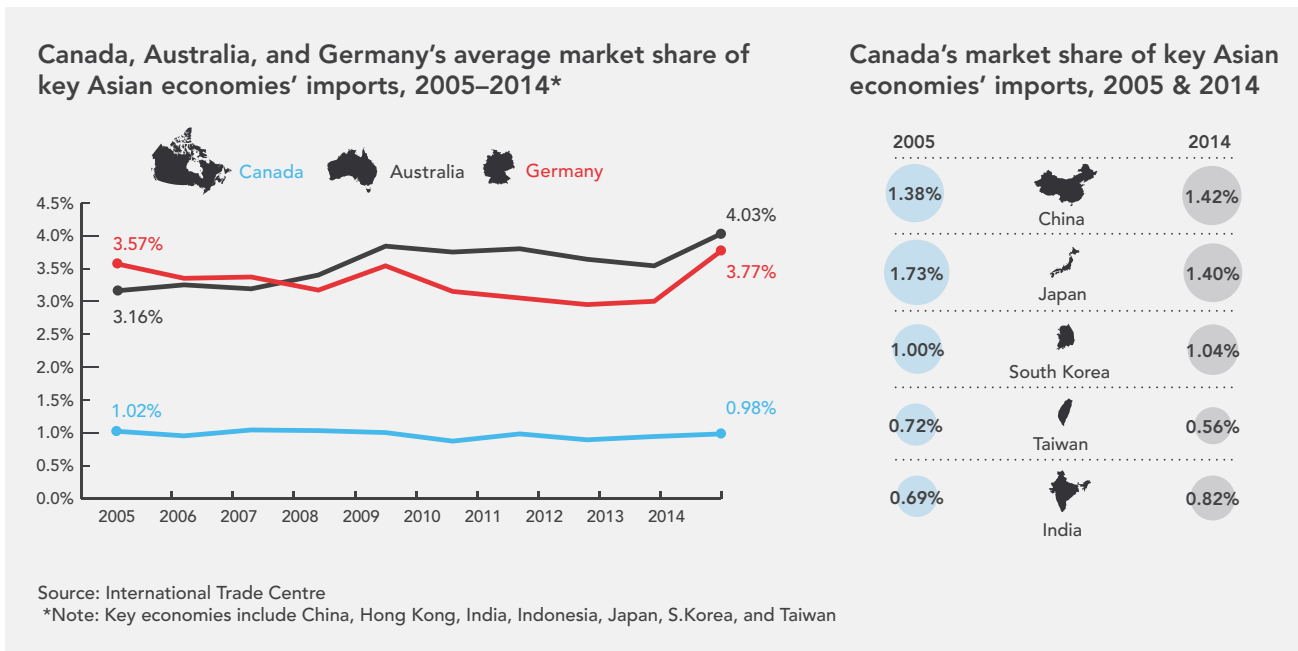
As discussed, the future of Asia will be shaped by developments in regional politics and security; economics; emerging global issues; technology and innovation; and, demographics. Drivers of change in these five categories will also have an important impact on Canada, its relationship to Asia, and its global positioning more broadly.

Relations between Canada and Asia are vulnerable to the increasing and varying political and security challenges in the region previously described, including territorial disputes, growing military expenditures, piracy, terrorism, trafficking of people and goods, and cyber attacks.

Canada has collaborated with Asian nations, especially ones in the ASEAN region, through high-level meetings and bilateral agreements and dialogues where Canada has been able to make available its governance and security expertise and technical assistance to its Asian partners. In addition to its bilateral relationships, Canada has also participated in regional security forums and dialogues to develop potential responses to regional defence and security issues. Canada's historical contribution to peacekeeping operations and its role in helping countries prevent and recover from conflict and disasters contributed to establishing Canada as a reliable collaborator and partner. These contributions further elevated Canada's relevance and status in the region, providing us with leverage to promote issues linked to our national interest. With our reduced contribution and involvement in these issues, our perceived relevance declined.

The current and future political and security environment in Asia provides a golden opportunity for Canada to reposition itself as a relevant player by exercising middle power diplomacy and working with partners in the region to defuse conflict and build consensus. Canada can also show its commitment and value to the region by offering to share the policies and practices of its world-renowned public service model in areas like good governance and the promotion and protection of human rights, including women’s rights.

Canada’s economy is heavily dependent on trade, and maintaining and improving our standard of living rests in our ability to secure and expand our markets. While Canada has been increasing its volume of trade with Asia, our average share of key Asian economies’ imports (i.e., China, Hong Kong, India, Indonesia, Japan, South Korea, and Taiwan) has remained surprisingly low and static. Future projections estimate that, by 2030, China and India combined will represent 39 per cent of the global GDP and their middle class will rise to an estimated 1.5 billion consumers. If the Canadian economy is to flourish, we must increase our access to these markets and become one of the favoured suppliers to their consumers.



Negotiating bilateral free trade agreements (FTAs), economic partnership agreements (EPAs), and foreign investment promotion and protection agreements (FIPAs) can play a crucial role in strengthening Canada’s trade and investment relations with Asia. Currently, Canada only has one ratified FTA in Asia (with South Korea). Negotiations on an EPA with Japan and India have been put on hold. In the investment arena, Canada holds three FIPAs with Asian economies (Thailand, the Philippines, and China). The new government now faces the decision whether or not to ratify the Trans-Pacific Partnership, which represents 37 per cent of the world’s GDP and would give Canada preferential access to member signatories in the region. Growing competition from other countries (such as Australia, which currently

holds eight ratified FTAs and 11 FIPAs in Asia) indicates how essential it is for Canada to strengthen its trade and investment relations with Asia in order to catch up with other players in the region.

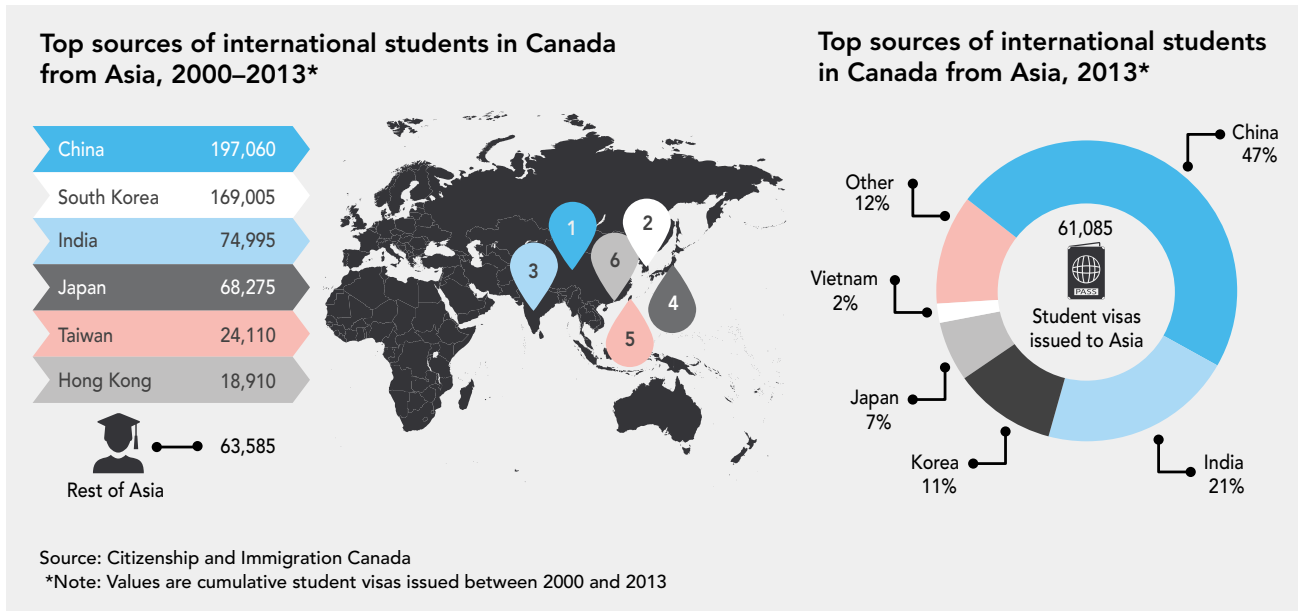
While trade agreements are an important tool for facilitating greater economic exchange, they enable but do not guarantee business engagement. Canada's future prosperity will also depend to a large degree on the ability of our micro, small and medium-sized enterprises (MSMEs) to make inroads into Asian markets. Our friendly competitors have been working hard to develop a new generation of innovative trade promotion strategies and mechanisms that take into account the particular challenges faced by MSMEs in going to Asia and are designed to help ensure that their economies benefit from Asian growth and development. Canada's challenge is to do the same.

Asia is at the vortex of a host of emerging global challenges that threaten its security and sustainability. Asia's policies and actions will be central in determining how and whether resulting threats will be addressed. Canada, with its wide-ranging expertise and ability to provide innovative technical solutions, is an ideal partner that can collaborate with Asian counterparts to help them achieve a safe and sustainable future. Any part that Canada can play in this endeavour will directly benefit us, because Canada, like all nations in the world, has a vested interest in promoting a healthy and secure planet. Further, our ability to work with Asian partners to address problems of extreme importance to them will increase our relevance in the region. Finally, Canadian experts and businesses that specialize in providing solutions to these problems can benefit from the new market opportunities associated with addressing these emerging global issues.

Asia is rapidly becoming a global hub for technology and innovation. Incubators and accelerators are proliferating, and fledgling "Silicon Valleys" are emerging. Asian technologies are poised to have a tremendous impact on defining our tastes, our consumer habits, and the structural infrastructure underpinning global exchange and commerce—the Internet of things. Notwithstanding these developments, many Asian businesses and governments are looking for opportunities to learn from other countries like Canada how to establish healthy innovation ecosystems and how to catalyze entrepreneurship. They are also interested in collaborative partnerships where expertise from different countries can be brought together. Canadian business and research institutions are ideally situated to take advantage of these opportunities, which will not only increase our relevance in the region but will ensure that we benefit from the economic growth there. Collaboration with Asian partners will further drive forward our own technological progress and innovative capacities.

Demographic shifts accompanied by middle class growth and urbanization in Asia create a further set of opportunities and challenges for Canada. First, rising incomes across Asia are allowing more businesses and middle class households in the region to purchase consumer durables, while higher-earning households are spending greater amounts on luxury items, many imported from abroad. Second, the expansion of the middle class in Asia has meant a fairly widespread shift from a primarily grain-based diet to a more meat-based diet, resulting in a rising demand for food products imported from trusted source countries. Third, the demand for international travel is growing, with the global number of international tourist arrivals expected to reach 1.8 billion by 2030, up from 940 million in 2010. Almost half of this global traffic will be within Asian countries or from the region to the rest of the world.⁴⁸

Fourth, more families expect their children to get the type of higher education that will lead to white-collar jobs, in turn securing their status and incomes well into the future. However, in many Asian countries—such as China, India, and Indonesia—demand for higher education has vastly outpaced supply of education, including high-quality instruction and education that responds to changing labour market demands.⁴⁹ Because of this widening demand-supply gap, more and more Asian parents are sending their children overseas for higher education, primarily to English-speaking Western countries like Canada.



Canada has an opportunity to benefit from these new demands. However, this will require much more aggressive efforts to promote our products and services in Asia, and this, in turn, requires the synchronization of government policies, business initiatives, and public support. The latter two rely heavily on the existence of an Asia-competent Canadian public.

The research and surveys conducted by the Asia Pacific Foundation of Canada over the past 10 years indicate that there is a lack of knowledge among Canadians regarding countries in Asia, and that few Canadians have been to Asia or have been exposed to Asian business culture. This knowledge gap has three detrimental impacts: first, it prevents Canadians from recognizing and pursuing the tremendous opportunities that exist in building ties with Asia; second, it reduces Canadians’ abilities to provide informed input into Canada’s policies and strategies towards Asia; and third, it reduces our economic competitiveness – businesses operating in Asia report that they find it difficult to find Canadians to fill Asia-related jobs. Without a concerted effort to build Canadian capacities and skills related to Asia, this problem will grow in severity. Canada’s young people, in particular, will be at an extreme disadvantage compared to their counterparts from Australia, New Zealand, and the United States who are currently benefiting from well-resourced and well-coordinated, national-scale initiatives that provide them with study, research, and work experience in Asia.

In short, in order to respond to the drivers of change in Asia and ensure that their impact promotes Canadian interests and improves economic opportunity and security for Canadians, in crafting its Asia strategy the Government of Canada should consider shaping its policies and programs to achieve four core objectives:

- Position Canada as a relevant and important partner to Asia;
- Ensure that Canada benefits from Asia's development and growth through improving market access and trade opportunities in competitive sectors;
- Leverage Canada's strengths to support a secure and sustainable Asia; and,
- Build Canada's Asia competence by improving Canadians' related skills and knowledge.

RECOMMENDATIONS FOR THE GOVERNMENT OF CANADA

Position Canada as a relevant and important partner to Asia

1. Foster greater political engagement.

1.1 Reinvigorate the Senate Standing Committee on Foreign Affairs and International Trade, making Canada's strategic engagement with Asia a key priority of its deliberations. This would assist in co-ordinating policy engagement with Asia and foster a harmonized/comprehensive understanding of Asia at the federal level and across federal government departments. This Committee could be supported by a "Canada-Asia Consultative Council," chaired by the Prime Minister, bringing together a small group of eminent Canadian and Asian business leaders to provide policy advice and expertise.

1.2 Leverage Canada's participation and capacity in regional institutions to increase Canada's relevance in Asia. In the case of fora with business side events, make a focused effort to encourage greater business leader participation. Two immediate steps to be taken are: 1) advocate for Canada's inclusion in the East Asia Summit, taking concrete measures that demonstrate Canada's ability to contribute to peace and security in the region; and 2) assert Canada's credentials as a serious and committed member of APEC

by supporting and hosting an APEC Business Advisory Council (ABAC) meeting in 2017 and taking leadership to host an upcoming APEC leaders' meeting (next available slot in 2023/2024) focusing on topics relevant to Canada's prosperity.

1.3 Institutionalize an annual Canada-Asia conference to facilitate an in-depth exchange of information on Canadian objectives and actions in Asia between senior federal and provincial government officials, industry and business associations and business leaders, diaspora groups (within Canada and in Asia), non-government organizations (NGOs), academics, policy specialists, and researchers. This conference could convene leading global experts with first-hand knowledge of and experience in Asia to develop actions and strategies for long-term, strategic success for federal and provincial governments, business, and civil society in their engagement with Asia.

1.4 Strengthen already significant people-to-people relations between Canada and Asia by increasing Canadian cultural advocacy and programming in Asian countries, showcasing the next generation of Canadian talent in digital and performing arts and virtual technologies.

2. Engage Asia on good governance and human rights.

2.1 Promote a good governance and human rights agenda through sustained support on key initiatives that target capacity-building in the region. This includes: 1) offering policy guidance on anti-corruption, anti-bribery, transparency, and accountability measures; 2) providing capacity-building to local NGOs and communities in Asia to facilitate their engagement with public authorities and investors in the host country in discussions on revenue-sharing agreements; social, economic, and human rights impact agreements; and, the application of principles related to “free, prior, and informed consent” concerning resource development projects; 3) providing C\$20M to establish international partnerships with Canada’s priority developing countries to strengthen judiciary institutions through training programs for judges and lawyers; and, 4) supporting law reform efforts to boost local capacity in Asia for the promotion and protection of universal human rights.

2.2 Drawing on Canadian practice and expertise, promote good governance tools and frameworks to help address social and economic inclusion challenges in Asia’s emerging economies. Bring together a small group of high-level, retired public service professionals, academics, and NGO workers to build an international advisory group that could work with interested Asian partners on public service modernization, exporting the Canadian public service model in areas such as developing fiscal frameworks, accountable and fair tax structures, financial regulatory systems, public health-care systems, corporate social responsibility policies, education systems and policies, pensions administration, regional development programs, and sustainable social and welfare programs.

Ensure that Canada benefits from Asia’s development and growth through improving market access and trade opportunities in competitive sectors

3. Work with Parliament to ratify the Trans-Pacific Partnership, and accelerate negotiations on a Canada-China free trade agreement and the Canada-Japan Economic Partnership Agreement.

3.1 These actions can be accompanied by accelerating current negotiations of a bilateral free trade agreement with India, launching similar talks with ASEAN, and concluding negotiations of foreign investment promotion and protection agreements (FIPAs) with Vietnam and Indonesia. Explore ways to promote FIPAs already in force with China and the Philippines as an educational tool to both attract inward investment and encourage Canadian outward investment in other countries, building on work being done by the Asia Pacific Foundation of Canada on Asia literacy and competencies.

4. Develop a new generation of innovative trade promotion strategies and mechanisms targeting Asia that take into account the specific challenges faced by micro, small and medium-sized enterprises (MSMEs) in the region. Such initiatives should target a few core, promising sectors including agriculture and agricultural logistics, clean technologies, and digital media.

4.1 Support Canadian MSMEs wishing to enter Asian markets by: 1) strategically deploying funds from the Export Market Development Program to support the establishment, with the involvement of Export Development Canada and the Canadian Commercial Corporation, of a consortium to help Canadian MSMEs build scale in exporting to Asia; 2) supporting the development of a Council of Asian Export Champions comprising successful Canadian exporters to Asia of diverse sizes and

sectors to serve as mentors for Canadian MSMEs entering Asian markets (look to build on existing mentorship models such as Aéro Montréal's MACH Initiative or the Trade Accelerator Program of the Toronto Region Board of Trade (TAP GTA); 3) encouraging consolidation and expansion of online resources for MSMEs across Canada looking to export to Asia, building on the work the Asia Pacific Foundation of Canada is undertaking with the Government of British Columbia to ascertain and address Canadian MSME Asian business literacy needs; and, 4) supporting Canadian MSME participation in the expanding Asian digital economy through training on market opportunities, access to financing, ICT infrastructure, and digital security.

4.2 Promote innovative services and technology-intensive goods in education, life sciences, architecture and engineering, health care, transportation, and environment by Canadian companies in Asia. Establish the Development Finance Initiative (DFI), as forecasted in the 2015 Federal Budget, and strategically deploy DFI funds to assist Canada's private sector in delivering high-tech and innovative solutions to Asia's developing economies, building Canada's reputation as a high-tech leader.

4.3 Build collaborative relationships between the federal government and Canadian provinces, territories, and municipalities to co-ordinate the promotion of Canada as an ideal destination for Asian trade and investment. Model initiatives upon which to build include BC's Asia-Pacific Initiative at the provincial level and the Consider Canada City Alliance at the municipal level. Continue holding regular meetings at both deputy minister and assistant deputy minister levels with provincial ministers responsible for trade on how to further co-ordinate efforts in Asia, including trade promotion programs.

5. Build cross-border partnerships to promote entrepreneurship and innovation.

5.1 Create stronger linkages between the Canadian and Asian innovation ecosystem by: 1) encouraging Canadian incubators/accelerators to partner with universities or incubators/accelerators in Asia; 2) encouraging Canadian and Asian startups to enter Asian and Canadian markets, respectively, through mentorships; 3) offering international fellowships and internships for Asian startups seeking mentorship from Canadian incubators/accelerators and vice versa; and, 4) creating exchange mechanisms to allow Asian innovation practitioners and policy-makers to make field visits to Canada.

5.2 Allocate C\$50M to the Canadian International Innovation Program to help formalize more bilateral science and technology partnerships with established markets in the Asia Pacific region, such as Japan, South Korea, Australia, New Zealand, Hong Kong, Taiwan, and Singapore.

6. Become a hub for international talent.

6.1 Promote policies that encourage two-way talent flows through visa agreements and enhanced international mobility agreements. A particular emphasis should be placed on building on successful youth mobility agreements already in place with Australia, New Zealand, and other priority and emerging markets in Asia to foster more on-the-ground experience for young Canadians looking to gain work experience abroad through youth exchanges, co-op placements and volunteer programs, training and networking events, and job shadowing. This could include expanding the list of countries from Asia who have a working holiday agreement with Canada to be part of the Canadian Working Holiday Program (currently, only Hong Kong, Japan, South Korea, Taiwan, and Thailand have such agreements).

6.2 Review the Temporary Foreign Worker Program and adopt recommendations as outlined by the Panel on Employment Challenges of New Canadians (2015), thereby facilitating the integration of new skilled immigrants into the Canadian workforce and addressing key challenges of foreign credential recognition and lack of Canadian experience.

Leverage Canada's strengths to support a secure and sustainable Asia

7. Build Asia's capacity to respond to global challenges.

7.1 Propose policies, share technologies, and partner on new initiatives that will help Asia prepare for and respond to intertwined and intensifying non-traditional security concerns that affect the environment, economic development, and security of the region. Canada's relevant federal departments – Natural Resources Canada, Global Affairs Canada, Agriculture and Agri-Food Canada, Health Canada, and Fisheries and Oceans Canada – should collaborate to formulate an action plan that will help Canada mobilize its expertise, research, and technology to help policy-makers from the region address pressing challenges in the areas of climate change mitigation and adaptation; food, water, and energy security; as well as health. This could include convening a biannual, high-level conference on global issues where best practices and promising technologies can be shared by practitioners and policy-makers (e.g., the monitoring and management of groundwater and aquifers).

7.2 Promote and leverage Canadian expertise in areas such as urban planning, water management, disaster risk management, and waste management to assist local governments in Asia to build capacity, adopt technologies, and develop capital investment programs to build smart and resilient cities. A Smart and Resilient Cities fund of C\$100M could be set up in partnership with private-sector partners to support capacity-building in developing countries in the Asian region with the most vulnerable cities. This fund could support innovative proposals by Canadian cities and developing Asian cities to collaborate on knowledge and technology exchanges between urban planners and decision-makers, as well as support research and training on resilient cities by Canadian institutions and private-sector partners. Canada's largest pension funds could also play a role here with their global reach and expertise in urban infrastructure development.

8. Enhance Canada's conflict and disaster prevention and recovery assistance to countries throughout the region, either through bilateral agreements or through existing regional and multilateral mechanisms.

8.1 This should include investing in services in which Canadians are considered to excel (e.g., delivering mobile medical teams, providing engineering support to aircraft, providing mediation, and supplying well-trained crisis management professionals to assist in the context of international disaster relief or peace operations).

9. Support social and economic inclusion as well as peace and security in Asia through skills development and training for young people.

9.1 Canada can help address the shortage of skilled workers in South Asia and parts of Southeast Asia while also helping governments address the potential risks associated with large, unemployed youth populations. This can be achieved through supporting provincial authorities in encouraging Canadian vocational colleges and institutions to develop programs and training in Asia. In particular, the federal government should support national institutions like Colleges and Institutes Canada and private sector companies in developing innovative education public-private partnerships with local institutions in South and Southeast Asia. These collaborations could facilitate offshore delivery of vocational training and the exchange of best practices to address labour needs.

Build Canada’s Asia competence by improving Canadians’ related skills and knowledge

10. Spearhead and support initiatives that help Canadians become more Asia-competent.

10.1 Foster deeper understanding and knowledge of Asia among public servants in a range of federal government departments, including Global Affairs Canada. Support the development of a course model in the Canadian School of Public Service to help train new recruits to gain comprehensive and department-relevant knowledge about Asia to help them foster relationships and build programs effectively as they relate to the region. Explore opportunities for interested new recruits to spend a portion of their careers in Asia.

10.2 In consultation with provincial ministries of education, support the Asia Pacific Foundation of Canada’s work to create “Learning Asia” classroom packets, instructional materials to give students in grades 9 to 12 across Canada a foundation of knowledge about the histories, societies, economies, and political issues in Canada’s priority Asian markets. The classroom packets will include basic reading and/or viewing material, as well as supplemental activities that connect learners with related real-world issues in Asia or Canada-Asia relations.

10.3 Establish funding for 1,000 Canada’s Asia Challenge scholarships (C\$3,000 to C\$5,000 each) to support post-secondary learning and work experience in Asia. These scholarships, which could be combined with other sources of financial support from the private sector or the students’ education institutions, should be awarded on a competitive basis to different categories of post-secondary students, and could be scaled nationally from the pilot program that the Asia Pacific Foundation of Canada is developing in BC.

10.4 Leverage the Asian language skills of recent immigrants to create Asian-language opportunities from kindergarten through post-secondary learning, and provide small grants to education institutions and community-based organizations to help start or sustain programs in strategically important Asian languages (e.g., Mandarin, Korean, Japanese, Bahasa Indonesia, Vietnamese). These programs should focus on building linguistic and cultural fluency for non-heritage learners, and professional-level language skills for heritage learners. Language buddy systems could be created at virtually all levels of the educational system to promote language acquisition and development.

10.5 Advance a domestic strategy to achieve increased transparency of foreign direct investment rules, including promoting knowledge of Canadian investment rules and practices, in order to build Canadians' trust in the process and recognition of the economic benefits of foreign investment. Findings from the Asia Pacific Foundation of Canada's 2015 National Opinion Poll, for instance, indicate that Canadians with higher levels of knowledge about federal foreign investment rules are more likely to support foreign investment by Chinese state-owned enterprises. Trust in transparent Canadian rules and practices can help address Canadians' anxieties about economic engagement with emerging Asian partners.

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ASIA PACIFIC
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SEIZING THE MOMENT

A VISION FOR CANADA'S NEXT LEVEL OF
ENGAGEMENT WITH ASIA

APRIL 2017

What Impact are We Seeking?

Leading Canada to the Next Level of Asian Engagement



- 1 X number of students to Asia
- 2 X number of government officials with Asia training
- 3 X number of curriculum modules

- 1 SMEs doing business with Asia: 1000 / 2000
- 2 Diversification: Shift in dependency on trade with USA from 73% to 60%

- 1 X number of active applied research partnerships with think tanks and policy centres in key countries.



Enabled by a doubling of our financial capacity

Build:

✓ Asia Skills and Training Centre

✓ Asia MSME Innovation Centre

✓ Asia Business Intelligence, Risk Analysis and Policy Centre

How do we get there? APF Canada to double its scale and activities to further capitalize on Asian opportunities.

McKinsey&Company

INTRODUCTION

ARE WE PREPARED TO SEIZE THE MOMENT?

As the Asia Pacific region becomes home to the world's largest and fastest-growing economies, including China, India and Southeast Asia, the need to engage Asia becomes critically important. Within three years, 45 per cent of the world's GDP and 42 per cent of the world's total middle class consumption will come from Asia. All these developments suggest that Canada's future economic prosperity is inextricably tied to our ability to develop the skills, competence, and public and private sector linkages to connect to this region of enormous growth.

The need to engage Asia has been highlighted by the recently constituted Canadian Advisory Council on Economic Growth, which argued that Canada should position itself as a global hub and in order to do so, it should "develop significantly better and deeper trading links with large and fast-growing economies, *particularly in Asia.*" The Council identified China, Japan, and India as the top priorities for Canadian trade.

Despite Canada's areas of competitive advantage: its geographic proximity to Asia, its possession of a diversified Asian Diaspora, its well-developed expertise in service sectors, and a rich endowment of natural resources, our country has lagged behind many of its peers or friendly competitors in the race to develop relationships with Asian countries. For Canada, this translates into a closing window of opportunity.

These sentiments were echoed by both Asian and Canadian business leaders at our most recent Asia Business Leaders Advisory Council (ABLAC) meeting, held in Vancouver in March. Asian council members emphatically suggested that now is the time for Canada to make decisions, take action, and differentiate itself in the Asia Pacific region. They agreed that our country is a beacon of common sense and open flows of people; however, there is a need for focus, intensity, consistency, and non-incremental change.

The longer we wait, the more difficult it will be for us to carve out a presence in Asia's future - now is the time for Canada to mobilize.

ASIA PACIFIC FOUNDATION OF CANADA'S VISION

The Asia Pacific Foundation of Canada has an ambitious vision for our country: **“To seize the moment and lead Canada to the next level of engagement with Asia.”**

Asia's dramatic economic development, combined with Canada's inadequate understanding of the region, necessitates a stronger and more prominent role for the Asia Pacific Foundation of Canada. For more than three decades, the Foundation has been increasing public awareness, changing Canadian mindsets, and providing the knowledge and tools to help Canadians successfully navigate their Asian journey. We have the vision, experience, leadership and ambition to now take Canada to the next level of Asian engagement.

Timing is of crucial importance. With the threat of American retrenchment from its international commitments, Canada is presented with the opportunity to capitalize on its place as a secure, open, and pluralistic society, steeped in liberal democratic traditions. At the same time, global protectionist tendencies south of the border are causing Canadians to seriously consider the need to diversify their markets.

Are we prepared to seize the moment and build our capacity to engage with Asia?

To substantially transform our country's approach to Asia, the Foundation will need to double in size in order to extend its reach and expand its programs. We are confident that the proposed activities outlined in our vision would have a transformative impact on Canada's integrative trade performance, including:

- **A 500% increase in the number of Canadian students participating in work programs, co-op programs or study-abroad programs in Asia**, or 50,000 students. Currently, less than 1% of Canada's students participate in Asia programs.
- **A 500% increase in the number of Canadian micro, small and medium-sized enterprises (MSMEs) exporting to Asia**, or 191,500 MSMEs in total. Currently, less than 1% of MSMEs export to Asia. In 2016, there were 1.16 million Canadian MSMEs; 17,400 MSMEs exported to China, and 20,900 MSMEs exported to other countries in Asia.
- **A 100% increase in Canada's average market share of Asia's imported goods**. In 2016, Canada's average market share of Asia's imported goods was 0.85%, valued at approximately US\$43.9B. Over the past decade, Canada's market share has remained static. For example, our market share of China's imports has hovered around 1.1% as compared to Australia's, which has grown by 64% (to 4.4%); and New Zealand's, by 179%.

- **A 100% increase in investment into Canada from Asia.** In 2016, investment flows from Asia to Canada, according to our Investment Monitor, equalled C\$6.45B.

To achieve these targets, the Foundation proposes to organize its activities under the rubric of **three Centres of Excellence:**

- 1) **Asia Skills and Training Centre** - a Centre providing Asia skills and training to Canadian businesses, government, First Nation's communities, and youth;
- 2) **Asia MSME Innovation Centre** - a knowledge, advisory services and innovation Centre for Canadian micro, small and medium-sized enterprises interested in exporting to Asia;
- 3) **Asia Business Intelligence, Risk Analysis and Policy Centre** - a business intelligence, risk analysis and policy Centre drawing on expertise from across Asia through its networks with like-minded institutions in the region.

FUNDING STRATEGY

In order to fully implement our vision to propel Canada to the next level of engagement with Asia, we have determined that the Foundation will need to secure an additional C\$80 million in funding. The Foundation has conducted an extensive review of various funding options, discussed below, and recommends one of the following 2 options:

- 1) **Acquire a 10-year, Interest-Free Loan**
- 2) **Acquire a 10-year, Fixed LIBOR (+0.5% inflation)**

There are several sources of funding that Canadian NGOs and foundations draw on for their funding. APF Canada taps into a number of these with varying levels of success.

Sources of funding include:

- Private Sector Funding & Corporate Sponsorship
- Donations & Individual Giving
- Membership Fees
- Publications, Conferences and Sponsored Programs
- Funding from other Organizations (foreign government, foundations, NGOs)
- Direct Federal & Provincial Government Grants
- Net Investment Return

By far the largest source of the Foundation's funding is the net investment returns from our endowment, followed by government and private sector funding in support of specific projects or events.

The Foundation has repeatedly attempted to raise additional monies for the endowment from private and/or corporate donors. However, unlike hospitals or academic institutions, Canadian corporate institutions and philanthropists typically overlook the Foundation as a possible recipient for funds. This, in part, is due to the perception that the Foundation is sufficiently funded as a result of the \$50 million conditional grant and partly as a result of the Canadian corporate and private donor communities' preference to focus on other areas of charitable giving.

In examining other possible sources of funding for the proposed expansion, the Foundation has concluded that several of the funding sources tapped by other organizations are not suitable, while sources currently tapped are unlikely to provide the required revenue stream to meet the resources needs of the articulated vision.

For example, the membership model used by organizations like the Canada China Business Council (CCBC) or the Vancouver Board of Trade limits the types of activities and projects that are offered to non-members and thus goes against the public service mandate that is central to APF Canada's conditional agreement. Further, even if an aggressive campaign were launched, it is unlikely that APF Canada would be able to secure adequate revenue from members. Reliance on research funding from federal and provincial government agencies will also not provide the needed resources as these sources are always earmarked for specific studies or research themes. Charging high fees for access to publications goes against the Foundation's objective of widely disseminating knowledge about Asia, as does charging high conference fees that can serve as a barrier to participation

Securing the sources of funding listed above has the additional drawback of being extremely resource-intensive. In our experience, obtaining provincial-level funding for specific projects can take up to three years or longer, on average. For example, to secure \$250,000 from the Province of British Columbia for our Asia Competency program, it took a combined effort equivalent to one full-time employee - including senior executives, program managers, researchers and development staff - working on the funding request over a two-year period. If we were to attempt to approach each provincial government separately for funding, we would need to expand our development capacity considerably. Large educational institutions, such as the University of Calgary, claim that they raise approximately \$10 for every \$1 spent on fundraising. To achieve this goal, they deploy a team of up to 100+ development and alumni engagement professionals.

While applying for additional funds to increase our conditional grant is another option, past experience suggests that such a process would be lengthy and complex: we would need to secure the sponsorship of a government ministry that would be willing to shepherd the proposal through the bureaucratic budget process.

With this perspective in mind, the Foundation proposes to seek a C\$50 million, ten-year, interest-free loan from the federal government that can be added to the Foundation's existing endowment. The \$50 million added to the existing \$70 million in the endowment will allow the Foundation to double its annual operating budget and achieve the timely goal of taking Canada to the next level of engagement with Asia.

At the end of the ten-year period, the government can determine the status of the loan based on the success of the Foundation in meeting its performance indicators. This is an innovative funding model that is not a grant. It is one that can be quickly implemented to capture the opportunity; one that is linked to clear performance-based success indicators; and one that is based on the demonstrated prudent and successful management of the Foundation's current endowment fund.

Recent examples, such as the C\$372.5 million interest-free loan Bombardier received from the federal government, indicate that a ten-year interest-free loan is a mechanism that the government has made available to support initiatives that are of strategic importance to Canada. However, should regulatory issues or other barriers stand in the way of this option, the Foundation is proposing a second option: a loan based on a ten-year fixed LIBOR through Export Development Canada's "Canada Account." Both options are attractive as they would be less resource-intensive than other funding options touched upon earlier. In addition, securing a loan would allow the Foundation to bypass the budget process.

The Foundation's impressive experience managing its endowment fund – thanks in part to a strong investment committee with an established track record built by George Heller, former CEO of the Hudson's Bay Company – is a unique attribute that should not be ignored. This fall, John Montalbano, former CEO of RBC Global Asset Management and currently a Corporate Director on the board of the CPPIB, will become Chair of APF Canada's Investment Committee. This unique experience, combined with our national scope, the strategic importance of our specific focus on the Asia Pacific region, and the timeliness of our vision, should make us a strong candidate for one of these loan options.

Notwithstanding the proposed effort to secure a loan, the Foundation does plan to engage in fundraising to support targeted activities. A top priority will be raising monies to support a comprehensive, nation-wide \$30 million bursary program to provide co-op opportunities in Asia for post-secondary students. (This amount is modest when compared to the \$100 million dollars invested by the Australian government to build the Asia competence of Australian youth). To this end, the Foundation will explore various options including possible gifts from individual donors or the private sector in exchange for naming rights of the three new Centres proposed in the vision and/or seeking program funding in the next federal budget cycle.

LOGIC MODEL

As touched upon earlier, the Foundation aspires to lead Canada to the next level of engagement with Asia by organizing its activities under the rubric of three Centres of Excellence: 1) the Asia Skills and Training Centre; 2) the Asia MSME Innovation Centre; and, 3) the Asia Business Intelligence, Risk Analysis and Policy Centre. The Centres will build on and expand projects and programs initiated by the Foundation, such as the work it has accomplished with regards to MSMEs in Asia and the promotion of Asia competence among students. Each Centre will play a vital role in supporting the Foundation’s overall vision.

The table below outlines the logic framework for the Foundation’s proposed expansion:

Ultimate Outcome	To seize the moment and lead Canada to the next level of Asian engagement		
Intermediate Outcome	Build Asia competence within key demographics	Support and empower Canadian MSMEs in doing business in Asia	Expand APF Canada’s capacity to provide timely intelligence, risk analysis and policy support on developments in the Asia Pacific region, including providing knowledge and research in support of the full suite of APF Canada activities
Output	Establishment of the Asia Skills and Training Centre	Establishment of the Asia MSME Innovation Centre	Establishment of the Asia Business Intelligence, Risk Analysis and Policy Centre
Activities	Develop curriculum for all provinces of Canada	Establish a single portal for MSMEs gathering all available resources and information into one database	Establishing a network of research and policy partnerships

Activities	Asia competence training programs for federal and provincial government officials	Applied research on MSME-relevant topics	Convene expert meetings on key topics
Activities	Asia competence training for first nations officials	Tailored package advice	Conduct research on the Foundation's thematic pillars of work
Activities	Building Asia awareness and understanding with corporate boards and senior management	Conduct training sessions, provide mentorship and broker partnerships	Expand the Foundation's flagship publications and websites
Activities	Co-operative programs, scholarships, messaging and youth council	Hot-desks and meeting rooms	Run a grants program

ASIA SKILLS AND TRAINING CENTRE

Asia-related skills and training are a must for Canadians wanting to operate in the Asian business environment. In light of changing working attitudes in Asia, many Asian businesses no longer consider Western practices as universal and do not feel obliged to adopt Western approaches. The onus is increasingly on Canadian partners to learn the way of doing business in Asia. While some Canadian businesses have a record of successfully doing business in Asia, a more detailed study shows that these firms have been “pulled” into doing business in Asia by being approached either by customers or potential partners in Asia. Such a passive method of entry, however, leaves much to chance and is not easily replicated by other firms.

While many of its peers and friendly competitors have pursued concrete steps in designing an Asia strategy, Canada has been much more passive in this regard. Australia, for example, published the *Australia in the Asian Century White Paper* in 2012, and devoted hundreds of millions of dollars to Asian language training, internships, and the incorporation of Asia-centered subjects into its education curriculum.

In another example, the United States, through the US-China Strong Foundation, aims to increase the number of American students studying in China. While the original target was to send 100,000 students to China, this objective was later expanded to raise the number of students studying Mandarin by five times.

In contrast, very few Canadian students overall, commonly estimated at 3.1%, embark on an exchange or study abroad. Out of those who do, most students choose to stay within North America or go to Europe. It is estimated that well below 1% of Canadian students study in Asia. The examples above are but a few of the initiatives that Canada’s peers have introduced to promote Asia competence in their respective countries. Their efforts indicate that Canada has a closing window of opportunity – as ties between Asia and other countries consolidate, the more difficult it will be for Canada to carve out a presence in the future.

Although the Asia Pacific Foundation of Canada currently has Asia competence programs in place, limited resources dictate that only two full-time staff members and one temporary staff member can devote their time to the programs. Such a lean team signifies that the potential of the Foundation’s current Asia competence programs cannot be fully realized. Current efforts have been concentrated on curriculum development in British Columbia and the promotion of student exchanges to Asia. However, there is no existing capacity to conduct Asia-specific training for government officials, First Nations officials, corporate leaders, youth, and students from other Canadian provinces.

Although the proposed Centre builds upon the work that the Foundation is currently doing, it proposes a wider scope to include functions such as:

- **Developing curriculum for all Canadian provinces, including elementary and high school modules, and courses for high school:** While the curriculum for B.C. is currently underway, the Centre would also develop province-specific curricula for Alberta, Quebec, Ontario, Winnipeg, Saskatchewan, and the Atlantic Canada provinces. Apart from curriculum development, the Centre would also devote resources for teachers' professional development and the yearly update of the curricula.
- **Designing and administering training programs for federal and provincial government officials:** These would include on-site, 1-3 day sessions across the country or weeklong courses in Vancouver, accompanied by a two-weeklong practicum conducted in Asia. The Centre would employ experts in the field to conduct training.
- **Training First Nations officials:** These sessions, 1-3 days in length, would be conducted onsite and use a curriculum customized for First Nations participants. The Centre would employ experts in the field to conduct training.
- **Conducting corporate training for the private sector:** These would include half-day and one-day sessions for company boards and three-day courses for employees. The Centre would employ experts in the field to conduct training.
- **Introducing Asia-focused co-operative programs, scholarships and a youth council nationwide:** While these programs are currently being implemented in British Columbia, the Foundation seeks to expand and introduce the programs in other provinces. Through the programs, students would receive up to \$5,000 to pursue a co-op program in Asia. A youth council would be established to give participating youth a platform to identify the type of Asia-related topics that are important for the younger generation.
- **Fostering stronger Canada-Asia networks among the next generation.** As part of building the competence of Canadian youth, APF Canada could be more proactive in facilitating meaningful interaction between Asian international students and domestic students.

ASIA MSME INNOVATION CENTRE

While the lack of Asia competence is a challenge nationwide, this challenge is particularly stark among micro, small and medium-sized enterprises (MSMEs), which are the lifeblood of Canada's economy. As MSMEs constitute more than 99% of Canadian businesses and account for more than 90% of employment in the private sector, their success is imperative for Canada's long-term economic growth. However, MSMEs face numerous barriers to entering international markets, such as a lack of infrastructure, inadequate information about market opportunities, unfriendly trade policies and regulations, expensive and internationally unaccepted inputs, and uncompetitive products.

Consequently, less than 1% of Canadian MSMEs export to Asia.

The biggest export destination for Canadian MSMEs is the United States. With 88% of total exports of Canadian small businesses and 96% of exports of medium-sized businesses going to the U.S., Canadian businesses are particularly vulnerable to any potential policy shifts in US-Canada trade relations.

The Asia Pacific Foundation of Canada has recently received a C\$2.5 million international development grant from Global Affairs Canada to support micro, small and medium-sized enterprises in APEC developing economies. However, while the *APEC-Canada Growing Business* project allows the Foundation to make an impact in issues related to MSMEs, the primary focus of the project is on supporting businesses in Asia, and not Canada. The Foundation currently does not have the resources to provide tailored advice packages for Canadian firms interested in engaging Asia. Nor is it able to provide weeklong training sessions for businesses or develop a comprehensive database of information valuable to Canadian MSMEs.

The Asia MSME Innovation Centre supports the vision of the Foundation by providing the tools for Canadian MSMEs to better understand and capture the opportunities presented by Asia's burgeoning marketplace. The Centre proposes to embrace the following functions and activities:

- **Establishing a single portal for MSMEs where all available resources and information would be gathered into one database:**

The Centre would create and continually update a database collecting all available information for MSMEs on doing business in Asia.

- **Conducting research applicable to the needs of MSMEs:**

The research would be done either in-house or commissioned from other experts in the field and would provide insights into Asian markets, guidelines, and regulations. Research would also focus on case studies in areas such as e-commerce, fintech, and other best practices. The Centre aims to produce 10 targeted reports per year.

- **Providing tailored advice packages:**

The Centre would employ experts who can work with companies on identifying resources and strategies for engagement in Asia.

- **Conducting training sessions, providing mentorship and brokering partnerships:**

The Centre would develop five different modules for weeklong training sessions targeted at MSMEs. The portal would also serve as a resource in helping MSMEs build partnerships and relationships with Asian investors and other service provider through trade shows or conferences.

- **Giving MSMEs access to hot-desks and meeting rooms:**

The Centre would establish partnerships with incubators in providing space to MSMEs, together with cross-regional satellite partners.

ASIA BUSINESS INTELLIGENCE, RISK ANALYSIS & POLICY CENTRE

The creation of knowledge for the purposes of disseminating information, raising awareness and shaping decisions has long been at the center of the Foundation's work. The current research team is composed of six permanent staff members, excluding administrative staff. It is a challenge for such a small core team to cover innumerable topics on Asia ranging from trade to education to the environment, while also serving as the secretariat for PECC (Pacific Economic Cooperation Council) and ABAC (APEC Business Advisory Council). At the same time, the research team lacks the resources to conduct real-time, field-based research on a regular basis. While field offices in Asia would be the most ideal solution, given limited resources, the next best alternative to field offices is to **establish close partnerships with leading think tanks and policy shops in the region.**

With the expansion of the Foundation, the work produced by the research team is even more necessary as it informs the work overseen by the two other Centres. Research conducted by the team will be crucial for designing training programs, particularly in determining what type of content is important for trainees to know. The research would also form the groundwork for advice being provided to Canadian MSMEs, including backgrounders about the business environments that they will be entering and operating in. The Centre's new partners can also be tapped to provide trainers and assist with the development of curricula and convening events, for government and business alike. Possible partners could include:

- Lowy Institute of international Policy (Australia)
- Carnegie China Center, Brooking Center, SASS, CASS (China)
- Center for Policy Research or Delhi Policy Group (India)
- Japan Institute of International Affairs or Asian Development Bank Institute (Japan)
- Asian Institute for Policy Studies (South Korea)
- Institute of Policy Studies or Singapore Institute of International Affairs (Singapore)
- Taiwan Institute of Economic Research (Taiwan)
- National Bureau for Research on Asia (U.S.)

The Centre would convene expert meetings on key topics in co-operation with its partners. It would also continue to conduct research on the Foundation's thematic pillars of work, including maintaining and expanding the Foundation's flagship reports and websites - such as the National Opinion Poll, FDI Monitor and The Asia Factor. The Centre would publish Canada-Asia Agenda pieces – brief research reports written by experts in the field;

although these would increase in number. Finally, the Centre would continue to manage the Foundation's grant program, which offers research grants to early career professionals (Post-Graduate Research Scholars and Junior Research Scholars) and to senior experts (Distinguished Fellows).

PERFORMANCE MEASUREMENT FRAMEWORK

The Foundation proposes a biennial evaluation of our progress, starting from the third year. The table below outlines the framework for measuring the Foundation’s progress and provides target goals to be achieved by the end of the tenth year.

<p>Ultimate Outcome</p>	<p>To have a transformative impact on Canada’s integrative trade performance and foster stronger Canada-Asia networks among the next generation, including:</p> <ul style="list-style-type: none"> ▪ A 500% increase in the number of Canadian students participating in work programs, co-op programs or study-abroad programs in Asia (approximately 50,000 students). Currently, less than 1% of Canada’s students participate in Asia programs. ▪ A 500% increase in the number of Canadian micro, small and medium-sized enterprises (MSMEs) exporting to Asia, or 191,500 MSMEs in total. Currently, less than 1% of MSMEs export to Asia. In 2016, there were 1.16 million Canadian MSMEs; 17,400 MSMEs exported to China, and 20,900 MSMEs exported to other countries in Asia. ▪ A 100% increase in Canada’s average market share of Asia’s imported goods. In 2016, Canada’s average market share of Asia’s imported goods was 0.85%, valued at approximately US\$43.9B. Over the past decade, Canada’s market share has remained static. For example, our market share of China’s imports has hovered around 1.1% as compared to Australia’s, which has grown by 64% (to 4.4%); and New Zealand’s, by 179%.
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Intermediate Outcome	Input Indicators	Output Indicators (Metrics)
Build Asia competence within key demographics <i>(Centre of Excellence: Asia Skills and Training Centre)</i>	Developing curriculum for all Canadian provinces, including elementary and high school modules, and courses for high school	2,000 high schools offering Asia-related courses 50,000 students taking Asia-related courses in high school 25 curriculum packets developed 2,500 teachers trained
	Introducing Asia-focused co-operative programs, scholarships and a youth council nationwide	50,000 students on exchange or co-op programs in Asia (500% increase)
	Designing and administering training programs for federal and provincial government officials	2,300 federal and provincial government officials with Asia training (100% increase)
	Training First Nations officials	150 First Nations officials with Asia training (500% increase)
	Conducting corporate training for the private sector	100 companies whose board members and employees receive Asia training (200% increase)
Support and empower Canadian MSMEs to better engage and do business with the Asian marketplace <i>(Centre of Excellence: Asia)</i>	Conducting training sessions Providing mentorship Providing hot-desks and meeting rooms	120 MSME Asia competence training sessions organized (in-person) 12,000 MSMEs participating in training sessions on how to enter the Asian market 1,000 MSMEs receiving mentorship 50,000 MSMEs participating online training and mentorship

<i>MSME Innovation Centre)</i>		240 webinars 12 networking workshops convening Asian and Canadian MSMEs (100% increase)
	Providing tailored advice packages	250 tailored advice packages prepared for Canadian MSMEs
	Brokering partnerships	100 incubator partnerships 20,000 Canadian MSMEs doing business in Asia
	Establishing a single portal for MSMEs where all available resources and information would be gathered into one database	30,000 database subscriptions (3,000 per annum) 600,000 website hits and downloads (60,000 per annum)
Expand APF Canada's capacity to provide timely intelligence & risk analysis of the Asia Pacific region and policy support <i>(Centre of Excellence: Asia Business Intelligence, Risk Analysis & Policy Centre)</i>	Establishing close partnerships with leading think tanks and policy shops in key Asia Pacific regions	5 partnerships established with think tanks and policy centres
		8 conferences, including joint conferences conducted with partner organizations
		Research papers, articles and blogs commissioned to partner organizations (100% increase)
		5 visiting scholars from partner organizations

	<p>Creating a flagship business intelligence & risk report on the Asia Pacific region, with business risk indicator</p>	<p>10 flagship business intelligence & risk reports on the Asia Pacific region produced (1 per annum)</p> <p>12,000 copies distributed (1,200 per annum)</p> <p>8,000 website hits and downloads (800 per annum)</p>
	<p>Creating a flagship survey: Asia's perception of Canada</p>	<p>20 flagship survey reports produced (2 per annum)</p> <p>24,000 copies distributed (2,400 per annum)</p> <p>16,000 website hits and downloads (1,600 per annum)</p>
	<p>Maintaining and expanding quantity of flagship reports, publications, websites and blogs</p> <p>Providing timely, in-depth research and expertise for government and business</p> <p>Serving as a knowledge hub for a new generation of Asia practitioners</p>	<p>80 Canada-Asia Agenda pieces produced (8 per annum)</p> <p>1,200 blogs (120 per annum)</p> <p>2,250,000+ website hits and downloads (225,000+ per annum)</p> <p>9,000,000+ web pages viewed (900,000+ per annum)</p> <p>1,700,000+ Facebook impressions (170,000+ per annum)</p> <p>8,000+ Twitter followers</p> <p>603,000+ LinkedIn impressions (60,300+ per annum)</p>

IMPACT ON THE ORGANIZATION

In order to seize this timely opportunity and fully implement our vision, the Foundation will need to double its operating budget. We have determined certain operational and financial implications for the expansion:

First, it will require additional staff to implement new or expanded projects, as well as manage the Foundation's daily operations and administration. To accommodate the expansion, the Foundation proposes the addition of 21 new positions, as per the organizational chart laid out in the Appendix. It will be necessary to hire additional research and administrative staff, as well as strengthen and expand the corporate affairs and development team, which supports the Foundation's operations, communicates its achievements, supports strategic events, maintains relations with stakeholders, and seeks additional funding for its activities.

Second, with an increasing number of employees, the space provided by the Foundation's current facility will no longer suffice. Additional space will need to be rented by the first year of the expansion as the current facility will not be able to accommodate additional staff members.

Third, the Foundation will need to rebrand its image and increase awareness of its new activities. This will include the restructuring of the website and other marketing materials.

Lastly, the Foundation will require project budgets for each of the three foundational Centres that will deliver the overall vision.

All of these changes will require additional financial resources, which have been laid out in the "Budget" section.

RISK MANAGEMENT

We have identified a number of possible risks associated with the Foundation's expansion. Mitigating measures will be provided to demonstrate how the Foundation aims to address these risks. At the same time, each risk will be rated according to likelihood and impact post-mitigation. Please refer to the "Risk Management" chart found in the Appendix for more details.

IMPLEMENTATION

THREE-YEAR PHASE-IN STRATEGY

Once financing has been secured, the Foundation proposes a three-year phase-in period. We plan to prioritize the hiring of regional directors in Quebec and the Prairie Provinces (FY 17-18), followed by the Maritimes (FY 18-19). This is because the presence of these directors will expand the Foundation’s domestic outreach, amplifying our influence and impact. Although financing for the expansion of the Foundation will not yet be in place during this period, we expect that the expanded presence of the Foundation in different regions will give us access to a wider pool of potential donors. Additional funds raised by the regional directors should be able to cover their salaries, at least for the 2017-2018 fiscal year.

Once we have secured the fund necessary for expansion, each of the three Centres will be established in the second fiscal year (2018 to 2019). Centre directors will be hired first, followed by the gradual hiring of project managers and junior research staff. The rationale behind this is because the earlier the Centre directors are on board, the earlier they are able to shape projects and activities according to their vision. In addition, given the ambitious nature of the projects being suggested, hiring the Centre directors earlier will allow the Vice-Presidents to focus on overarching matters related to re-organization, rather than handling the new projects themselves.

Please refer to the “Staff Hiring Phase-In Timeline” and the “Projects and Activities Phase-In Timeline” found in the Appendix section for more details.

BUDGET

The following table outlines the budget required in order to fully implement the Foundation's vision for Canada. Computations have been categorized according to salaries, the project budget of the respective Centres, rent for additional facilities and the revision of the website and other marketing materials. Figures have been calculated assuming a 2% annual inflation rate.

The calculation also assumes that yearly surplus from proceeds are added back to the principal the following year to earn additional returns. The calculations demonstrate that the funds would cover yearly expenses and provide a small allowance should there be market instability.

INVESTMENT CONTRIBUTION AND DISBURSEMENT OVER 10-YEAR PERIOD

Assumptions:

1. Assume APF Canada will receive \$50 million loan by April 1, 2018
2. Annual rate of investment return for endowment fund is 8%
3. Operating costs for APF Canada after year 1 increase by 2%
4. Estimated endowment fund market value as of March 31, 2017 is \$67,781,229

	2017-18	2018-19	2019-20	2020-21	2021-22
Endowment Fund	67,781,229	119,112,759	121,641,780	123,373,122	125,082,972
Investment revenue from endowment	5,422,498	9,529,021	9,731,342	9,869,850	10,006,638
Withdrawal from endowment	4,090,968	7,000,000	8,000,000	8,160,000	8,323,200
Contribution back to endowment	1,331,530	2,529,021	1,731,342	1,709,850	1,683,438
Current government funding and sponsorship for projects	1,447,523	1,519,899	1,595,894	1,675,689	1,759,473
Fundraising revenue	-	1,300,000	1,300,000	1,300,000	1,300,000
Total income	5,538,491	9,819,899	10,895,894	11,135,689	11,382,673
Incremental cost:					
Salaries	-	1,242,768	1,974,281	2,013,767	2,054,042
Asia Skills and Training	-	868,734	1,528,140	1,612,824	1,700,284
Asia MSME Innovation Centre	-	780,300	859,578	1,093,256	894,305
Asia Business Intelligence and Policy Centre	-	619,038	806,518	822,648	817,020
Office space and equipment	-	465,000	280,159	285,762	291,477
Website and Marketing	-	187,272	41,616	42,448	43,297
Total incremental cost	-	4,163,112	5,490,292	5,870,706	5,800,426
Projected incremental & current operating cost with interest free loan	5,700,994	9,864,106	11,191,286	11,571,700	11,501,420
Operating Surplus/Deficit with interest free loan	(162,503)	(44,207)	(295,392)	(436,011)	(118,747)
Interest with LIBOR 1.79%	-	895,000	895,000	895,000	895,000
Total incremental & operating cost with LIBOR	5,700,994	10,759,106	12,086,286	12,466,700	12,396,420
Operating Surplus/Deficit with LIBOR	(162,503)	(939,207)	(1,190,392)	(1,331,011)	(1,013,747)

	2022-23	2023-24	2024-25	2025-26	2026-27
Endowment Fund	126,766,410	128,418,059	130,032,046	131,601,964	133,120,821
Investment revenue from endowment	10,141,313	10,273,445	10,402,564	10,528,157	10,649,666
Withdrawal from endowment	8,489,664	8,659,457	8,832,646	9,009,299	9,189,485
Contribution back to endowment	1,651,649	1,613,987	1,569,917	1,518,858	1,460,180
Current government funding and sponsorship for projects	1,847,447	1,939,819	2,036,810	2,138,651	2,245,583
Fundraising revenue	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Total income	11,637,111	11,899,277	12,169,457	12,447,950	12,735,069
Incremental cost:					
Salaries	2,095,123	2,137,025	2,179,766	2,223,361	2,267,828
Asia Skills and Training	1,227,517	1,252,067	1,277,109	1,302,651	1,328,704
Asia MSME Innovation Centre	1,137,424	930,435	1,183,376	968,025	1,231,184
Asia Business Intelligence and Policy Centre	841,243	817,864	857,655	850,906	892,304
Office space and equipment	297,307	303,253	309,318	315,504	321,815
Website and Marketing	44,163	45,046	45,947	46,866	47,804
Total incremental cost	5,642,777	5,485,692	5,853,171	5,707,314	6,089,639
Projected incremental & current operating cost with interest free loan	11,343,771	11,186,686	11,554,165	11,408,308	11,790,633
Operating Surplus/Deficit with interest free loan	293,339	712,591	615,292	1,039,642	944,436
Interest with LIBOR 1.79%	895,000	895,000	895,000	895,000	895,000
Total incremental & operating cost with LIBOR	12,238,771	12,081,686	12,449,165	12,303,308	12,685,633
Operating Surplus/Deficit with LIBOR	(601,661)	(182,409)	(279,708)	144,642	49,436

CONCLUSION

NOW IS THE TIME FOR CANADA TO MOBILIZE

The Asia Pacific Foundation of Canada has an ambitious vision for our country: **“To seize the moment and lead Canada to the next level of engagement with Asia.”** We are lagging behind in the race to develop relationships with Asian countries. For Canada, this translates into a closing window of opportunity. The longer we wait, the more difficult it will be for us to carve out a presence in Asia's future. Now is the time for Canada to mobilize, and with adequate funding and resources, the Asia Pacific Foundation of Canada has the vision, experience, leadership and ambition to help lead the way.

APPENDIX

APPENDIX I - RISK MANAGEMENT

APPENDIX II - STAFF HIRING PHASE-IN TIMELINE

APPENDIX III - PROJECTS AND ACTIVITIES
PHASE-IN TIMELINE

APPENDIX IV - ORGANIZATIONAL CHART

APPENDIX I

RISK MANAGEMENT

We have identified a number of possible risks associated with the Foundation's expansion. Mitigating measures will be provided to demonstrate how the Foundation aims to address these risks. At the same time, each risk will be rated according to likelihood and impact post-mitigation. The ratings are as follows:

Likelihood

4 - Very likely

3 - Likely

2 - Somewhat likely

1 - Not too likely

Impact after mitigating measures have been adopted

4 - Strong impact

3 - Somewhat strong impact

2 - Slight impact

1 - No impact at all

Risk	Mitigating Measures	Likelihood	Impact (After Mitigating Measures have been Implemented)
Financial risk: projected rate of return is not met because of financial volatility	<ul style="list-style-type: none"> ▪ The Foundation will hire a gift officer and grants writer to raise additional funding to compensate for the shortfall ▪ Identify non-essential areas for cost-cutting to conserve funding 	4 - Very likely	2 - Slight impact
Sudden expansion of the Foundation creates simultaneous onboarding challenges for new employees, reducing overall operational efficiency	<ul style="list-style-type: none"> ▪ Ensure that newly-hired personnel receive proper onboarding orientation that fosters role clarity, better team coordination and understanding of office culture 	4 - Very likely	2 - Slight impact

<p>Naming rights for the Centres may be accompanied by conditions and the Foundation's association with the sponsor may project a less objective image</p>	<ul style="list-style-type: none"> ▪ Ensure that the Foundation has a stringent list of criteria in selecting potential sponsors ▪ Identify certain conditions that are unacceptable for the Foundation even before negotiations begin ▪ State and advertise that the Centres operate at arms length from its sponsors 	<p>3 - Likely</p>	<p>2 - Slight impact</p>
<p>Key demographics lack receptivity to Asia-focused training programs</p>	<ul style="list-style-type: none"> ▪ Identify leaders and champions within each demographic who will support the Foundation's cause and persuade their peers 	<p>3 - Likely</p>	<p>2 - Slight impact</p>
<p>The Foundation is not perceived as a resource by MSMEs</p>	<ul style="list-style-type: none"> ▪ Increase awareness among MSMEs on the work that the Foundation is doing, including advertising, newsletters, participating MSME and entrepreneurship events 	<p>2 - Somewhat likely</p>	<p>1 - No impact at all</p>

<p>Establishing a network of partners is impeded by geographic, cultural and linguistic challenges</p>	<ul style="list-style-type: none"> ▪ Identify key personnel within the Foundation with the cultural and linguistic expertise to liaise with potential partners ▪ Obtain advice from experts within the Foundation's existing networks ▪ Consult experts who have in-country know-how 	<p>2 - Somewhat likely</p>	<p>1 - No impact at all</p>
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APPENDIX II

STAFF HIRING PHASE-IN TIMELINE

New Staff for the Corporate Affairs and Development Team

Position	FY 17 - 18	FY 18 - 19	FY 19 - 20
Director of Development		✓	
HR/Database Coordinator		✓	
Gift Officer			✓
Speech Writer			✓
Designer		✓	
Publications Editor/News		✓	
Social Media			✓

New Staff for the Research and Programs Team

Position	FY 17 - 18	FY 18 - 19	FY 19 - 20
Director of Asia Skills and Training Centre		✓	
Director of the Asia Business Intelligence, Risk Analysis and Policy Centre		✓	
MSME Senior Staff 1		✓	

MSME Senior Staff 2			✓
MSME Junior Staff 1		✓	
MSME Junior Staff 2			✓
MSME Junior Staff 3			✓
Asia Skills and Training Senior Staff 1		✓	
Asia Skills and Training Senior Staff 2			✓
Asia Skills and Training Junior Staff 1			✓
Asia Skills and Training Junior Staff 2			✓
Asia Skills and Training Junior Staff 3			✓

New Staff for Satellite Offices

Position	FY 17 - 18	FY 18 - 19	FY 19 - 20
Director of Maritimes		✓	
Director of Prairies	✓		
Director of Quebec	✓		

* Directors are hired part-time and are expected to work less than 25 hours per week.

APPENDIX III

PROJECTS AND ACTIVITIES PHASE-IN TIMELINE

Activity	FY 17 - 18	FY 18 - 19	FY 19 - 20
Establishment of the Asia Skills and Training Centre		✓	
Develop curriculum for all provinces of Canada		✓	✓
Training programs for federal and provincial government officials		✓	✓
Training First Nations officials		✓	✓
Corporate training			✓
Co-operative programs, scholarships, messaging and youth council		✓	✓
Establishment of the Asia MSME Innovation Centre		✓	✓
Establish a single portal for MSMEs gathering all available resources and information into one database			✓
Applied research on MSME-relevant topics		✓	✓
Tailored package advice		✓	✓
Conduct training sessions, provide mentorship and broker partnerships		✓	✓
Hot-desks and meeting rooms			✓
Establishment of the Asia Business Intelligence, Risk Analysis and Policy Centre	✓	✓	✓
Establishing a network of research and policy partnerships		✓	✓

Convene expert meetings on key topics	✓	✓	✓
Conduct research on the Foundation’s thematic pillars of work	Currently in place		
Maintain the Foundation’s flagship publications and websites	Currently in place		
Run a grants program	Currently in place		



ASIA PACIFIC
FOUNDATION
OF CANADA

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DEVELOPING A LEADING
ROLE FOR CANADA IN
THE ASIA PACIFIC

A 5-YEAR STRATEGIC PLAN FOR THE ASIA PACIFIC FOUNDATION OF CANADA

NOVEMBER 2019

“Asia is on track to top 50 per cent of global GDP by 2040 and drive 40 per cent of the world’s consumption, representing a real shift in the world’s centre of gravity.”

- McKinsey & Company, *Asia’s Future is Now*, July 2019 -



EXECUTIVE SUMMARY

Over the next five years, the Asia Pacific Foundation of Canada (APF Canada) will establish itself as a thought leader and as Canada's leading research centre working on Asia Pacific affairs. There is an urgent need for action and deeper understanding around Canada's interests in the region. APF Canada sees its role as providing the kind of high-level intelligence and evidence-based analysis that is needed to develop Canada's potential leading role in the region. To this end, The Foundation will leverage its research to support Canadian governments and businesses in engaging more effectively with Asia Pacific states and in Asia Pacific markets, while providing the Canadian public with the knowledge needed to address the unique opportunities and challenges unfolding in the region. APF Canada will further use its institutional expertise and diverse network to educate the next generation of Canadian Asia scholars and practitioners.

Supported by a comprehensive communications strategy, APF Canada will build on its reputation as the only Canadian think-tank dedicated to Asia

Pacific affairs with national reach and focus. The Foundation will address gaps in knowledge about the Asia Pacific by developing a new business model that provides meaning and value to stakeholders through the marketing of relevant products and services.

APF Canada occupies a unique position in terms of its ability to influence policy, decision-making, and understanding among its various stakeholders. The Foundation acts as a nexus between Canadian government, business, academia, and the Canadian public, and although the Foundation's engagement has primarily been through contracts with government and curriculum development, requests from the private sector for more targeted business intelligence about the Asia Pacific are increasing. In tandem with the rollout of a new business development model, the Foundation will widen its engagement across multiple sectors over the next five years. In all of its activities, APF Canada will seek to identify areas where it can have the greatest impact and lead Canada's thinking on and engagement with the Asia Pacific.

For the purpose of this strategic plan, APF Canada's 'core' activities include: research, education, and network activities. Each activity is critical for the support of the Foundation's mandated role under *The Asia-Pacific Foundation of Canada Act (1984)* and its vision to be the leading think-tank in Canada on Asia Pacific affairs. In line with its core activities, APF Canada leadership proposes the following five-year plan built in three stages:

1) refocus, 2) strengthen, and 3) market.

1) **Refocus** implies the purposeful movement of APF Canada's research efforts into six pillars, each built around a thematic area where the Foundation can add unique analytical value and generate marketable research. This phase has been underway since May 2019, during which the Foundation has identified these thematic pillars as: *Business Asia, Engaging Asia, Perspectives Asia, Sustainable Asia, Strategic Asia, and Digital Asia*. Within the Foundation's Education programming, refocusing will include the establishment of the Foundation's disparate co-op and study abroad efforts under



a secretariat. Finally, a refocus within the critical Networks structure will include the leveraging of the Foundation's current secretariat positions to develop research partnerships, influence global stakeholders through engagement, and secure funding through international channels.

2) **Strengthen** refers to the phase in which the Foundation moves from a state of adjustment – identifying and consolidating the most valuable research, education, and networking efforts – to a stage of refining and improving these efforts for greatest impact. This will involve the further development of diverse research products within each pillar, ranging from large, marquee publications to weekly, actionable research products. Strengthening the education program includes the application of the Foundation's B.C. curriculum to Canada's other provinces, such as Saskatchewan, Ontario, and Nova Scotia. Strengthening the Foundation's network efforts includes taking on additional secretariat responsibilities (CSCAP, for example) and deepening partnerships through APEC channels with APEC Study Centres.

3) **Market** refers to efforts across the Foundation's three areas of effort to generate revenue to further support its core activities. During this phase the Foundation will continue to produce high-quality, data-driven, original research and programming that supports its education and networking activities, but with a stronger focus on increasing the funding support sourced from sponsorships, contracts, and requests for information. Long term, the Foundation will also develop a subscription service based on the evolution of its news service, Asia Watch.

The following document outlines a five-year strategic vision for APF Canada predicated on an endowment contribution of \$3.5 million in year two, and \$3.25 million in subsequent years, as directed by the Board of Directors in April 2019. As the following document will demonstrate, APF Canada currently possesses the necessary resources to achieve its strategic vision, but the reduced endowment contribution will need to be supplemented with increased business development results in order to fund the reduction in support to core activities. While this is accounted for within the strategic plan, this new reality comes with increased uncertainty, as the strategic plan cannot account for external factors that may lead to a decline in external support.

Should APF Canada be in a position in years two or three to expand its activities to capitalize on the unfolding opportunities afforded by the global shift towards Asia, the Foundation is prepared with a strategic plan that is scalable and commensurate with the reality of this historic transformation in global power. "A Plan for Growth" is outlined in the Addendum and represents an ambitious vision for the leading role APF Canada could play in Canada and across the globe.



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“The purpose of the Foundation is to develop closer ties between the peoples and institutions of Canada and the peoples and institutions of the Asia-Pacific region, and to promote capacity development in persons and entities that share an interest in the Asia-Pacific region and the building of networks between them.”

- The Asia-Pacific Foundation of Canada Act, 1984 -

DEVELOPING A LEADING ROLE FOR CANADA IN THE ASIA PACIFIC





DEVELOPING A LEADING ROLE FOR CANADA IN THE ASIA PACIFIC

By nearly all measures, the Asia Pacific is, and will remain, the globe's most dynamic region with regard to economic growth and opportunity, security issues, political developments, environmental and climate change challenges, and demographic trends. Economists from the World Bank to the Asian Development Bank forecast regional growth of more than six per cent through 2023, driven by investments in infrastructure and fixed assets, and by emerging middle-class consumers in China and India. Strategic analysts rightly point to issue-areas such as nuclear development and proliferation in North Korea, freedom of passage in the South China Sea, political developments in Hong Kong, and legal sovereignty in Taiwan as areas likely to influence international security norms and values in the future. For states in the Pacific and Southeast Asia, pressures from environmental issues including rising sea levels and increased typhoons are triggering some of the most immediate discussions on climate change as an existential challenge. In short, near- to medium-term developments in Asia will not only

affect the Asia Pacific region, but will also have the potential to influence developments at the global level.

For Canada, engagement with Asia Pacific states on these critical issues will enrich the country, both in material and ideational terms. Canadian companies will benefit from the Asia Pacific's growing economy with regard to trade, investment, and innovation. Canadian involvement in strategic issues throughout the region will allow it to influence regional security and defence development and to show leadership through engagement. On environmental issues, Canada can demonstrate the value of its globally-leading technology in addressing issues like water treatment and clean transportation and lead discussions around climate change. Similarly, Canadian businesses and policy-makers can position themselves at the forefront of the region's care economy by proactively engaging with Asian industry to provide services to the region's aging populations.

APF Canada is mandated to support Canadian private and public sector stakeholders to take advantage of opportunities and to navigate potential obstacles for engagement in Asia. The Foundation's focus on research, education, and networking in the Asia Pacific makes it Canada's preeminent institution for analysis on and interconnectivity within the region. The time to engage more deeply in the region is now and APF Canada is uniquely positioned to provide the research, analysis, policy advice, and business intelligence that will help Canada and Canadians seize the moment and take a leading role in the region.

ABOUT THE ASIA PACIFIC FOUNDATION OF CANADA





ABOUT THE ASIA PACIFIC FOUNDATION OF CANADA

The Asia Pacific Foundation of Canada (APF Canada) is committed to supporting Canadian public and private sector stakeholders as they engage with and in the Asia Pacific. More than any other Canadian institution, APF Canada accomplishes this through data-driven research, educational services, network-building, research grants for emerging scholars, and convening events on important issues. The Foundation's core mission is to provide Canadian actors with the tools they need to achieve the 'next level' of engagement with the Asia Pacific across economic, political, security, environment, and public sectors.

Our Vision

To be the recognized leader across Canada and the globe in developing ideas for action by business, government, and all institutions that will help Canadians seize the vast opportunities unfolding before us in Asia.

Our Mission

To be Canada's catalyst for engagement with Asia and Asia's bridge to Canada.

Our Values

NON-PARTISAN:

We will safeguard the role of the honest broker and serve as a non-partisan, unbiased, independent source of information and advice.

INTEGRITY:

We undertake our work with rigour, accountability, and transparency.

EVIDENCE-BASED:

We insist on producing data-driven research and analysis in line with international academic and industry standards. We believe that sound decisions and actions are based on facts.

INCLUSIVITY:

We work to ensure diversity within our research team, and to advance Canadian and Asian marginalized groups' interests through outreach and advocacy.

PARTNERSHIPS FOR PUBLIC GOOD:

We believe that to address global challenges, partnership between government, business, and civil society is a necessary and powerful tool.



Our Mandate and Core Activities

APF Canada, founded by an act of Parliament in 1984, is mandated to promote greater understanding, dialogue, and relational ties between Canada and the Asia Pacific. In particular, the Foundation strives to increase the capacity of Canadian governments, businesses, and individuals to more effectively engage in the region through knowledge-generation, research scholarships, and secretariat support for key multilateral networks such as the Asia-Pacific Economic Cooperation (APEC) and the Pacific Economic Cooperation Council (PECC).

The purpose of the Foundation is to develop closer ties between the peoples and institutions of Canada and the peoples and institutions of the Asia-Pacific region and to promote capacity development in persons and entities that share an interest in the Asia-Pacific region and the building of networks between them by:

- **(a)** promoting mutual awareness and understanding of the cultures, histories, religions, philosophies, languages, lifestyles and aspirations in the Asia-Pacific region and Canada and their effects on each other's societies;
- **(a.1)** promoting dialogue on, and understanding of, foreign policy issues as they relate to Canada and the Asia-Pacific region;
- **(b)** supporting development cooperation between organizations, institutions and associations in Canada and in the Asia-Pacific region;
- **(c)** promoting collaboration among organizations, institutions and associations in private and public sectors in Canada and in the Asia-Pacific region;
- **(d)** promoting closer economic and commercial ties between Canada and the Asia-Pacific region;
- **(e)** promoting, in Canada, scholarship in and expertise on economic, cultural, social and other subjects relating to the Asia-Pacific region, and in the Asia-Pacific region, scholarship in and expertise on economic, cultural, social and other subjects relating to Canada;
- **(f)** collecting information and ideas relating to Canada and the Asia-Pacific region and disseminating such information and ideas within Canada and the Asia-Pacific region.

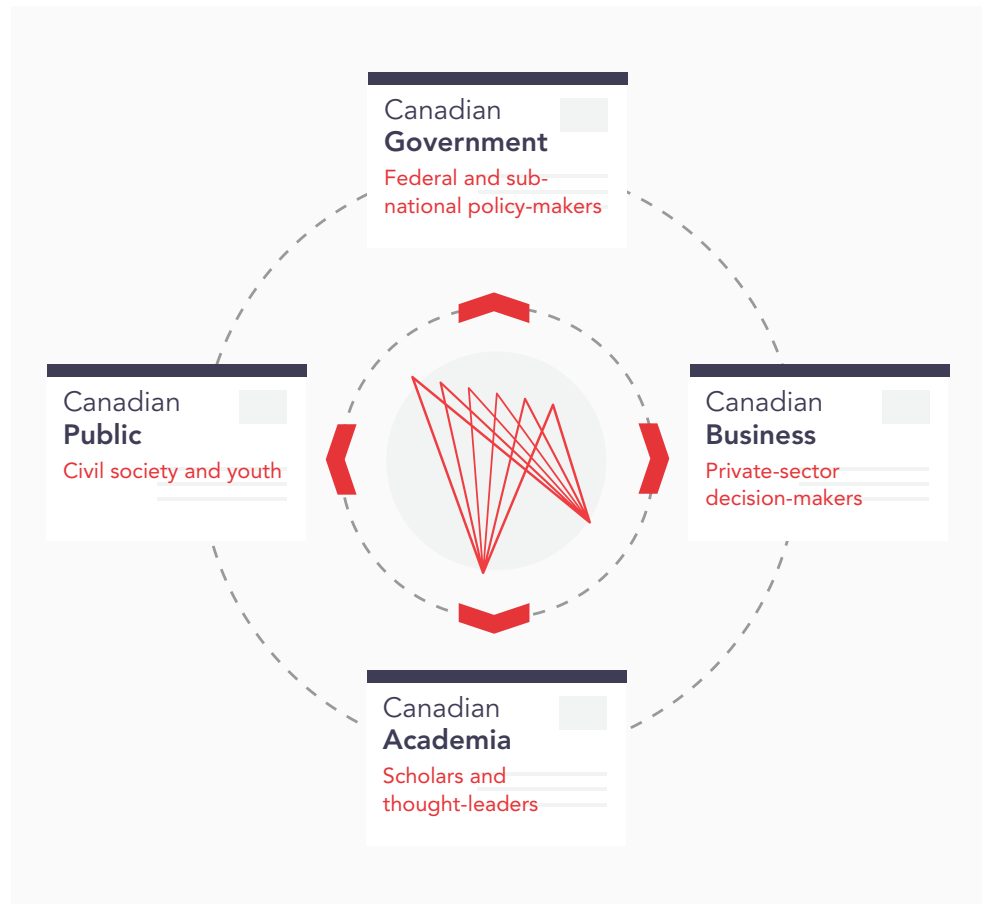
R.S., 1985, c. A-13, s. 3 2005, c. 30, s. 60



For the purpose of this document, APF Canada leadership has identified the following as its core activities: research, education, and network development. Each activity is critical for the Foundation's current and future work and, ultimately, for the success of its strategic plan, outlined in detail below.

Our Stakeholders

Critical to the successful development and implementation of APF Canada's five-year plan is an understanding of the Foundation's key stakeholders. The identification of stakeholder groups and their respective needs – with regard to analytical products and services – drives all aspects of the Foundation's operations, from research priorities to human resources. APF Canada's four primary stakeholders are Canadian governments, businesses, academia, and the public.





Canadian Government

As a government-established institution, APF Canada understands that the Canadian government is its primary stakeholder. Indeed, APF Canada's legislative mandate specifically identifies the Foundation's purpose as supporting government engagement with the Asia Pacific region through research and education. APF Canada remains committed to developing policy-relevant research and analysis that addresses gaps in open-source material and helps the Canadian government, regardless of political affiliation, further its understanding of the Asia Pacific. In addition to the Canadian federal government, APF Canada works with sub-national governments as they expand their own direct engagement with the Asia Pacific region.

Canadian Business

APF Canada is committed to providing actionable strategic analysis, Asia competency, and networking opportunities for the Canadian private sector – a key stakeholder group for the Foundation's operations, and a critical source of potential funding. APF Canada's Business Asia research pillar, in particular, provides support to Canadian businesses engaging with and in Asia through strategic, operational, and


tactical-level business intelligence products and services. APF Canada also provides annual reports on Canadian economic and business activity in Asia with its Investment Monitor series, and, where appropriate, is able to provide its clients with paid access to proprietary trade and investment datasets.

Canadian Academia

The linkage between APF Canada and academia is fundamental to the Foundation's reputation as the leading research centre on Asia Pacific affairs. APF Canada's researchers and staff are some of Canada's most accomplished scholars working on Asian economic, political, security, environmental, and population issues and they regularly contribute to academic debates within both Canada and the Asia Pacific. While APF Canada does not conduct research specifically for the academic community, its staff writes to academic peer-reviewed standards with direct reference to ongoing debates within the Asian Studies community. The high calibre of APF Canada's researchers contributes to the Foundation's ability to influence debates within Canada on Asia Pacific issues (much of which originates from academia) and to engage with other Canadian and Asian thought-leaders.

Canadian Public

In line with its mandate, the Foundation maintains a solid commitment to serve the Canadian public through its research and service efforts. APF Canada conducts annual polling and surveys to gauge public opinion on Canada-Asia relations and regularly engages with the Canadian public through events aimed at facilitating discussion between those with deep understanding of Asia Pacific affairs and those with a need and/or desire to learn more about the issues affecting the region. The Foundation is particularly committed to supporting the 'next generation' of Canadians ready to work and to study in the Asia Pacific through its Youth Councils and events, curriculum work, and co-op and study abroad programs, all designed to increase Canadian students' understanding of the opportunities and challenges provided by engagement with the Asia Pacific.



Across all our stakeholders, APF Canada recognizes its mandate to empower Canadians to engage more effectively within the Asia Pacific. Underlying every aspect of its mission and goals is the Foundation's realization that it exists to serve as a Canadian public good. APF Canada's primary priority in this respect is to advance Canadian interests within the Asia Pacific to the overall benefit of Canada's global and domestic interests. This understanding of the Foundation's mandate informs all APF Canada's work. Its realization is the primary measure of APF Canada's value.

CURRENT CONTEXT





CURRENT CONTEXT

Throughout 2019, APF Canada leadership and staff have conducted planning sessions that have informed this strategic plan. Elements of this vision were first presented at the April 2019 meeting of the APF Canada Board of Directors, with the directive of more concretely “occupying” the space of Canada-Asia affairs through regularized, robust research and events on issues of importance.

To address this goal of becoming Canada's premiere thought-leader on the Asia Pacific, APF Canada's research team has refocused efforts around three areas of activity: Research, Education, and Networks. Within the Research area, APF Canada has further identified six thematic pillars deemed to be of highest value, seen below. Aligned with these pillars, APF Canada has initiated an ambitious research agenda with a major report released every month, signature networking dialogues around key

issues, and new product launch events to further disseminate results.

APF Canada's business development team has refocused its efforts to explore new opportunities for revenue-generation, while also refining existing practices. This has resulted in the development of new partnerships for the Foundation, and the testing of product and service offerings to both public and private sector stakeholders.

The communications team continues to refine publication and dissemination strategies for research products, and to manage media relations, event, and outreach activities. Communications has also refocused its efforts to better leverage web, social media, and other platforms in order to expand the Foundation's stakeholder network and support and amplify the integrity of the APF Canada brand.



Business Asia



Perspectives Asia



Strategic Asia



Digital Asia



Engaging Asia



Sustainable Asia



Operating budget

At present, the core activities of the Foundation are supported by an annual operating budget of around \$6 million, comprised of a \$4 million endowment draw that is supplemented by external revenue (grants, sponsorship, contracts, etc.). At the direction of the Board of Directors, the endowment draw is set to reduce in the coming years.

APF Canada initiatives

In formulating this strategic plan, APF Canada has taken stock of existing initiatives of high value, as well as upcoming and emerging opportunities, that provide a framework for this strategic plan. Projects of importance – that are cornerstones of this plan – are outlined below:

Existing Initiatives

- **APEC-Canada Growing Business Partnership:** Government-funded, highly-replicable initiative to support micro, small and medium sized enterprises in Asia Pacific economies; exploring expansion into Nepal, Bhutan and Mongolia.
- **Asia Business Leaders Advisory Council:** Transpacific council convened annually; premier leaders supporting Canada-Asia business relations. High-value network.
- **Asia Connect:** Program that encourages and facilitates co-op and study abroad opportunities in Asia.
- **BC Curriculum Project:** Asia Studies curricula in BC schools, in final phases. Potential to replicate across Canada. Currently initiating dialogues with NS, SK.
- **Grants program:** Supports research on Canada's relations with Asia, primarily through Junior Research Fellowships, Post-graduate Research Fellowships, and Distinguished Fellowships.
- **Investment Monitor:** Database of two-way investment flows between Asia and Canada.
- **John H. McArthur Distinguished Fellowship:** Endowed fund that supports an Asia Pacific thought-leader from business or academia to engage with the Foundation.



- **Multinational Business Survey in Asia:** Inaugural perspectives research project in Asia, regarding economic engagement with Canada. Further polls anticipated every two years.
- **National Opinion Poll:** Flagship survey project surveying Canadians on issues of importance vis-à-vis Asia.
- **Secretariat roles:** APF Canada is the designated secretariat for the Asia Pacific Economic Cooperation Business Advisory Council (ABAC), the Pacific Economic Cooperation Council (PECC), and the Asia Pacific Economic Cooperation Study Center (APEC Study Center).
- **Women's Only Business Missions to Asia:** Government-funded series of business missions to Asian priority markets for women entrepreneurs. Facilitated Mission to Japan in April 2019. Additional Missions planned through 2023.

Upcoming / Emerging Opportunities

- **Competency partnerships:** Offering Asia 101+ training for public and private sector stakeholders, in partnership with existing networks or programs (e.g. Global Affairs Canada, Royal Roads University, and Institute of Corporate Directors).
- **Council for Security Cooperation in the Asia-Pacific (CSCAP):** Potential new secretariat role for APF Canada.
- **Database access:** Propose further databases similar to Investment Monitor; data available for a fee.
- **Micro-consulting:** Increased interest from stakeholders in having APF Canada conduct tailored research/analysis or provide tailored briefings for a fee. Recent requests from Consulate General of Indonesia, Calgary Economic Development.
- **Vancouver Asia Dialogues series:** Proposed annual flagship conference on timely topics in Asia, likely with a security focus – propose to leverage funding from the John H. McArthur Distinguished Fellowship fund to establish a John H. McArthur Academic Fellow who would be keynote guest at Dialogues, among other commitments.



STRATEGIC VISION



STRATEGIC VISION

Our Five-year Strategic Vision

To be the predominant thought-leader within Canada on Asia Pacific affairs and Asia Pacific engagement for Canadian governments, Canadian businesses, and the Canadian people.

Five-year Strategic Objectives

- To shape public debate within Canada on Asian affairs through data-informed research.
- To educate the next generation of Canadian Asia scholars and practitioners through curriculum development and engagement.
- To support innovative research on the Asia Pacific through a robust grants program for post-graduate scholars, junior researchers, and Distinguished Fellows.
- To identify and examine current and emerging issues in Asia with relevance to Canadian economic, security, and political interests.
- To facilitate international connectivity between Canada and Asia through domestic and regional networks.
- To provide strategic direction for the Canadian private sector in engaging with or expanding to Asia in high-priority industries such as artificial intelligence and clean technology.
- To develop a more sustainable funding model for the Foundation in support of these efforts.



The focus of this strategy is to unite efforts across APF Canada to elevate the research, events, and other programming that the Foundation offers, while balancing the demands of our primary stakeholder groups. This will be implemented within the context of the overall strategic vision and objectives outlined above.

Over the course of the next five years, APF Canada will continue to build on its current research and analysis, contribute to public debate and conversation, and support the development of Asia competency across Canada in an effort to become Canada's premier research centre on Asia Pacific affairs. APF Canada will fulfil this vision while providing increasingly data-oriented business, economic, political, and social analysis, as well as developing targeted business intelligence analysis and networking events for Canadian stakeholders and regional Asia Pacific partners.

In this respect, this strategic vision will see the Foundation operate along two lines of effort: as a public good, and as a service provider.

As a **public good**, the Foundation remains committed to fulfilling its primary mandate, which is to promote Canadian involvement in the Asia Pacific through analytical and service support. APF Canada's research efforts will remain public-facing, and the Foundation will continue to convene events designed to inform the Canadian public, operate a grants program, and act as Canada's secretariat to ABAC and PECC.

As a **service provider**, the Foundation is committed to producing research that has meaningful impact and market value. Building on its public-oriented research and mandate, the Foundation will undertake secondary analysis aimed at informing the Canadian public and private sectors. This analysis will be data-driven, timely, and actionable. APF Canada staff will also provide consulting services to APF Canada's partners and/or clients, such as provincial governments seeking to better understand investment or trade data at the city or provincial levels.

STRATEGIC APPROACH





STRATEGIC APPROACH

To support and elevate its activities in line with the above strategic vision and strategic objectives over the next five years, APF Canada will employ the three-part strategy of **refocus**, **strengthen**, and **market**.

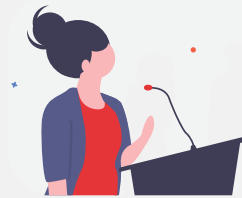
REFOCUS



STRENGTHEN



MARKET





1. Refocus (Year One: 2019-2020)



Central to the Foundation's five-year strategic plan is a systematic refocus of its research agenda and related activities. In refocusing its efforts, the Foundation has prioritized the development of an APF Canada 'brand' and the elevation of APF Canada's influence within the Canadian public and private sectors. To support this agenda, the Foundation has established six thematic research pillars, set up a regularized schedule for publications, and increased its public-facing events and programming.

Under the refocus phase, APF Canada will continue working to consolidate and refocus all efforts across research, education, networking, business development, and communications to:

1. Further develop and promote APF Canada's research agenda/products and brand;
2. Align activities within a set of strategic priorities with the highest impact;
3. Build a research, business development, and communications structure that will support a more sustainable funding model to support these priorities; and,
4. Ensure unity of effort throughout the Foundation.

The Foundation has been working on these consolidation and refocusing efforts over the past eight months and believes an equal amount of time is necessary to complete this phase.

In particular, the Foundation has undertaken the following efforts to date:

- Refocusing APF Canada's research products and efforts into six pillars: Business Asia, Engaging Asia, Perspectives Asia, Sustainable Asia, Strategic Asia, and Digital Asia.
- Developing pillar-specific research priorities and schedules, including two marquee publications per pillar per year, as well as monthly reports on related issue areas.
- Co-ordinating APF Canada's research publication schedule, with a monthly public event around publication launches.
- Establishing cross-pillar research efforts to enable further depth, and to generate contract proposals.
- Consolidating the Foundation's co-op and study abroad activities under its Asia Connect program.
- Exploring expansion opportunities for the Asia Studies Curriculum project and the APEC-Canada Growing Business Partnership.
- Signing a memorandum of understanding with the Pacific Institute of Chile.



- Establishing and maintaining the 'Asia Watch' series – moving from a news aggregation service to an analytical newsletter, disseminating 12 analytical pieces on the Asia Pacific per week (600 per annum).
- Convening events around topics of importance, such as the October 2019 Technology and Geopolitics conference and the January 2020 conference on the Free and Open Indo-Pacific.

- Exploring new avenues of revenue generation, such as subscription to data packages and consulting contracts.
- Refining strategies to broaden reach and impact, with more strategic development of event invitation lists and dissemination of research products.

These activities have enabled APF Canada to raise its profile on Canada-Asia research and analysis, and to

increase its influence across its stakeholder network.

Over the first year of the strategic plan, APF Canada leadership will continue to consolidate the Foundation's resources and priorities around these lines of efforts. In so doing, APF Canada leadership will establish a solid base of research staff and research products that can be strengthened and marketed throughout the coming years.


Refocus (Year One: 2019-2020)




RESEARCH (Year One: 2019-2020) Regularized, impactful research effort around the six defined research pillars, thus establishing a recognized APF Canada brand with flagship outputs.

OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> • Consolidate its research efforts around the six pillars of Sustainable, Digital, Business, Engaging, Perspectives, and Strategic Asia. 	<ul style="list-style-type: none"> • A regularized publication schedule of high-value analytical products.
<ul style="list-style-type: none"> • Develop pillar-specific databases to use for original, data-driven research and as a basis for consulting. 	<ul style="list-style-type: none"> • A recognized APF Canada 'brand' around key publications such as National Polling, the Investment Monitor, and the Strategic Net Assessment.
<ul style="list-style-type: none"> • Expand its research products to include monthly actionable strategic research and quarterly net assessments around major trends in the Asia Pacific. 	<ul style="list-style-type: none"> • A growing leadership role within the Canadian public and private sector research landscape around Asia Pacific issues.
<ul style="list-style-type: none"> • Conduct annual polling to gauge Canadians' perspectives on topics of importance within Canada-Asia relations. 	<ul style="list-style-type: none"> • A flagship event on the Free and Open Indo-Pacific, marking the establishment of a Vancouver Asia Dialogue conference series.
<ul style="list-style-type: none"> • Support the publication of new research through grants to post-graduate research scholars, junior researchers, and leverage the expertise of the Foundation's Distinguished Fellows. 	<ul style="list-style-type: none"> • Conduct one legacy NOP in even years, and two topical NOPs in odd years.
	<ul style="list-style-type: none"> • 4 Post-Graduate Research Scholarships per year, plus additional Junior Research Scholarships.




 EDUCATION: Pursue further opportunities for the Curriculum project (both in B.C. and other provinces) and explore new opportunities within the Asia Connect program.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Expand current curriculum work into B.C. schools, adding new modules and continuing outreach efforts and teacher training, while also making inroads into other provinces, starting in Nova Scotia, Ontario and Saskatchewan and expanding as allowed. 	<ul style="list-style-type: none"> Increased number of project website hits and module downloads, as well as actionable contacts in provincial ministries, school districts, and teachers' associations.
<ul style="list-style-type: none"> Build on <i>Asia Connect</i> co-op and study abroad projects to establish a secretariat, adding new internship programs in key emerging markets and/or CPTPP partner countries. 	<ul style="list-style-type: none"> Workshop training for 40 social studies teachers in BC and 50 in Ontario.
	<ul style="list-style-type: none"> Two new co-op or study abroad programs and 50% increase in number of students participating in <i>Asia Connect</i>.

 NETWORKS: Evaluation of current secretariat activities to develop strategies to better leverage existing networks.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Undergo a full stock-taking exercise of ABAC, APEC, and PECC activities for the past five years with the entire research team and develop strategies to showcase research in appropriate fora. 	<ul style="list-style-type: none"> A research dissemination strategy utilizing the networks.
<ul style="list-style-type: none"> Host a successful ABLAC meeting with robust, actionable, recommendations to facilitate enhanced Canada-Asia business relations. 	<ul style="list-style-type: none"> A grant-funding strategy utilizing the networks.
<ul style="list-style-type: none"> Develop strategies to seek grant funding and partnership funding for APF Canada research through these fora. 	<ul style="list-style-type: none"> A successful ABAC III 2020 meeting including a successful research symposium led by the Foundation on the margins of this meeting.
	<ul style="list-style-type: none"> Generate and support five actionable recommendations at the ABLAC 2020 meeting.



 BUSINESS DEVELOPMENT: Pilot new strategies for revenue-generation to find most efficient and effective options.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Achieve full funding for marquee events and projects in phase one. 	<ul style="list-style-type: none"> Solicit, engage, and steward range of supporters for all initiatives, with all sponsors satisfied with experience.
<ul style="list-style-type: none"> Develop competency/briefing partnerships with existing organizations (ICD, OG100 etc.). 	<ul style="list-style-type: none"> Develop pipeline of 20 new prospects.
<ul style="list-style-type: none"> List products and services on APF Canada website and develop marketing materials that outline options. 	<ul style="list-style-type: none"> Host, or make considerable progress towards hosting, five competency/briefing sessions with partner institutions.
<ul style="list-style-type: none"> Ongoing stakeholder engagement and consultation to understand needs. 	<ul style="list-style-type: none"> Content available on website; at least four marketing packs available.
<ul style="list-style-type: none"> Host series flagship events per year (Vancouver Asia Dialogues, ABLAC and one other conference). 	<ul style="list-style-type: none"> Develop grant finding strategy utilizing networks.
	<ul style="list-style-type: none"> Funding support for three flagship events.

 COMMUNICATIONS: Align website and all communications collateral to reflect and support the six defined research pillars and their outputs, and strengthen APF Canada's brand among identified stakeholder groups.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Deprecate defunct microsites. 	<ul style="list-style-type: none"> Restructure primary website around six new research verticals – plus education and networks as stand-alone verticals.
<ul style="list-style-type: none"> Restructure primary website to reflect the six new research verticals and their publication outputs. 	<ul style="list-style-type: none"> Reformat website homepage to showcase monthly research products, new publication types (Reports, Case Studies, Policy Briefs, and Dispatches), branded videos, and APF Canada webinars.



<ul style="list-style-type: none"> Align digital and print communications collateral to support the outputs, events, and other programming related to the six new research verticals. 	<ul style="list-style-type: none"> Launch 'Asia Watch' subscription pop-up on primary website to drive subscriptions.
<ul style="list-style-type: none"> Beta-test a Services page offering support to Business Intelligence initiatives and priorities. 	<ul style="list-style-type: none"> Develop new data visualizations and animated infographics to support research products and other programming outputs both online and through social media.
<ul style="list-style-type: none"> Support the reformatting of Canada-Asia News Service (aggregator) to Asia Watch (synthesizer). 	<ul style="list-style-type: none"> Develop social media and media outreach strategies, and design and deliver communications collateral to support research product launches and other convening activities.
<ul style="list-style-type: none"> Support an Asia Connect micro-brand. 	<ul style="list-style-type: none"> Design new logo and other micro-branded collateral for Asia Connect programming.
<ul style="list-style-type: none"> Develop and create an evergreen 'Asia Pacific Foundation of Canada' printed booklet showcasing new business model, business intelligence offerings, and other services for use by Foundation leadership and core stakeholders (i.e. Fellows, Directors, Program Managers). 	<ul style="list-style-type: none"> Increase Asia Watch subscribers by 100 per cent by end of fiscal (to 4,500).
	<ul style="list-style-type: none"> Increase website visits by 15%.
	<ul style="list-style-type: none"> Increase social reach and engagement by 20%.
	<ul style="list-style-type: none"> Create/update publication and presentation templates reflecting a unified brand across all projects.



2. Strengthen (Years Two to Four: 2021-2023)



APF Canada will switch to its “strengthen” phase in years two to four. In this phase, APF Canada will have established its brand with a regularized, informative research agenda and will transition into deepening impact.

Strengthen (Years Two to Four: 2021-2023)



RESEARCH Continued development of diverse research products, including actionable research, analysis, and consultancy services.


OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Continue to develop research products to include more frequent actionable strategic research and quarterly net assessments around major trends in the Asia Pacific. 	<ul style="list-style-type: none"> Development of research pillar-specific databases along the Investment Monitor model (examples may include a Domestic Index, Sustainable Index, Trade Tracker, Technology Tracker).
<ul style="list-style-type: none"> Provide direction and actionable research to partners and clients and develop research-related products, such as an Asia Strategic Index, based on its proprietary data. 	<ul style="list-style-type: none"> A 'beta' version of a strategic intelligence database, based on the Foundation's current 'Asia Watch' series.
<ul style="list-style-type: none"> Develop consultancy services around research outputs. 	<ul style="list-style-type: none"> High-profile launch events to support marquee publications.




<ul style="list-style-type: none"> Conduct annual polling to gauge Canadians' perspectives on topics of importance within Canada-Asia relations, as well as a biennial poll of Asians' perspectives on Canada 	<ul style="list-style-type: none"> Conduct one legacy NOP in even years, and two topical NOPs in odd years, as well as biennial polls in Asia.
	<ul style="list-style-type: none"> High-profile launch events to support marquee publications.
	<ul style="list-style-type: none"> Conduct one legacy NOP in even years, and two topical NOPs in odd years, as well as biennial polls in Asia.
	<ul style="list-style-type: none"> Bi-monthly consulting activities in Vancouver and Toronto.
	<ul style="list-style-type: none"> A successful second, third, and fourth Vancouver Asia Dialogue event.

 EDUCATION: Further reach with educational products and Asia Connect programming; with Asia Competency consultancy services implemented.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Develop Asia Competency consultancy services around research outputs. 	<ul style="list-style-type: none"> Three-fold increase in number of website visits/module downloads.
<ul style="list-style-type: none"> Establish curriculum initiative in three Canadian provinces. 	<ul style="list-style-type: none"> At least one professional development workshop in each of the provinces in which APF Canada is active.
<ul style="list-style-type: none"> Increase number of students doing co-op or study abroad programs in key emerging markets and/or CPTPP partner countries. 	<ul style="list-style-type: none"> Workshop training for 150 teachers Canada-wide.
	<ul style="list-style-type: none"> 25% increase in the number of students participating in Asia Connect co-op or study abroad programs.



 NETWORKS: Strengthening current networks through events while exploring new possibilities for partnership.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Develop partnerships with the APEC Study Centres of economies hosting APEC. 	<ul style="list-style-type: none"> A successful gathering of APEC Study Centres hosted by the Foundation.
<ul style="list-style-type: none"> Implement strategies established in 2020. 	<ul style="list-style-type: none"> A successful PECC event hosted by the Foundation.
<ul style="list-style-type: none"> Establish the Asia Network Centre to co-ordinate network activity and partnership agreements across Canada and Asia. 	<ul style="list-style-type: none"> These events can be on the margins of APF Canada events or can utilize VIPs for profit-making events.
<ul style="list-style-type: none"> Host successful ABLAC meeting with actionable recommendations, and leverage ABLAC network for further VIP events in the Asia Pacific. 	<ul style="list-style-type: none"> Generate and support five actionable recommendations at ABLAC meeting; extend network through additional ABLAC-related events.
<ul style="list-style-type: none"> Create network of Women's Business Mission participants. 	

 BUSINESS DEVELOPMENT: Identify and strengthen most successful business development opportunities; grow Foundation's network of funding partners.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Integrate staff time into all project budgets and achieve full funding that covers portion of core costs. 	<ul style="list-style-type: none"> Solicit, engage, and steward range of supporters for all planned initiatives; with all sponsors satisfied with experience. Convert three prospects into supporters.
<ul style="list-style-type: none"> Strategic promotion of APF Canada consultancy services and proprietary data. 	<ul style="list-style-type: none"> Add 15 prospects to pipeline.
<ul style="list-style-type: none"> Assist with expansion of key projects listed above through securing funding from different sources. 	<ul style="list-style-type: none"> In addition to partnership activities, engage three private sector Asia Competency clients and three private sector briefing/consultancy clients.
<ul style="list-style-type: none"> Seek named sponsor for Multinational Business Survey second iteration (2021). 	<ul style="list-style-type: none"> Develop strategy for securing named sponsors for specific research products such as the Multination Business Survey.

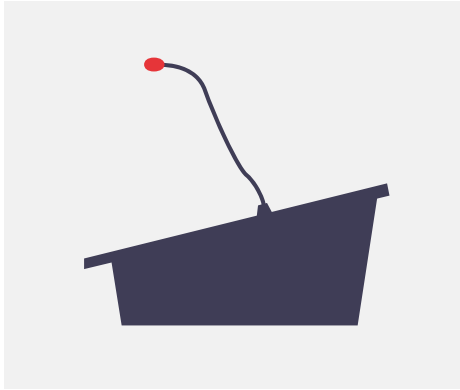


COMMUNICATIONS: Evaluate current Communications efforts via a stakeholder perception study and develop an 'action plan' based on results to solidify successful outreach modes, explore new modes, and ensure overall brand amplification.

OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Undertake a comprehensive stakeholder perception study – including a qualitative and quantitative survey – to develop a national-level Communications 'action plan.' 	<ul style="list-style-type: none"> Create new all-of-organization Communications 'action plan' that strategically interfaces with Research, Education, Networks, and Business Development, as well as Events, and is national in scope.
<ul style="list-style-type: none"> Create and maintain a database of key media contacts and influencers across Canada and throughout the Asia Pacific. 	<ul style="list-style-type: none"> Support B2C development of databases and datasets as consumer-friendly, market-ready assets in digital and print formats.
<ul style="list-style-type: none"> Empower our network of Distinguished Fellows and Corporate Directors to act as 'brand ambassadors' for the Foundation. 	<ul style="list-style-type: none"> Support the development and design of Asia Competency and other core stakeholder training modules and consultancy offerings for potential monetization.
<ul style="list-style-type: none"> Create templated plug-and-play consultancy modules in collaboration with Research, Education and Business Development. 	<ul style="list-style-type: none"> Increase Asia Watch subscribers by 35% per cent by end of 2022 fiscal (to 6,000).
	<ul style="list-style-type: none"> Increase website visits by 15%. Increase social reach and engagement by 20%. Increase APF Canada Media Hits by 20% per annum.



3. Market (Years Four to Five: 2023-2024)



In years four to five, APF Canada will undertake its market phase, during which it will scale and present a wide range of developed, scheduled, and data-driven research and analysis products and services to its public and private sector clients and partners. This phase is dictated by the need to establish a range of sustainable external sources of funding for the Foundation, which will allow it to maintain (and hopefully expand) its offerings in this five-year period and beyond.

Market (Years Four to Five: 2023-2024)




RESEARCH Continue to produce high-quality, data-driven original research, and tools that support marketing (e.g. research portal).


OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> • Solidify research activities and engagements in line with the Refocus and Strengthen phases. 	<ul style="list-style-type: none"> • A fully functional research/analysis portal for APF Canada clients and partners.
<ul style="list-style-type: none"> • Regularize research schedule and expand research offerings, including net assessments, strategic analysis, quarterly reports, and case studies, among others (dependent on funding). 	<ul style="list-style-type: none"> • Multiple annual publications with high-profile reception across Canada and Asia.
<ul style="list-style-type: none"> • Continue support for emerging scholars through the research grants program. 	<ul style="list-style-type: none"> • 4 Post-Graduate Research Scholarships per year, plus additional Junior Research Scholarships.




<ul style="list-style-type: none"> Regularize consulting services around research products. 	<ul style="list-style-type: none"> Consulting services across Canada.
<ul style="list-style-type: none"> Conduct annual polling to gauge Canadians' perspectives on topics of importance within Canada-Asia relations; as well as a biennial poll of Asians' perspectives on Canada. 	<ul style="list-style-type: none"> Recognized leadership by public and private actors on Asia Pacific analysis.
	<ul style="list-style-type: none"> Conduct one legacy NOP in even years, and two topical NOPs in odd years, as well as biennial polls in Asia.
	<ul style="list-style-type: none"> Successful execution of the 5th annual Vancouver Asia Dialogue.

 EDUCATION: Robust influence in developing Asia Competence across Canada, from youth to business executives.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Have active promotion of curriculum initiatives in all 10 provinces. 	<ul style="list-style-type: none"> Professional development with 500 teachers.
<ul style="list-style-type: none"> Have <i>Asia Connect</i> co-op programs in three Asia Pacific markets. 	<ul style="list-style-type: none"> 10,000 website hits/module downloads.
<ul style="list-style-type: none"> The Foundation will also seek to generate funding from its role as a co-op/study abroad secretariat, both from government contracts and from work with partners such as Mitacs. 	<ul style="list-style-type: none"> Qualitative learning assessment based on modules; assessment of Asia competencies gained from Asia Connect students.



 NETWORKS: Extended geographic reach through networks and partnerships and revenue-generation through networks such as APEC.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> • Re-evaluate the benefits of each partnership. 	<ul style="list-style-type: none"> • Have APF Canada research disseminated to over 10 Asia Pacific economies.
<ul style="list-style-type: none"> • Consolidate Asia Network Centre's activities to advance the Foundation's role as Canada's catalyst for engagement in Asia. 	<ul style="list-style-type: none"> • Obtain one research grant via a fora/network.
<ul style="list-style-type: none"> • Market research and services through networks, focusing primarily on the APEC economies and their representative offices in Canada and abroad. 	<ul style="list-style-type: none"> • Elevated involvement of Distinguished Fellows with measurable media reach.
<ul style="list-style-type: none"> • Host successful ABLAC meeting with actionable recommendations, and leverage ABLAC network for further VIP events in the Asia Pacific. 	<ul style="list-style-type: none"> • Host two events that leverage the ABLAC network (roundtables, business missions).

 BUSINESS DEVELOPMENT: Successfully generating revenue required to deliver all strategic initiatives.	
OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> • Achieve full funding for marquee events and projects in phase three. 	<ul style="list-style-type: none"> • Solicit, engage and steward range of supporters for planned initiatives, with all satisfied sponsors. Convert three more prospects into supporters.
<ul style="list-style-type: none"> • Market full complement of APF Canada's research and services including the research/analysis portal, board and senior leadership briefings, issue-specific analysis, contract-related programmatics, and responses to data requests. 	<ul style="list-style-type: none"> • Add 15 prospects to pipeline.
<ul style="list-style-type: none"> • Continue to develop strategic partnerships and engage one-off clients. 	<ul style="list-style-type: none"> • Engage five private sector Asia Competency clients and 10 private sector briefing/consultancy clients.
<ul style="list-style-type: none"> • In collaboration with research, develop a robust and marketable "premium level" Asia Watch news service. 	



COMMUNICATIONS: While supporting the Foundation's work as a leading agent vis-à-vis the public good, consolidate all appropriate APF Canada services around the pay-to-play modules activated by Research and Business Development.

OUTCOMES	KEY PERFORMANCE INDICATORS
<ul style="list-style-type: none"> Restructure website to accommodate a fully functional research/analysis portal for APF Canada clients and partners. 	<ul style="list-style-type: none"> Two-tiered website inclusive of a membership paywall for data-driven business intelligence and additional subscribed or paid services.
<ul style="list-style-type: none"> Restructure Services website landing page to consolidate all business intelligence and training modules (monetized). 	<ul style="list-style-type: none"> Monetize Asia Watch as a sponsored or subscribed service; maintaining editorial control and non-partisan mandate.
<ul style="list-style-type: none"> Support the marketing of APF Canada research products, business intelligence, bespoke datasets, consulting services, and other program offerings through 'best practices' digital and print collateral and strategic (social) media outreach. 	<ul style="list-style-type: none"> Increase Asia Watch subscribers by 15% per cent by end of 2024 fiscal (to 7,000).
<ul style="list-style-type: none"> Maintain and track national-level communications strategy developed in previous phase. 	<ul style="list-style-type: none"> Increase website visits by 15%.
	<ul style="list-style-type: none"> Increase APF Canada Media Hits by 20% per annum.

STRATEGIC EXECUTION





STRATEGIC EXECUTION

To achieve its strategic vision and strategic approach, the Foundation requires a strong complement of research staff, Distinguished Fellows, post-graduate, and junior research scholars; a fully operational business development team and corresponding business development strategy; a comprehensive, national-level communications strategy; and a robust, and sustainable funding model to augment the annual endowment contribution. Each issue is addressed in detail below.

Staffing

RESEARCH STAFFING

At present, the Foundation employs five, full-time Program Managers. All of APF Canada's Program Managers hold advanced master's or doctorate degrees and are recognized experts within their fields in Canada and abroad. They are given broad latitude to shape research and service efforts in line with the six research pillars and the core activities of the Foundation.

Currently, the following research areas and core functions are staffed by Program Managers: Business Asia, Engaging Asia, Perspectives Asia, Education, and Networks. The Digital Asia pillar is led by a contract specialist and the Sustainable Asia pillar is currently vacant, limiting the Foundation's ability to address issues such as climate change, economic development, and poverty reduction.

Program Managers are critical to the Foundation's research and service efforts. Not only do they develop the methodologies necessary for their research and supervise such research on a daily basis, they are also the Foundation's primary points of contact for client engagement and product development. All Program Managers are proactively working with APF Canada partners to find new opportunities to expand their research efforts.

At the leadership level, APF Canada employs a Research Manager and a Vice-President Research. The Research Manager oversees daily research efforts and acts as quality control and as a synthesizer of Foundation research for public and private consumption. The Research Manager assists in drafting research reports and proposals in line with the Program Managers and VP, Research.

The VP Research is responsible for developing the Foundation's strategic direction, allocating resources to achieve its strategic aims, engaging with stakeholders, and advancing the Foundation's research agenda. The VP also regularly contributes to public and private dialogue on issues relevant to Canada-Asia relations.

Put succinctly, the Foundation accomplishes a great deal with a modest research staff. Foundations such as Centre for International Governance Innovation or the Macdonald Laurier Institute have significantly more research staff yet produce, on average, approximately the same number of reports as APF Canada. Maintenance of current staff levels therefore is critical not only for the Foundation's current consolidation work, but also to its future plans to strengthen and market its research.



BUSINESS DEVELOPMENT STAFFING

At present, the APF Canada's business development efforts are split between its Vancouver, Toronto, and Prairies offices. In Vancouver, APF Canada's President & CEO leads the Foundation's business development efforts, supported by a staff of three: the Executive Business Partner, Program Manager – Sponsorship, and Program Manager – Grants and Proposals.

The Vice-Presidents for Toronto and the Prairies lead business development efforts in their respective regions. These activities include outreach to local government and business officials, leading research efforts to meet local demand, and marketing APF Canada's research products to a broader audience.

As with research, the Foundation's business development team, as such, accomplishes much with a small team. APF Canada's ability to fundraise and to engage in outreach is directly affected by staffing levels in this area.

COMMUNICATIONS STAFFING

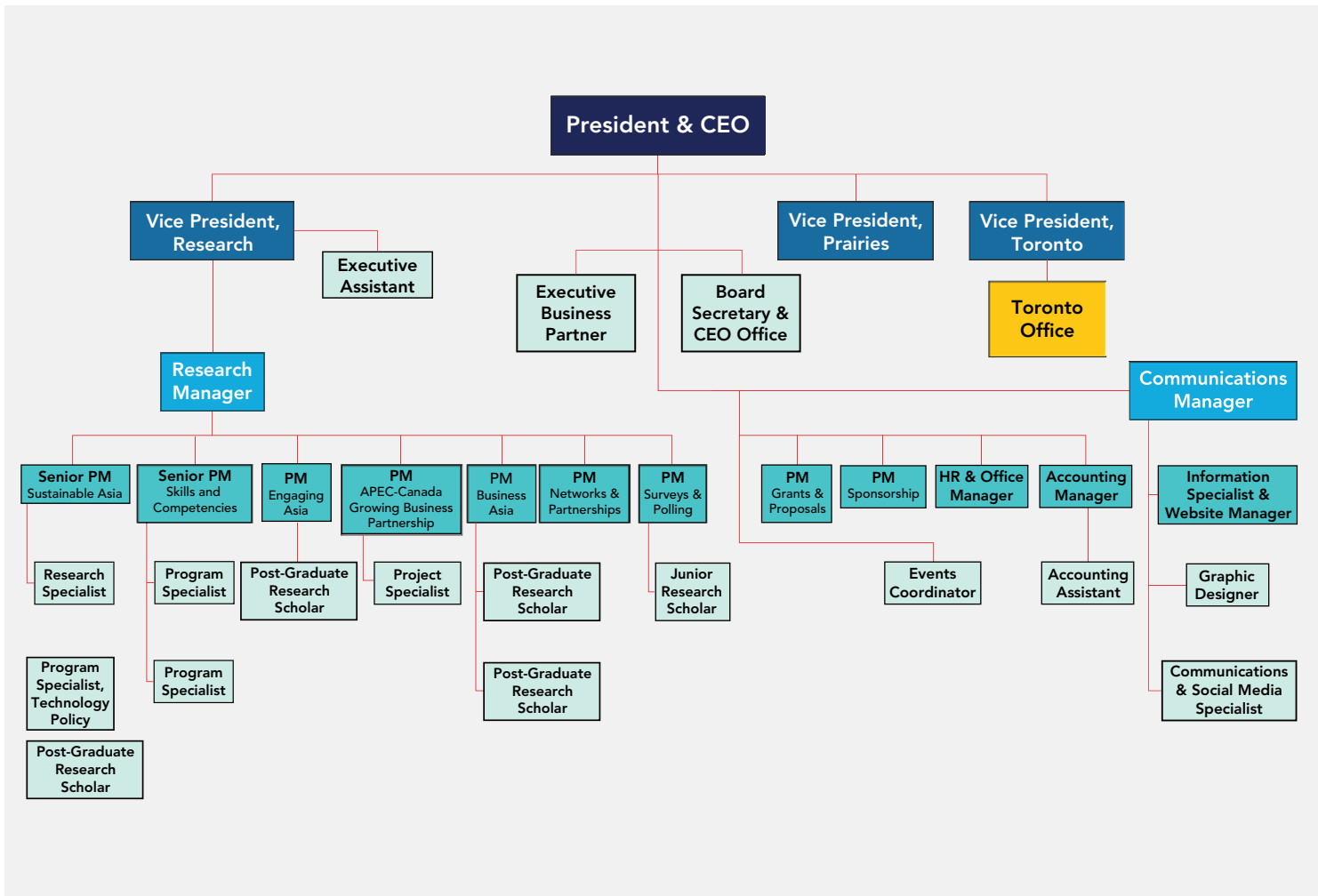
APF Canada's Communications team consists of a Communications Manager, Information Specialist/Web Manager, Graphic Designer, and Social Media/Communications Specialist. Led by the Communications Manager, the team supports the Foundation's Vancouver, Toronto, and Prairies offices.

The team's work is critical to the Foundation's five-year strategic plan as communications is the sole means by which the Foundation disseminates its research findings, promotes its convening activities, engages in media and social media outreach, and advances the Foundation's messaging and brand to the private and public sectors, consequently increasing APF Canada's overall influence and presence across Canada.

The Communications team's core activities include the design and production of digital and print publications, the execution of strategic social media and media outreach campaigns, curation of the Foundation's family of websites, and the

development of branded communications and marketing collateral for all departments and key projects.

Currently supporting the APEC-Canada Growing Business Partnership, which was envisioned as a four-year project ending in 2020, the role of APF Canada's Social Media and Communications Specialist will ideally be expanded to further and more deeply support the Foundation's national-level communications strategy.





FUTURE STAFFING

As the Foundation's future depends on further developing its research expertise and influence to the degree that it can successfully market its research, education, and network products and services, any reduction in activities will result in poorer long-term growth opportunities for the Foundation. It is, therefore, APF Canada leadership's view that the Foundation's staffing levels are appropriate to accomplish its five-year strategic aims, but not sufficient to the extent that any reduction will not negatively impact its ability to execute its plans.





Budget

The Foundation's five-year strategic plan is predicated on an endowment contribution of \$3.5 million in year two, followed by a contribution of \$3.25 million in the subsequent years.

The annual operating budget of APF Canada is around \$6 million. As such, in order to achieve the outcomes and indicators outlined in this plan, APF Canada will seek to raise \$2.5 million in year two, and \$2.75 million in subsequent years. This will be generated through a combination of business development activities – from grants and sponsorship, to revenue-generating activities associated with products and services the Foundation can offer.

A budget for the Foundation's five-year strategic plan can be found on the following page. The budget is based on an 6% annual rate of investment return for the endowment fund.

It is important to recognize that the Foundation's strategic aspirations are reliant on the success of the

APF Canada team in raising an additional \$500,000 to \$750,000 (on top of current fundraising levels) throughout the five-year timeframe to maintain a suitable operating budget to cover core costs for the current level of activity.

APF Canada's ability to source external funding for its activities is strong. Over the last few years, the Foundation has raised an average of \$2 million in annual revenue outside its endowment draw, generated through fundraising activities in support of specific events and projects. These special events and projects support APF Canada's overall strategic vision and mandate, and continue to raise the Foundation's reputation among its various stakeholders and elevate its brand. However, with efforts across research, business development, and communications increasingly dedicated to more marketable products, there is a risk of shifting away from outputs that align with the 'public good' function the Foundation holds. APF Canada will strive, at all times, to elevate funding levels sufficiently so that this function is not comprised. APF Canada believes it can maintain its current level of operations at these levels and continue to

elevate the APF Canada brand, but notes that it will be challenging to expand to the degree that the Foundation's leadership envisages to be possible (and necessary) given the increasing importance of Asia.



	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Endowment Fund	70,246,199	70,465,921	71,193,876	72,215,509	73,298,439	74,446,346
Investment revenue from endowment	4,214,772	4,227,955	4,271,633	4,332,931	4,397,906	4,466,781
<i>Investment Fund withdrawals</i>	3,995,050	3,500,000	3,250,000	3,250,000	3,250,000	3,250,000
Contribution back to endowment	219,722	727,955	1,021,633	1,082,931	1,147,906	1,216,781
<i>Public Sector Contribution</i>	1,322,254	1,652,854	1,419,456	1,459,442	1,499,748	1,540,362
<i>Private Sector Funding and Sponsorship</i>	866,150	1,082,688	1,115,168	1,148,623	1,183,082	1,218,574
Total Income	6,183,454	6,235,541	5,784,624	5,858,065	5,932,829	6,008,936
Expenses						
Projects	2,560,093	2,696,514	2,739,423	2,781,706	2,824,762	2,868,602
Kakehashi Program	120,000	120,000	120,000	120,000	120,000	120,000
Secretariats	249,642	237,424	241,282	245,217	249,231	253,325
APEC-Canada Growing Business Partnership	668,581	535,304	-	-	-	-
Grants Program	431,660	431,896	432,137	432,382	432,633	432,888
Administration	993,286	984,799	1,001,063	1,016,168	1,031,502	1,047,066
Board	212,408	216,244	220,158	224,149	228,220	232,373
Communication and Public Outreach	526,420	590,521	596,743	603,091	609,565	616,168
Facility and Amortization	421,364	422,839	433,818	435,352	436,918	438,514
Total expenses	6,183,454	6,235,541	5,784,624	5,858,065	5,932,829	6,008,936

Assumptions:

1. 2019-20 data is the approved budget
2. Annual rate of investment return for endowment fund is 6%
3. Annual salary increase rate is 1.5%
4. Annual inflation rate is 2%
5. Annual grant distribution remains \$360,000
6. Endowment fund market value as of March 31, 2019 is \$70,246,199
7. The estimated endowment fund market value as at March 31, 2025 is \$75,663,126



Business Development

APF Canada's Business Development staff, led by the President & CEO, is responsible for marketing the Foundation's research and service products to generate revenue to support the Foundation's overall activities. The Business Development team, in this respect, is critical to the Foundation's long-term sustainability model as its activities will help supplement the Foundation's overall activities and enable APF Canada to generate alternative sources of funding necessary for its long-term survival.

Overall, the Business Development team will strive to implement a sustainable business development model that will elevate current efforts and add new avenues to the Foundation's external funding (grants, sponsorship, and fundraising), in support of APF Canada's thematic pillars, flagship research products, and strategic events.

The findings of the Foundation's 2018 Fundraising Feasibility Study, conducted by Compton Fundraising Consultants, indicated that philanthropic donations were an unlikely source of external funding for the Foundation. As such, the APF Canada Business

Development team will prioritize activities within sponsorship and grants, while also exploring new avenues for revenue-generated in line with research priorities.

ELEVATING CURRENT EFFORTS

Business Development will continue to refine and strengthen its current approaches to acquiring external funding, as follows:

1. Contract proposals with the Canadian government (the Foundation's largest source of revenue to date). Successful examples in recent years include two multi-year, multi-million dollar contracts: the APEC-Canada Growing Business Partnership and the series of Women's Only Business Missions to Asia.
2. Continue to pursue proactively and reactively ad hoc opportunities for contracting. A recent example of this approach is the Foundation's current work with CowaterSogema to develop a program for MSME development in Nepal and Bhutan.
3. Elevate sponsorship programming around the Foundation's primary research and events, prioritizing long-term commitments. Working with institutions such as Invest in Canada and Export Development Canada, and select private sector partners, the Business Development team will work to secure long-term funding

commitments in exchange for partnership that will enable long-term project work.

EXPLORING NEW AVENUES

The Business Development team will increasingly explore new avenues of revenue generation, based on stakeholder consultation. Options it will explore include, but will not be limited to:

- Membership/subscription package(s)
- Partnership models
- Monetization of individual products and services
- Leveraging of sponsorship requests

The Foundation's recent consulting work with the Institute of Corporate Directors is an example of this approach. Other examples include the development of paid Asia Competency sessions for public and private sector stakeholders, paid access to or requests associated with APF Canada databases, and the development of a subscription service to provide business and political risk analysis. This subscription service will provide APF Canada's clients and partners with access to its data-driven analytics and to services such as consulting and data/information requests.



Communications

APF Canada's Communications supports the Foundation's research, education, and networks through audience engagement and brand amplification. Its role is to effectively communicate the value of deepened engagement with Asia to our four target audiences, and as such, is core to the successful realization of the Foundation's five-year strategic plan.

Over the course of this strategic plan, the APF Canada Communications team will continue to provide intra-organizational strategic support as well as daily tactical support in the production and release of online and offline publications, the execution of media and social media outreach, the advancement of the Foundation's brand, and the development of communications collateral for all departments and key projects, including new research outputs, business intelligence products, and other monetizable services.

Through five key activity streams, APF Canada will reach and impact the current and next generation

of Asia Practitioners. The Communications team will ensure APF Canada editorial content and public messaging is consistent, relevant and effective in stimulating dialogue, informing action, and adding value to the Canada-Asia conversation, particularly where that conversation intersects with government, business, civil society, and younger Canadians.

These streams are:

PUBLICATIONS

Communications will ensure Foundation reports, periodicals, proposals, commentaries, speeches, presentations, press releases, and other communications collateral meet best practices for digital and print delivery platforms, and are visually attractive and relevant to identified stakeholders.

WEB AND SOCIAL MEDIA

Leveraging the Foundation's rich content and its website and social media channels, Communications will repurpose editorial products into short-form content pieces such as data visualizations, infographics, and interactive products to broaden reach, heighten engagement, and attract younger

Asia Pacific stakeholders and practitioners to our website and core products.

Further, Communications will engage renowned thought-leaders, subject matter experts, and storytellers with active social media profiles, and will look ahead to emerging trends to position APF Canada as a thought-leader and deepen stakeholder engagement.

MEDIA RELATIONS

Communications will assess strategic opportunities for the Foundation to add value to the Canada-Asia conversation via domestic and international media, while also upholding our brand integrity and propagating the objectives of the Foundation's core action areas and programmatic to target audiences.

Communications will create and maintain a new database of key media contacts and influencers across Canada and throughout the Asia Pacific in order to identify opportunities to insert the APF Canada brand and messaging. Additionally, Communications will explore opportunities to leverage native content and cost-effective advertising



solutions to further leverage third-party media as an outreach mode for stakeholders in Canada and the Asia-Pacific.

CORPORATE BRAND

Communications will uphold the integrity of the Foundation's corporate brand and ensure APF Canada's 'brand conversation' is consistent, strategic, enlivening, relevant, and action-oriented. Outcomes will be measured through the creation and monitoring of metrics to assess and improve audience reach and engagement over the course of the five-year strategic plan.

Communications will also provide our network of Distinguished Fellows and Corporate Directors with the communications tools they need to act as 'brand ambassadors' for the Foundation, providing expanded outreach opportunities.

NETWORKING AND EVENT SUPPORT

Communications will work in close alignment with the Foundation's networks and events teams, and support APF Canada's business development team,

to broaden the profile and credibility of APF Canada, its research and findings, and its programming outputs, as well as providing strategic and tactical support in delivering 'world class' events that enrich the Canada-Asia dialogue and help solidify the Foundation's position as Canada's leading research centre working on Asia-Pacific affairs.

Through the strategic deployment of these five key activity streams, and by leveraging metrics and analytics to track reach, growth and other KPIs, Communications will closely support the three phases of the five-year strategy model, differentiate and amplify the Foundation brand among similar NGO players working in this space, and solidify the Foundation as a leading voice on Asian affairs in Canada.



CONCLUSION

The global role of the Asia Pacific has never been as big or as important in modern times as it is today. Continuous growth in recent years has resulted in a shift in the global economic, political, and strategic centre of gravity. Observers forecast that the Asia Pacific will continue to cement its position as the centre of the international economy: by 2030 the region is expected to encompass 65 per cent of the world's middle class, and by 2050 the region will contain four of the world's 10 largest economies. Asia is an undeniably powerful global force, and this presents immense opportunities for Canada.

For three decades, APF Canada has played a unique and strategic role in helping Canadians engage with the Asia Pacific region. Its research has informed government policy and supported Canadian businesses as they venture into the Asian market. Its programs have helped prepare Canadians to interact with the Asia Pacific, building a greater understanding of Asian and Pacific cultures and business practices. Its events have convened experts from both Canada and the Asia Pacific to facilitate

partnerships, innovation, and trade. In short, APF Canada is uniquely qualified among Canadian institutions to lead Canada in pursuing these opportunities.

Through this five-year strategic plan, APF Canada strives to become the predominant think-tank 'leader' within Canada on Asia Pacific affairs and Asia Pacific engagement for Canadian governments, businesses, and the Canadian people. Through a

three-stage approach, with a united effort across the Foundation's research, business development, and communications functions, APF Canada will solidify its role as Canada's catalyst for engagement in the Asia Pacific, and the Asia Pacific's bridge to Canada.



“Billions of Asians growing up in the past two decades have experienced geopolitical stability, rapidly expanding prosperity, and surging national pride. The world they know is one not of Western dominance but of Asian ascendance.”

- Parag Khanna, *The Future is Asian: Commerce, Conflict and Culture in the 21st Century*, February 2019 -



ASIA PACIFIC
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OF CANADA

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CANADA AS A 21ST CENTURY PACIFIC POWER

TOWARD 'BROAD
DIVERSIFICATION'
IN ASIA

JANUARY 2020

*This policy brief is a part of the Asia Pacific Foundation of Canada's **Strategic Asia** series, which examines security and geopolitical issues in the Asia Pacific with reference to Canada's national security interests. The authors identify what they agree are the region's most pressing geopolitical and geo-economic issues and outline the parameters within which policy-makers can act. The brief is non-partisan and, as such, avoids prescribing specific policy measures. Rather, the authors have provided regional situational awareness for those in government to craft informed policy in line with their respective political mandates.*

ABOUT THE ASIA PACIFIC FOUNDATION OF CANADA



The Asia Pacific Foundation of Canada (APF Canada) is a not-for-profit organization focused on Canada's relations with Asia. Our mission is to be Canada's catalyst for engagement with Asia and Asia's bridge to Canada. APF Canada is dedicated to strengthening ties between Canada and Asia with a focus on seven thematic areas: trade and investment, surveys and polling, regional security, digital technologies, domestic networks, sustainable development, and Asia Competency.

Our research provides high-quality, relevant, and timely information, insights, and perspectives on Canada-Asia relations. Providing policy considerations and business intelligence for stakeholders across the Asia Pacific, our work includes Reports, Policy Briefs, Case Studies, Dispatches, and a regular Asia Watch newsletter that together support these thematic areas.

APF Canada also works with business, government, and academic stakeholders to provide custom research, data, briefing and Asia Competency training for Canadian organizations. This 'micro-consulting' service is available by request and we would be pleased to work with you to meet your business intelligence needs.

Visit APF Canada at www.asiapacific.ca.

EXECUTIVE SUMMARY

Canada must prioritize the advancement of its national interests in the Asia Pacific when developing a regional grand strategy. Specifically, Canada must develop an approach to Asia that allows it to ensure its security, demonstrate its autonomy, continue its economic development, and grow its stature and prestige.

Most immediately, Canada must develop a strategic approach to manage its position between the United States and China as the two superpowers' relations are conflictual and Canada finds itself under pressure to 'choose sides.'

Central to this approach is the need to demonstrate to Asia Pacific countries that Canada is an independent actor. Canada must articulate its autonomy in Asia, particularly as regional countries are increasingly concerned over the U.S.'s influence on regional security and stability and tend to view Canada as aligned with the U.S.

Canada needs to demonstrate strategic commitment to Asia through bilateral engagement and multilateral dialogue. Canada, in particular, must strengthen its non-economic links to Asia, particularly those addressing strategic issues.

Central to developing a strategy to achieve 'broad diversification' is greater understanding of the region's institutions and trends. Canadian policy-makers must invest in developing a domestic capacity to monitor and respond to regional developments in ways that demonstrate Canadian leadership and Canadian values.

Canada can also engage with other regional 'middle powers,' many of which are looking to expand bilateral relations with other Asian countries to balance against U.S. and Chinese influence. Australia, Japan, New Zealand, and Singapore, in particular, are natural partners.

Canada should particularly look to ASEAN and ASEAN member states for opportunities for engagement with a clear understanding that ASEAN is growing in regional centrality and importance.

INTRODUCTION

In the three years since the Asia Pacific Foundation of Canada (APF Canada) published its 2016 *Building Blocks for a Canada-Asia Strategy*, the Asian region has grown in importance and in complexity for Canada. Opportunities for diplomatic and commercial engagement within the region have expanded, for example, around areas including middle power diplomacy and economic regionalism. Concurrently, uncertainty and instability in the Asia Pacific – whether in the form of trade tensions between the United States and China, a deterioration in bilateral relations between Canada and China, or a creeping militarization of issues ranging from the South China Sea to India-controlled Kashmir – have grown and continue to expand.

‘An immediate priority of any Canadian government must be the formulation and implementation of a comprehensive Asian strategy that draws on Canadian strengths and values to demonstrate its strategic commitment to the region.’

It is APF Canada’s position that an immediate priority of any Canadian government must be the formulation and implementation of a comprehensive Asian strategy that draws on Canadian strengths and values to demonstrate its strategic commitment to the region. While certain issue areas

will require more ad hoc policy approaches, development of an Asian ‘grand strategy’ is not only possible but critical for Canadian engagement in the region. Failing its development, Canada will find itself increasingly on the outside of regional developments as Asian countries move forward without consideration of its position or interests. Succeeding in its formulation and implementation, conversely, Canada can position itself as an important regional actor, one that leads with its values and shapes regional developments as a participant rather than an observer.

In this policy briefing, APF Canada offers a blueprint for a Canada-Asia strategy based on dominant regional trends and institutions, Canada’s regional comparative advantage and value-add, and Canadian national interests. In so doing, APF Canada provides a strategic formula based on relatively fixed inputs, many of which are non-partisan to the extent that they will inform any Canadian government’s policy making process.

In developing a regional ‘grand strategy,’ Canada must:

- Develop a strategic approach to manage its position between the United States and China.
- Demonstrate to Asia Pacific countries that Canada is an independent actor and not one beholden to U.S. interests.
- Demonstrate strategic commitment to Asia through bilateral engagement and multilateral dialogue.
- Invest in developing a domestic capacity to monitor and respond to regional developments in ways that demonstrate Canadian leadership and Canadian values.
- Engage with other regional ‘middle powers’ and in particular look to ASEAN and ASEAN member states for opportunities for engagement.

CHAPTER 1

INSTITUTIONS AND TRENDS



CHALLENGES



With regard to the Asia Pacific's predominant institutions – those most influential on regional order and development – APF Canada believes the following are the most relevant with respect to Canada's policy formulation. First and foremost are the **ongoing tensions between the United States and People's Republic of China (PRC)**, which suggest the Asia Pacific is moving toward a future of increased competition (if not conflict) and bifurcation. While ostensibly the result of trade disputes, such tensions are increasingly structural, based on China's growing economic centrality in Asia, the interconnected nature of Asian trade, investment, and finance, and the United States' reliance on its military to maintain regional 'pre-eminence.' As most forecasts suggest China's dominant position in Asia will grow with the PRC potentially becoming the world's largest economy in real gross domestic product (GDP) terms by 2030 and as more Americans come to view China's growth as a 'critical threat' to U.S. interests, it is highly unlikely that tensions between the two countries will ameliorate with a trade agreement, even one seen as beneficial by both governments.¹ Rather, there is a likelihood that U.S.-China tensions will extend beyond the Trump and Xi administrations to infect the two countries' next-generation leaders, regardless of their political affiliations and/or proclivities. At the time of writing, for instance, all the U.S. Democratic candidates for president have expressed opposition to China's development model and criticism of its internal politics.

'There is a likelihood that U.S.-China tensions will extend beyond the Trump and Xi administrations to infect the two countries' next-generation leaders.'

As U.S.-China tensions deepen, there is an increased likelihood that regional states, including Canada, will be forced to choose which of the two countries is a priority partner. While Asian countries have long sought to avoid this outcome, which they universally agree would lead to increased strategic instability and decreased economic development, any 'decoupling' between the U.S. and China will result in parallel institutions within Asia that would result in competing '**spheres of influence**.' One of the most prominent examples of this type of development is already underway with regard to **telecommunications and 5G**, with Asian countries such as Thailand, Malaysia, the Philippines, Cambodia, Laos, and Myanmar all working with the Chinese company Huawei while others, including Japan, Australia, and Taiwan, limiting and/or restricting Huawei's involvement in their internal communication network systems. The division between those countries that work with Huawei and those that do not is not simply a choice between companies, but rather a choice with implications that extend to **competing rules, regulations, and systems** that are mutually exclusive.

Closely related to U.S.-China tensions is the increase in bellicosity and unilateralism coming from **both the United States and China** toward issues in the Asia Pacific. With regard to the United States, the Trump administration's 'America First' foreign

policy approach is undermining the U.S.' traditional alliance relationships with South Korea and Japan while creating tension within Asia over their relations with China. Senior Trump administration officials including Vice President Pence and Secretary of State Pompeo have repeatedly used international and regional multilateral fora to demand that U.S. allies pay more for U.S. 'protection' and to pressure Asian countries to reject economic engagement with China, advancing the controversial assertion that Beijing uses 'debt trap diplomacy' to undermine Asian countries' sovereignty. The Trump administration has also shown a willingness to use economic coercion to shape Asian countries' foreign and trade policy, the most relevant example for Canada being steel and aluminum tariffs and threats of further trade control measures.

'The Trump administration's 'America First' foreign policy approach is undermining the U.S.' traditional alliance relationships with South Korea and Japan while creating tension within Asia over their relations with China.'

The Trump administration is also **militarizing Asia** through its plans to deploy land-based, medium range ballistic missiles off the Chinese mainland, its 'fire and fury' approach to North Korea, its continued freedom of navigation operations (FONOPs) in the South China Sea, and its drawdown of diplomats and increase in military officials through the region. While the prioritization of a U.S. 'forward presence' in Asia has been a staple in U.S. foreign

policy going back decades, the Trump administration's publication of its *Indo-Pacific Strategy Report* marks a significant increase in U.S. securitization of the Asian region with specific reference to China as a near-peer adversary and an existential threat.² Notably, the Trump administration's militarization of Asia is occurring in parallel with broader **U.S. disengagement from Asia**, whether in terms of its alliance networks or economic relations. These concurrent developments suggest the U.S.'s future role in Asia will be one predicated on security issues, not on the economic and political concerns Asian states prioritize.

As for China, Beijing under the Xi Jinping administration has shown an increased willingness to use coercion to advance its foreign and security policy goals, whether in the form of **hostage diplomacy** or **informal economic sanctions**. Canadians are well aware, for example, that Beijing has detained foreign nationals working in China to gain negotiating leverage or as a means to punish countries it feels are working against it. The case of the Canadian detainees is a stark example of this behaviour and a clear sign of the pitfalls any country faces when working closely with the PRC. Beijing has also demonstrated its willingness to use economic tools such as import controls and/or phytosanitary inspections to stop or to slow inbound exports from countries it seeks to punish.

Chinese rhetoric around issues it describes as 'core' to its national interests has become increasingly assertive, with particular reference to China's territorial claim over the **South China Sea** and its sovereignty claim to **Taiwan**. While Beijing continues to

use a dual track approach toward these issues, one predicated on negotiation and threats, the Xi administration has taken a more direct line to ‘solving’ these issues within a fixed timeframe than previous Chinese leadership, most particularly with regard to Taiwan’s status. This approach to cross-strait relations has the potential to bring China into conflict with the United States, as U.S. Congress passed the non-binding Taiwan Assurance Act in 2019 to demonstrate its political and military support for Taiwan in the face of growing pressure from Beijing.



Developments in Hong Kong will have implications for Canada’s engagement strategy in Asia

Source: Getty Images

More immediate than Taiwan, however, is the Xi administration’s approach to the situation in **Hong Kong**, which is growing more precarious. While protests in Hong Kong have decreased in size, the protestors have adopted new, more disruptive tactics, including targeting transportation hubs such as the Hong Kong airport and Hong Kong Mass Transit Railway system. Clashes between protestors and Hong Kong police have become more frequent and more violent and public opinion, as a result, has become more divided within Hong Kong and abroad among those

who support some protesters and those who support the local government and Beijing.³ Some analysts argue Hong Kong is the first ‘battleground’ in the emerging U.S.-China ‘Cold War,’ pointing to the clash of political and economic ideology within the autonomous region and U.S. overt and (suspected) covert activity in the area challenging Beijing’s sovereignty. Whether or not this is an accurate portrayal, it is likely that developments in Hong Kong will have wider regional implications for U.S.-China relations and, consequently, for Canada’s engagement strategy in Asia. Canada will find its relations with Hong Kong complicated, for instance, if the United States revokes Hong Kong’s special trading status as members of the U.S. Congress have threatened.

Beyond U.S.-China tensions and U.S. and Chinese behaviour, there are many other significant institutions that constitute Asian order and, thereby, shape Canada’s policy options toward the region. One troubling development, for instance, is the **breakdown in state relations between South Korea and Japan**, two countries that have, despite a troubled history, developed deep political, commercial, and people-to-people ties over the past 50-plus years. While the precise nature of the downturn in South Korean-Japanese relations is beyond this paper’s scope, it is important to note the two countries’ deterioration in relations is occurring during a time of diminished engagement by the U.S. The Trump administration has repeatedly called the value of its alliance relations with South Korea and Japan into question, has left key State Department position in both countries unfilled for extended periods of time (including the U.S. ambassador to South Korea), has appointed non-career diplomats as ambassadors to

both countries, and has marginalized both states from the U.S. approach to security and trade in the region. The breakdown in South Korea-Japan relations is also taking place as both countries increase their diplomatic and economic ties to China and as China becomes more militarily engaged with Russia in Northeast Asia.

The **Democratic People's Republic of Korea (DPRK) and its ongoing nuclear program** remain a critical part of Asian order with the potential to introduce high levels of conflict, if not war, to the Asian theatre. The current U.S. administration's summit approach to U.S.-DPRK relations has not addressed any of the outstanding issues around the DPRK's nuclear program, rather it has provided time and space for its further development and consolidation. While some may see the DPRK's self-imposed moratorium on long-range ballistic missile testing as a tactical victory, that the current administration has chosen to disregard its allies' concerns over its short- and medium-range missiles is a strategic win for Kim Jong-un. That the DPRK continues to test and to refine its missile delivery systems is also indicative that the situation on the Korean peninsula remains unstable.

Among the regional 'hot spots,' **Kashmir** remains one of the hottest, with the current Indian government's decision to revoke Article 370 of India's constitution and its subsequent stripping of the region's autonomy likely to contribute to further instability in the area. India is also experiencing nationwide protests, many of which have resulted in loss of life, the result of the Modi government's **new citizenship law** that restricts Muslim immigration and relegates the country's 200 million Muslims to second-class status.⁴

Relations among the **Mekong River basin** states are also increasingly strained over issues related to water use and water management. Late monsoon rains coupled with upstream hydropower developments in China and Laos led to a drought within Mekong riparian communities in 2019 with the river's water level falling to its lowest level in 100 years. Rice cultivation in China, Myanmar, Thailand, Laos, Cambodia, and Vietnam – all Mekong states – fell precipitously as a result, affecting continental Southeast Asia's overall food security. While the Mekong river states continue to discuss terms for shared usage, China is developing upstream hydropower projects, damming the river close to its source waters. As the Mekong directly affects up to 300 million people across Southeast Asia, it remains an important source of potential instability within the Asia Pacific.

'While the Mekong river states continue to discuss terms for shared usage, China is developing upstream hydropower projects, damming the river close to its source waters.'

Closely related is the issue of **climate change**, an issue with deep relevance in the Asia Pacific context. Changes in temperatures and weather patterns have caused super typhoons in Southeast and Northeast Asia, flooding in India, Japan, and Thailand, and extreme weather in countries like China, Japan, and South Korea in 2019. For Asian countries such as the Maldives, Fiji, and Bangladesh, rising sea levels present existential challenges both in terms of inundation and human security.

OPPORTUNITIES



Within the past year, there has been a resurgence of **middle power diplomacy** within the Asia Pacific, particularly from the Association of Southeast Asian Nation (**ASEAN**) member states as they work to navigate U.S.-China tensions and to insulate themselves from outside pressure. Most recently in June 2019, the ASEAN member states agreed on an Outlook on the Indo-Pacific concept where member states identified ASEAN centrality in regional affairs and ASEAN-led institutions, such as the East Asian Summit (EAS), as necessary conditions to regional stability. While a degree of disunity persists among the ASEAN member states over certain issue areas, whether with regard to the South China Sea or the U.S.-China trade war, there is still a clear tendency among these countries to collaborate on strategic issues, such as the development of a Code of Conduct (CoC) for activity in the South China Sea. While scholars have debated ASEAN's relevancy since its inception, the organization's position as an alternative centre of power in Asia is growing as its member states' economies grow, as ASEAN economic and political interconnectivity deepens, as China increases its reliance on ASEAN to facilitate its approach to Southeast Asia, and as the U.S. and EU empower the organization to balance against China's regional influence.

Middle power co-operation between countries including **Australia, Japan, New Zealand, and Singapore** has also deepened over recent years, both the result of these countries' shared commitment to good governance and economic

inclusivity and their shared visions of the Asia Pacific's strategic environment. Less formalized than ASEAN, co-operation between these like-minded Asian middle powers has resulted in the development of regional norms around concepts like the Indo-Pacific and institutions like the **Comprehensive and Progressive Transpacific Partnership (CPTPP)**.⁵ Such middle power engagement in Asia extends to Latin America, where middle powers including **Chile and Mexico** have prioritized their Asian engagement strategies and operationalized their engagement through regional institutions like the CPTPP. For Canada, opportunities with Asian middle powers include **multilateral engagement** (outlined below) and **bilateral dialogues**, such as Canadian-Australian, Canadian-Singaporean, and/or a Canadian-Indonesian dialogue mechanisms, for example.

'While scholars have debated ASEAN's relevancy since its inception, the organization's position as an alternative centre of power in Asia is growing.'

Closely related to middle power activism is the continued importance within the Asia Pacific of **multilateralism and multilateral institutions**. While ASEAN is arguably Asia's most established and enduring multilateral institution – both as a standalone institution and as a co-ordinating mechanism for extra-regional states through its ASEAN+ formats – institutions such as the Conference on Interaction and Confidence-Building Measures in Asia (CICA), the Council for Security Cooperation

in the Asia Pacific (CSCAP), Asia-Pacific Economic Cooperation (APEC), the Lancang-Mekong Cooperation (LMC) Mechanism, and the Shanghai Cooperation Organization (SCO) also provide important platforms for regional states to engage in diplomacy and dialogue around regional issues that, if left unaddressed, could lead to conflict. Within the ASEAN+China forum, for example, ASEAN member states and China are negotiating a **Code of Conduct (CoC)** for the South China Sea that could – if successfully agreed upon – help deescalate one of Asia’s main flashpoints. Southeast Asian countries are also working with China through the LMC mechanism to agree on water rights and water usage around the Mekong river, relying on diplomacy and dialogue to address what otherwise has the potential to be a significant source of tension in Asia.

Parallel to Asian multilateralism is the growing number of **minilateral institutions**, often formulated around a specific issue area. The U.S.-led Quadrilateral Security Dialogue is one such example of a minilateral institution between the U.S., Japan, Australia, and India, designed as a democratic bulwark against China’s regional rise. China-Japan-ROK trilateralism and the ASEAN-based ‘Our Eyes’ intelligence sharing mechanism are other salient examples of Asian minilateralism, all with potential to influence regional dynamics for broader regional stability. For Canada, there are also significant opportunities to develop minilateral ties around other issue areas in Asia. A strategic Canadian minilateral approach to Asian landlocked countries including Nepal, Mongolia, and Bhutan, for instance, would allow

it to develop influence in otherwise isolated states where it has a long tradition of good bilateral relations but lacks a contemporary aid program to maintain relations. The demand-signals for Canadian involvement within these landlocked countries are loud; Canada need only allocate resources for engagement to advance its interests.

While political engagement and dialogue are in part responsible for ASEAN's growing stature as a middle power institution, the **shift in the economic centre of gravity** in Asia from China toward Southeast Asia is also providing it with additional relevance. ASEAN member states such as Vietnam, Thailand, Malaysia, and Singapore are all benefiting from U.S.-China trade tensions as investors relocate manufacturing hubs, reroute supply chains, and look for alternative resource providers. This shift provides a complementarity to the increased consolidation of the **ASEAN Economic Community (AEC) 2025** concept, which ASEAN member states adopted in 2015 to facilitate a single ASEAN common market, and some ASEAN member states' adoption of the **CPTPP** agreement in late 2018/early 2019.

Building on these economic institutions, ASEAN member states are in negotiation with other Asian countries – including Australia, China, Japan, India, New Zealand, and South Korea – to conclude the Regional Comprehensive Economic Partnership (RCEP) agreement, which would further increase Asian economic integration and ASEAN economic centrality.

'Vietnam, Thailand, Malaysia, and Singapore are all benefiting from U.S.-China trade tensions as investors relocate manufacturing hubs, reroute supply chains, and look for alternative resource providers.'

In addition to ASEAN and ASEAN member states, **Japan** under Prime Minister Abe has taken on a more active role in the Asia Pacific and has, as a consequence, become a partner of choice on economic and diplomatic affairs for many Asian countries.⁶ Tokyo was a driving force behind the CPTPP agreement and remains the largest outside provider of foreign direct investment (FDI) to Southeast Asia, investing primarily in the sub-region's underdeveloped infrastructure sector. Japan has also embraced global and regional multilateralism, leading the charge to reform the World Trade Organization (WTO), for example, and reinforcing market openness through its role as G20 host. Through this proactive approach, Tokyo has increased its regional influence – or its ability to influence regional outcomes – to the degree where the Lowy Institute identified it as the second most powerful power in Asia in 2019, after China.⁷ Where the U.S. has withdrawn from regional leadership, Japan has stepped forward as the regional stalwart of the existing liberal order.

Japan has also been proactive in negotiations around the **Regional Comprehensive Economic Partnership (RCEP)** agreement, hosting the first non-ASEAN multilateral meeting on the topic in Tokyo in 2019. RCEP would include all ASEAN

member states and ASEAN's six free trade agreement (FTA) partners, making it one of the largest free trade blocs in the world, accounting for 45% of the world's population, 40% of the world's trade, and 33% of its gross domestic product (GDP). In parallel to RCEP, China has launched the largely regionally-focused **Belt and Road Initiative (BRI)** which, while often decried in Western media as a grand strategy to advance China's global influence, also brings much needed investment to the Asian region and enables interconnectivity between China and the rest of Asia and between Asian countries.

Like Japan, **Indonesia** is becoming an increasingly active middle power state, both within ASEAN and Southeast Asia. Over the past three years, Indonesia has maintained a growth rate of around 5%, has experienced a rapid growth in mobile e-commerce, and has introduced a **Maritime Global Fulcrum (MGF)** strategy designed to turn the country into an Indo-Pacific hub. With 60% of its population under 40 years of age and a population of 256 million, Indonesia will grow in importance in the near to medium terms, particularly within the Asia theatre.

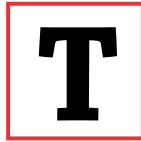
The Asia Pacific continues to lead the globe in state-led investment in **technology development and innovation**, with key countries like China, South Korea, Japan, and India leading the charge.⁸ This state-centric push has led to breakthroughs in **big data and Artificial Intelligence** with matching opportunities for regional multilateral institution formation to take place around data management and AI application. Regional technology trends are also contributing to the growth of research and

development centres of excellence in Asian economies such as Australia, China, Taiwan, Singapore, and Japan and accelerator and incubator clusters in countries like Thailand, Malaysia, and Vietnam.



CHAPTER 2

**BUILDING A 2020
CANADA-ASIA STRATEGY**



To build a Canadian strategy for the Asia Pacific, it is first necessary to identify and articulate Canada's strategic end state toward the region. What is it that Canada seeks to achieve through engagement in Asia? While there is large scope to debate what precisely Canada hopes to achieve, there are certain fundamentals within its **national interests** that are core and, as such, require consideration in any policy formulation. These fundamentals include (but are not necessarily limited to) **security, autonomy, economic development, and stature/prestige**.⁹ Any Canadian government's approach to the Asia Pacific region must consider these core issues, regardless of its broader approach to its regionally-focused foreign policy or the values it brings to its foreign engagement. As such, one can view the successful realization of its national interests – defined in line with the above considerations – as Canada's primary objective in the Asia Pacific. From this starting point, one can formulate policy accordingly.

Fundamentals within Canada's national interests that are core to any policy formulation:

- Security
- Autonomy
- Economic development
- Stature/prestige

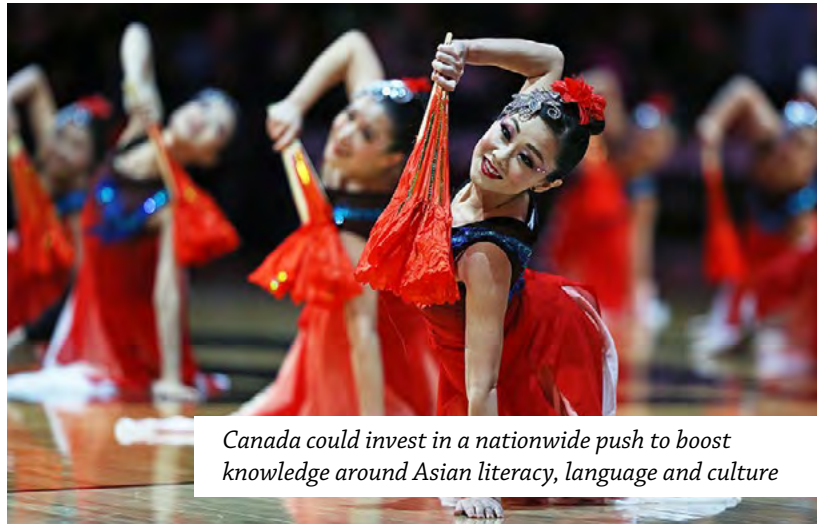
SECURITY

With regard to security, the most pressing challenges Canada faces in the Asia Pacific are **1) conflict between the U.S. and China, 2) conflict in the South China Sea, 3) conflict on the Korean Peninsula, 4) conflict between China and Taiwan, and 5) non-traditional security threats, including transnational crime, terrorism, and climate change.** While none of these challenges – with the possible exception of terrorism – presents a direct domestic challenge to Canada, each has the potential to destabilize the Asian region (undermining Canada’s other national interests, such as economic development and stature), to split the region along opposing sides, and/or to draw Canada into a conflict scenario where it has much to lose and little to gain.

No strategy can completely remove the threat of insecurity for Canada. The best policy-makers can do is to develop an approach that lessens Canada’s overall risk in the Asia Pacific through engagement, dialogue, and partnership. Where, when, and how a government chooses to undertake such policy can vary, but a successful policy for the Asia Pacific must consider the following structural conditions within the region around these issues.

First, many of the region’s outstanding disputes – whether instability on the Korean Peninsula, territorial disputes between China and Japan, or questions of sovereignty between the PRC and Taiwan – are remnants of the **Cold War** in Asia and, as such, carry deep ideological and historical undertones.¹⁰ Any attempt to address these issues, or to participate through multilateralism

to address these issues, requires those involved to have a deep understanding of historical issues as they influence contemporary state relations. To ensure Canadian policy-makers have these requisite skills, the Canadian government must invest in a nationwide push to promote **Asian literacy** around language, history, and culture. By way of example, under Prime Minister Kevin Rudd, Australia committed AUS\$68 million to develop Asian literacy at the primacy, secondary, and tertiary levels explicitly to strengthen Australia's foreign and security policy relation in Asia.¹¹



Canada could invest in a nationwide push to boost knowledge around Asian literacy, language and culture

Source: Getty Images

Second, the Canadian government must be proactive rather than reactive in engaging with Asian countries on issues of regional **security and stability**. The most effective means to achieve proactive security diplomacy is through engagement in Asia's predominant security-related multilateral fora, including the ASEAN Defence Ministers Meeting-Plus (ADMM+), the East Asia Summit (EAS), and the Track 1.5/2 Council for Security Cooperation in the Asia Pacific (CSCAP), all of which lack a

sustained Canadian presence at the time of writing. While Canada's ultimate participation within these multilateral fora is conditional on regional states' approval (particularly the ASEAN-led ADMM+ and EAS), the government can, and should, energetically lobby for the chance to engage and contribute to discussions on regional issues. Canada can, and also should, look to engage bilaterally with Asian states on security diplomacy and strategic dialogue, particularly with Asian middle powers such as Australia, Japan, New Zealand, and Singapore, which share Canadian values and strategic priorities toward the region.

Canada should also consider the possibility and desirability of establishing **rotational troop presences** in certain key Asia states, such as Singapore, Indonesia, or Malaysia, for training and operational purposes, particularly around non-kinetic activities such as humanitarian and disaster relief, and maritime law enforcement activities. This is not to advocate for Canadian overseas military bases, but rather for an increased investment from the Department of National Defence (DND) in military people-to-people exchanges to demonstrate Canadian's willingness to support regional strategic priorities and to show a sustained, non-economic Canadian presence within the region.

'The government can, and should, energetically lobby for the chance to engage and contribute to discussions on regional issues.'

Third, and closely related, the Canadian government must **demonstrate sustained strategic resolve** to its Asian partner countries. There is an unfortunate sense from regional actors that Canada's interests in the Asia Pacific are purely economic and that it would rather avoid the trickier issues around security and stability and, as such, that it lacks a sustained commitment to Asia outside its economic interests.¹² This regional perception means that Canada has less influence in the region, not because Asian countries see Canada as not important, but rather that they see Canada as largely absent from regional non-economic affairs.¹³ To address this, the Canadian government must do more than simply open embassies in Asian countries or appoint an ASEAN ambassador. Rather, it must invest in government and non-government initiatives to ensure Canadian voices are consistently and regularly heard throughout the region on security issues and to demonstrate its long-term investment in regional peace and stability.

'There is an unfortunate sense from regional actors that Canada's interests in the Asia Pacific are purely economic and that it would rather avoid the trickier issues.'

Fourth, the government must **work within regional norms and values** to advance Canada's national interests with regard to security relations. Rather than framing its Asian engagement through its own values and norms, many of which are not widely shared throughout the region, Canada would do well to

understand the importance for Asian countries of concepts such as ‘non-interference,’ ‘mutual respect,’ and freedom of ‘national existence,’ which are codified in ASEAN principles and the Five Principles of Peaceful Coexistence that inform regional state relations.¹⁴ This is not to suggest that Canada should not pursue its own values where and when it sees doing so as essential to its national security interests. Rather, Canada should understand that many Asian states view regional security as a value-less structure requiring a pragmatic rather than a principled approach.¹⁵ As such, Canada should work to **desegregate its principled foreign policy from its security relations** on issues including China's internment of its Uighur population, the Myanmar government's treatment of its ethnic Rohingya population, and Philippine President Duterte's 'drug war' extra-judicial killings. While such a realpolitik approach will be difficult for many Canadians to support, it is essential for Canada to operate within the strategic Asian environment as it exists, not as Canada would prefer it.

‘Canada should understand that many Asian states view regional security as a value-less structure requiring a pragmatic rather than a principled approach.’

AUTONOMY

In his keynote speech to the Shangri-La Dialogue in 2019, Singaporean Prime Minister Lee Hsien Loong outlined a vision of Asian order predicated on conflict between the U.S. and China where small and middle powers lack agency to advance their own national interests outside of multilateral institutions.¹⁶ PM Lee used his speech to call for greater unity among ASEAN member states to maintain sovereign autonomy and to prevent the development of regional spheres of influence around U.S.-led and Chinese-led blocs. While PM Lee was speaking from a Singaporean perspective, his comments echoed regional polling results that suggest fear of autonomy and dissatisfaction over great power conflict is widespread among Asian states.¹⁷

Canada faces, and will face, these same pressures operating in the Asia Pacific. While there is no question about Canada's domestic sovereignty, its ability to operate within the Asia Pacific is limited to the extent that it can affect change within the regional order. As a quintessential middle power, Canada can influence outcomes through traditional tools like diplomacy. Canada's unilateral ability to shape its operational environment in Asia is, however, limited, as is its ability to maintain full autonomy of action.

'The U.S. has looked to Canada as a natural partner to advance its own foreign affairs, even when the rationality of doing so is not immediately clear for Canada.'

This is particularly the case with regard to the United States, which sees Canada, and which Canada has long seen, as a natural partner and ally in Asia. Indeed, while Canada has been a leader in some cases toward Asian affairs (most notably with its decision to normalize relations with the PRC before the U.S.), it has traditionally looked to the U.S. (and EU) for policy direction within the region.¹⁸ Concurrently, the U.S. has looked to Canada as a natural partner to advance its own foreign affairs, even when the rationality of doing so is not immediately clear for Canada.¹⁹

While Canada has benefited, and continues to benefit, from its close relations with the U.S., the current administration's approach to U.S.-Canada relations and its increasingly bellicose approach to Asian affairs both suggest that Canada must actively work to develop strategic autonomy within the region outside of the broader U.S.-driven approach. The need to demonstrate autonomy from U.S. influence within the Asian region is particularly important for the following reasons.



Source: Getty Images

First, the U.S. has clearly articulated an approach to the Asian region – its **2019 Indo-Pacific Strategy** – predicated on a military-led strategy designed to counter China, which it portrays as a ‘strategic threat.’ In adopting similar language around an Indo-Pacific approach to Asia, Canada must make certain to differentiate itself from the U.S.-formulated concept, particularly with its focus on military competition and its inherently anti-China language. This distinction is essential as other regional states and institutions – Japan and ASEAN, for example – are working to develop their own visions of the Indo-Pacific more relevant to their strategic visions, geographic positions, and multilateral relations.

Second, Canada must **demonstrate its independence from the U.S.** in the Asia Pacific to address regional concerns over its autonomy.²⁰ While this is not to suggest that Canada purposefully break with the U.S., or undermine its relations with Washington for symbolism’s sake, clear opposition to a U.S. priority and/or initiative within the region would ameliorate regional perceptions that Canada only acts in ways that support U.S. priorities. Importantly, Canada should only show opposition to U.S.-led initiatives if doing so advances Canada’s national interests. Yet the simple act of demonstrating Canada’s independence to a somewhat sceptical region would allow Canada to develop further its autonomy, and a national interest in and of itself.

Third, Canada should look to regional strategies such as **Indonesia’s ‘pragmatic equidistance’** to develop an approach to great power relations where it maintains strategic distance from China and the United States. This type of policy must include

diversification of Canada's economy away from the United States, deepening of bilateral relations with middle powers in Asia, such as Japan, Taiwan, Australia, and Indonesia, and expanding its presence in regional multilateral fora, including those multilateral platforms such as the Belt and Road Initiative Forum that Washington does not support. The demonstration of a distinct Canadian 'voice' on regional strategic issues within regional groupings like CSCAP is also a critical component of a strategic distancing approach toward Asia, although the developing of such a voice requires a sustained strategic commitment to the region.

Fourth, and lastly, Canada must **restore positive ties with China** for the sake of regional balance of relations and for the value of the overall bilateral relationship. Despite the difficulty in working with China, it is in Canada's broader national interest to maintain good state relations. Importantly, Canada must approach its bilateral relations with the understanding that good relations require reciprocity and that Beijing must be willing to compromise on issues such as the detainees to advance relations. Canada, too, must compromise on issues of importance to China, even at the cost of diminished relations with the United States. Canada could follow the United Kingdom's example, for instance, and allow the Chinese firm Huawei to have a role in Canadian 5G development. Or Canada might co-operate with China under its Belt and Road Initiative, including participation in China's annual Belt and Road Initiative Forum, where doing so makes sense for Canada's national interests. While such compromise may be impalpable to some Canadians, poor relations with China do come with a heavy cost, including greater dependence on the United States and the corresponding loss of strategic autonomy in Asia.

ECONOMIC DEVELOPMENT

Measured by actual and forecasted economic growth, the Asia Pacific has become the global centre of gravity, meaning much future economic activity – whether innovation, investment, or consumption – will occur within the region.²¹ For Canada, economic growth in Asia is a distinct opportunity as it is geographically a Pacific nation and has the benefit of economic complementarity with many Asian countries, particularly within its more traditional economic sectors of coal, agricultural goods, and forestry products. Successive Canadian governments have rightfully prioritized the region in their economic developmental strategies, focusing on market access, multidirectional investment, and people-to-people exchanges.



Exports to Asia have traditionally been economically successful in sectors of coal, agricultural goods, and forestry products

Source: Getty Images

Yet Canada's approach to economic engagement in Asia has, to date, fallen short of its full potential, even within institutions such as the CPTPP. Since late 2018/early 2019, for instance, Canada's overall trade with Japan, Mexico, Peru, and New Zealand – all CPTPP states – has actually declined, despite the reduction and removal of trade barriers such as tariffs.²²

While this downturn in trade is in line with global trends, the implications for Canada's economic integration in the Asia Pacific are nonetheless significant.

'In a region where politics and economics are intricately linked, Canada's approach has failed to reconcile the two.'

Neither has Canada successfully navigated the political dimensions of economic co-operation, failing, for example, to separate the political and economic components of its relations with China and/or to demonstrate its strategic commitment to the Asia Pacific outside its economic interests. In a region where politics and economics are intricately linked, Canada's approach has failed to reconcile the two.

To ensure greater economic engagement in the Asia Pacific, both within its existing institutions and with non-traditional partners, the Canadian government can develop a strategy that achieves both its economic and political aims. While the exact parameters will differ with each government, such a strategy should be based on the principle of **'broad diversification,'** as outlined below.

ECONOMIC DIVERSIFICATION

Central to a broad diversification approach is the deepening of Canada's economic relations with its traditional Asian partners, the expansion of Canada's regional economic partners, and the broadening of its economic relations from traditional sectors – those based on natural resource extraction – to technology driven sectors, including clean technology and aerospace products, among others.

With regard to **deepening economic relations**, Canada should work with Asia's developed economies – many of which are already its most important regional economic partners – to expand bilateral economic ties in both type and scope. With Japan, for instance, Canada should increase its export of liquefied natural gas (LNG) to the country to help Tokyo ensure energy diversification and to expand Canada's energy exports to the region. Canada also has a unique opportunity through the CPTPP to export more agri-food and seafood products to Japan, particularly beef, which saw a tariff reduction of nearly 40% under the multilateral trade agreement. With Australia and New Zealand, conversely, Canada should encourage further public and private investment in key industries, building on the already extensive bilateral investment relations it enjoys with both countries. Canada's pension funds, in particular, should look to Australia and New Zealand as two of Asia's most stable investment destinations going forward, and Canada's service sector can leverage new rules under the CPTPP to expand their activities in transportation, legal, manufacturing, and environmental sectors.

With regard to **partnership diversification**, Canada can work within its existing regionally-based institutions, such as the Canada-Korea FTA, the CPTPP, and the Asian Infrastructure Investment Bank (AIIB), to expand trade and investment ties and to identify areas for development assistance that can provide return on investment and advance its political interests. With the Canada-Korea FTA, for instance, Canadian firms must move beyond the export of coal, copper and iron ore, and raw aluminum to include **more value-added products such as precision instruments and machines**, both of which South Korea imports from other sources.²³

The Canadian government can support such expansion either through direct negotiations with the South Korean government (which enjoys a trade surplus with Canada) for greater market access or by providing funding to Canadian small and medium sized enterprises to pilot their products in the South Korean market.

'Central to a broad diversification approach is the expansion of Canada's economic partners and the broadening of its economic relations from traditional sectors – those based on natural resource extraction – to technology driven sectors.'

With CPTPP member states, Canada can support its private enterprises to expand trade and investment with both its traditional and non-traditional economic partners by providing

them with timely data so they can identify trends and opportunities within the bloc. According to APF Canada's 2019 CPTPP Tracker report, for instance, Canada currently sends 82% of its exports within this bloc to Japan, Mexico, and Australia. Yet Canadian exports are actually growing more quickly with smaller CPTPP states such as Malaysia, Vietnam, and New Zealand.²⁴ This is not to discount Canada's trade relations with its largest partners – although bilateral trade between Canada and Japan, Mexico, and Australia did, indeed, decline in 2019. Rather, it is to suggest Canada develop a comprehensive approach to CPTPP developing states as a way to broaden its economic diversity in Asia.

In parallel, Canada would benefit from building on its CPTPP relations in Southeast Asia to develop a sub-regional approach to expanding trade. Canada should predicate this approach on expanding Canada's FTAs with Singapore, Brunei, Malaysia, and Vietnam (CPTPP member states) to all of ASEAN – an outcome that would give Canada greater economic access to 648 million consumers with a combined economy of US\$2.8 trillion.²⁵

Canada should also look to its outbound investment data in the Asia Pacific to better understand where and how Canadian firms are investing in Asia so to better position the Canadian government to support broader engagement. According to APF Canada's Investment Monitor data for 2019, for instance, while Canadian firms continue to invest primarily in the 'traditional' economies of Australia, China, India, Hong Kong, and Vietnam, Canadian investment in Asia is becoming more diversified with

investment growing in South Korea, Singapore, and Japan. Canadian investment is also expanding to emerging markets including Bangladesh and to second- and third-tiered cities throughout the region. As of 2019, Canadian firms have invested in more than 465 Asian cities across the industry, real estate, utilities, and financial service sectors.²⁶ Notably, Canadian investment in oil and gas has decreased while investment in renewable energy has increased.



Source: Getty Images

This suggests that Canada would do well to support Canadian investment in non-traditional partner countries and across emerging economic sectors to facilitate broader investment diversification in Asia. Canada could accomplish this by supporting Canadian firms to invest in Southeast Asia, for instance, in line with its approach to expanding trade in the sub-region. As with trade, Canada could accomplish greater investment diversification through greater economic integration with ASEAN, whether formally through an FTA or informally

through bilateral exchange, perhaps drawing on the CPTPP's investment chapter for a framework for bilateral and/or multilateral investment co-operation.

Lastly, Canada can work to **identify and to support regional development priorities**, particularly around infrastructure interconnectivity and small and medium sized enterprise development, both of which are development priorities among regional states. Canada can accomplish this through bilateral engagement, utilizing its development aid to help countries achieve their millennium development goals, or through multilateral channels, such as the Asian Infrastructure Investment Bank or Asian Development Bank. Notably, while some Canadian policy-makers are hesitant to engage with the AIIB because of China's central role in the organization's founding and development, regional perceptions of the AIIB are largely positive and Canada's current role as one of 12 rotational directors of the AIIB's Board of Directors (through 2021) gives it a unique opportunity to ensure the institution's regulations are in line with Canadian norms and values.

DECREASE DEPENDANCY ON THE U.S.

Central to any diversification strategy for Canada is the need to decrease its dependency on the United States economy for trade and investment. The U.S. remains Canada's most important economic partner at present, with more than 73% of its exports going to the U.S., more than 46% of its imports coming from the U.S., and more than 46% of overall FDI into Canada coming from the U.S.²⁷ Long held as a position of economic advantage for Canada, such dependency comes with opportunity cost, particularly with regard to Canada's economic relations in the Asia Pacific. Whereas Australia – a country of similar population and economic size – has successfully diversified its economy away from dependency on the U.S. toward integration with Asia, with its intra-Asian trade increasing by 85% over the past five years alone, Canada remains an exclusively North American economy.²⁸

There are three primary reasons Canada should earnestly pursue a strategy of economic diversification away from the United States: one economic, one political, and one security related. Economically, dependence on the U.S. results in Canadian underdevelopment, as it exports raw materials to the U.S. (crude petroleum, aluminum, and agri-food) and imports manufactured goods (such as electronics, cars and trucks, and chemical products). This is not to suggest Canada's economy itself is underdeveloped, only that within its bilateral economic relations with the U.S. it remains a provider of natural resources and a consumer of value-added goods. Decreasing its reliance on manufactured goods from the U.S. would allow Canada to develop

further its own domestic industries, which it could then export to Asia as part of its broad diversification strategy.²⁹



Decreasing its reliance on manufactured goods from the U.S. would allow Canada to develop further its own domestic industries

Source: Getty Images

Politically, economic dependency exposes Canada to coercion, whether directly in the form of steel and aluminum tariffs or indirectly through threats of economic retaliation should it chose to oppose the U.S. in its foreign policy goals. Most recently, one can see this behaviour in the Trump administration's demand that Canada renegotiate the North American Free Trade Agreement (NAFTA) and include a clause (32.10) that limits Canada's autonomy in establishing trade relations with 'non-market' states, a 'poisoned bill' condition that severely limits Canada's ability to enter into an economic agreement with China.³⁰ Fear of economic retaliation also limits Canada's room to manoeuvre on issues such as the detention of Huawei Chief Financial Officer Meng Wanzhou, even within Canada's own legal system. These limitations have

serious implications for Canada's broader relations in the Asia Pacific, particularly with China.

With regard to security, Canada's economic dependency on the U.S. undermines its autonomy and, as such, prevents it from achieving its national interests. While a controversial point, one can argue that Canada's current downturn in relations with China is the direct result of U.S. influence over aspects of its domestic institutions, primarily with regard to law enforcement and extradition. Prior to the decision by local customs and law enforcement officers to detain Meng Wanzhou in Vancouver in December 2018, Canada was actively pursuing deeper economic ties with China, including a potential bilateral FTA. After her detention, and China's retaliation and arbitrary arrest of two Canadians, Canada-China relations broke down, with an enormous cost to Canada and an equally enormous benefit to Washington. China now views Canada as a dependent actor, accusing it of 'singing a duet' with Washington, a viewpoint that places Canada clearly in China's retaliatory 'crosshairs' with no benefit for Canadian interests.³¹ Canadian perceptions of China have also turned sharply negative, with only 29% of Canadians holding positive views of China in 2019, down from 36% in 2017.³²

MAINTAIN AND DEEPEN ECONOMIC TIES WITH CHINA

What less than a year ago was accepted wisdom has now become a controversial point in need of new justification and defence. To be certain, China's detention of two Canadians on charges of espionage and Beijing's willingness to engage in hostage diplomacy to ensure its own national interests does raise serious concerns over Beijing's foreign policy and its willingness to use direct coercion. Indeed, Beijing's past behaviour with economies including South Korea, Japan, the Philippines, Norway, and Taiwan suggests that any economy pursuing closer relations with China must do so with the clear understanding that China's domestic institutions allow it to engage in behaviour other states generally avoid. Any economy that engages with China must, therefore, do so with clear-eyed realism, understanding that for Beijing politics and economics are two sides of the same coin.

The realization that bilateral relations with China are challenging should not, however, prevent the Canadian government from engaging with Beijing. Nor should Canadian policy-makers succumb to the ill-informed advice of commentators that China is 'too different' to work with and that it should 'double down' on its relations with the U.S. to counter China. There is nothing inherently 'different' about China that should prevent strong Canada-China relations. Neither is China the only country to use coercion against Canada for political ends. One need look no further than the Trump administration's steel and aluminum tariffs for evidence of U.S. coercion, designed to achieve a political rather than an economic outcome.

'There is nothing inherently 'different' about China that should prevent strong Canada-China relations. Neither is China the only country to use coercion against Canada for political ends.'

Canada's own Export Development Canada (EDC) continues to rate China as a 'low risk' country that is open for Canadian businesses.³³ Anecdotally, Canadian businesses largely report that work in China is 'business as usual,' despite the relative breakdown in state relations. People-to-people relations also remain robust, with record numbers of Chinese students coming to Canada for higher education and, according to APF Canada's public opinion polling, the majority of Canadians is still open to high-skilled Chinese immigration to Canada.³⁴

In line with these realizations, it is in Canada's best interest to continue developing deep economic ties when and where doing so is in Canada's national interest. Clearly, Canada can benefit from trade, investment, and joint research and development with China, so much so that the EDC believes China could become Canada's largest trade and investment partner by the end of the 2020s.³⁵

NAVIGATING POLITICS AND ECONOMICS IN ASIA

For Canada to act on these basic elements of a ‘broad diversification’ strategy, it must come to terms with the **overlap between economics and politics in the region**. In line with the global zeitgeist of anti-globalism, or economic nationalism, the Canadian government must accept the unfortunate reality that its political choices will influence its economic opportunities in Asia, particularly with regard to its relations with the U.S. and China. Leaders from the U.S. and China have both indicated, for example, that they view their bilateral relations with Canada through the lens of ongoing U.S.-China tensions to the extent that Canadian political support for one will come with an opportunity cost for the other.³⁶

The Canadian government must allocate resources to better understand its strategic and operational environment in order to support its broader economic engagement. Ongoing participation in regional strategic dialogue forums like CSCAP or the EAS, for instance, would provide Canadian policy-makers and academics access to regional strategic thinking with reference back to its economic involvement in Asia. Canadian policy-makers can then consider regional strategic views and perceptions when formulating the country’s economic and political approach to the Asia Pacific. At the same time, Canada can and should look to countries like Japan and Taiwan for direction on how to manage a ‘hot economic, cold politic’ relationship with regional economies. Tokyo and Taipei both have extensive experience maintaining

economic ties with their neighboring economies during times of political instability.



Canada must realize that for many Asian countries it remains an 'outsider' - they perceive its interests in exclusively economic terms

Source: Getty Images

In parallel, Canada must realize that for many Asian countries it remains an 'outsider' in that they perceive its interests in exclusively economic terms and doubt its strategic commitment to the region. Canada's lack of involvement in regional political and/or security fora is at the heart of this perception, fairly or not, as is its relatively 'light' diplomatic presence in Asia. To put this into perspective, Canada has one military attaché operating in India – a high-priority country with more than 1.5 billion people – whereas Israel, a country with one-fourth of Canada's population, has over 30. Similarly, where Australia allocates resources to promote 'brand Australia' throughout Asia, the regional perception is that Canadian missions do little in comparison to promote understanding of Canadian values and culture.³⁷ While such efforts may sound trifling, Asian states

place value on such engagement and Asian populations rely on such activities to learn more about 'Western' states. Canada's lack of regional non-economic activity leaves the country relatively isolated, to the degree that many institutions and/or think-tanks in the region that study Asian state relations do not consider Canada an 'Asian' country.

To address these concerns, and to demonstrate a deeper regional commitment than simple economic relations, the Canada government should undertake the non-economic activities within the region described above. These include participation in regional dialogues, engagement with strategic initiatives, and, above all else, establishing a permanent, noticeable presence within the region's multilateral strategic forums, perhaps emulating the Australia model.

CHAPTER 3

THE DOMESTIC CONTEXT



While it is beyond this policy paper's scope to examine the complex interplay between Canada's domestic and foreign policy, it is, nevertheless, necessary to consider several domestic variables that do influence the direction of Canada's foreign policy development toward Asia. Principal among these are Asian diasporas and Asian immigration in Canada, Asian students and their influence on Canadian higher education and research and development, and Asian investment into Canadian industries, particularly around areas Canadian law enforcement and/or intelligence deem sensitive and susceptible to foreign influence.



There is scope for the Canadian government to develop a more nuanced understanding of diaspora constituents

Source: Getty Images

DIASPORAS AND IMMIGRANTS

With regard to Asian diasporas, Canada should work closely with key organizations and individuals to help facilitate greater economic linkages with Asia, to encourage greater people-to-people exchanges with various diasporas' respective countries, and to develop 'Asia competence' within the broader Canadian population. Ottawa can, and should, develop a national strategy for diaspora engagement that provides specific mechanisms for information sharing (town halls, for example) and advocacy designed to advance both the community's and Canada's shared interests. Central to this approach is the government developing a more nuanced understanding of diaspora constituents and dynamics, as many diaspora communities are less homogenous and far more complex in terms of group dynamics than they may appear at first glance.³⁸

'Ottawa can, and should, develop a national strategy for diaspora engagement that provides specific mechanisms for information sharing and advocacy designed to advance both the community's and Canada's shared interests.'

One caveat to this approach is the government's need to better understand diaspora politics and the diasporas' relations back to their countries of origin. While people-to-people ties are invaluable in supporting Canada's bilateral relations throughout Asia, diasporas are not necessarily the only lens through which

Canada should view its bilateral relations or define its national interests toward a partner country. Although important contributors to the Canadian social fabric, Canada's sizable Sikh community does not represent the only voice in Canada-India relations. India is a large and diverse country with many languages, cultures, and regional ethnicities. Favouring the interests of one diaspora within the Indo-Canadian community over the others in the bilateral relationship has impacts domestically but, also, on the foreign policy relationship with India. The Canadian government must avoid letting domestic diaspora politics spill over into bilateral foreign relations.

With regard to Asian immigration, the Canada government should continue to support high-skilled individuals into Canada to strengthen its people-to-people ties to Asia and to support its economic development. According to a 2019 APF Canada public opinion poll, the majority of Canadians support high-skilled immigration from Asia – regardless of country of origin – as they see it as essential to building Canada's high-tech domestic industries.³⁹ The Canadian government should work to attract this talent, particularly at a time when other countries, especially the United States, are decreasing Asian immigration in line with growing nationalist sentiments. Such measures could include the continuation of a work visa/permanent resident scheme for foreign students who complete courses in Canada and express entry for those with advanced degrees and work experience.

FOREIGN STUDENTS AND HIGHER EDUCATION

More than 60% of foreign students studying in Canada come from Asia, with students from China and India accounting for 50% of total foreign students.⁴⁰ As with the United States, Australia, the United Kingdom, and New Zealand, Canada's domestic universities benefit largely from this foreign student inflow, both in terms of revenue generated and talent acquired. As of 2019, foreign students contributed more than C\$21 billion to the Canadian economy, resulting in more than 190,00 full-time jobs.⁴¹ At the university level, the increase in revenue from foreign students can result in more generous scholarships, greater resources for research and development, and more diversity within a broader student body.

To both support and to manage foreign students coming to Canada from Asia, the government must consider the following issues. First, there is a clear strategic need to diversify foreign students away from China and India to include students from alternative destinations in Asia including Vietnam, Thailand, the Philippines, and Indonesia, among others. Overreliance on Chinese students for revenue, in particular, is a strategic weakness for Canada as the Chinese government has shown it is willing to use government control to restrict Chinese citizens' overseas activities for strategic ends. A 2019 report on the subject noted that three of Canada's largest universities – University of Toronto, the University of British Columbia, and McGill University – would experience 'catastrophic' financial shortfalls in the event China restricted its citizens from studying in Canada.⁴²

'There is a clear strategic need to diversify foreign students away from China and India to include students from alternative destinations in Asia.'

To address this strategic vulnerability through student diversification, the Canadian government has two choices. Ottawa can impose limits on foreign students from any one country to decrease their overall percentage of total foreign students, or increase the number of students from alternative source countries. As imposing ceilings on student visas based on the applicant's country of origin is a lose-lose scenario for both universities and students, increasing students from less-represented source countries is the preferable option.⁴³ To this end, the Trudeau administration took some initiative in 2019, providing around C\$30 million over five years for recruitment activities in Asia (and Latin America) to attract more foreign students.⁴⁴ While certainly an important start, expanding recruitment alone will not address the imbalance within Canada's overseas student population. Rather, Canada could learn from New Zealand and provide direct merit-based scholarships to students from Southeast Asia – many of whom cannot afford to study in Canada – as well as support for the application process through country-based outreach.⁴⁵ Canada could also provide scholarships and paths to citizenship for Asian doctoral candidates, particularly those working in sectors where Canada has high demand for employment. These types of approaches could achieve Canada's student diversification strategy, raise its profile within Asia, and contribute to its domestic economic growth through high-skilled immigration.

Second, Canada needs to develop a strategy to regulate foreign student involvement in domestic research and development within higher education, particularly within fields that its security services deem 'sensitive.' Concern over Chinese students' involvement in domestic research, in particular, has become a central issue in the U.S., Australia, and the U.K. – countries where student involvement in research and development has traditionally been under-regulated. Many of the same concerns that drive debate within those countries exist in Canada. This is not to suggest that Canada engage in country-of-origin profiling around its province- or university- sponsored research and development programs, only that it establish clear guidelines for foreign participation that it applies to all international students involved in such activity. Options could include interim security clearances or monitoring of foreign students' work-related communications during their research tenure. While such policies are onerous and intrusive, they are preferable to a complete ban on foreign involvement in research and development, which is the policy direction in countries like the U.S. that struggle with the balance between foreign involvement and espionage.⁴⁶



Canada could provide scholarships for Asian doctoral candidates to encourage immigration of top talent

Source: Photo by Hike Shaw on Unsplash

FOREIGN INVESTMENT IN CANADA'S DOMESTIC INDUSTRIES

According to APF Canada's 2019 poll on Asian investment in Canada's high-tech sector, Canadians are, by and large, receptive to foreign brownfield and greenfield investment in Canada, with the exception of Chinese investment in the country's telecommunication and resource sectors, particularly by state-owned enterprises.⁴⁷ Concern around China's involvement in telecommunications comes primarily from media reporting on Huawei, as well as the Trump administration's forceful position that the U.S.'s allies and partners exclude Huawei from their telecommunications industry or face the prospect of an intelligence-sharing ban.⁴⁸ The 2019 poll also shows a majority of Canadians (54%) believe the federal government lacks the ability to conduct risk-benefit analysis around Asian investment and that decisions to ban foreign investment on the basis of national security is too secretive and lacks transparency (81%). This data suggests the challenge for Ottawa is not providing greater oversight over Asian investment into Canada, but rather demonstrating to the Canadian public that its deliberations include risk analysis and are open to external scrutiny.

'The challenge for Ottawa is not providing greater oversight over Asian investment into Canada, but rather demonstrating to the Canadian public that its deliberations include risk analysis and are open to external scrutiny.'



Source: Getty Images

The APF Canada poll also notes that 66% of Canadians see Asia as the global leader in science and innovation in the near future. More than 70% of respondents favour the government supporting greater Asian investment in research and development (a trend that is at odds with concerns over Asian students and R&D), particularly from Japan, and developing a state-led approach to encourage Canadian-Asian co-operation in innovation and research. Taking note of these findings, the Canadian government could work to encourage Asian investment in Canada's high-tech sector, with the understanding that it should also develop a transparent means of determining the national security implications of such investment, so long as doing so does not undermine its intelligence capabilities.

IGNORE THE SCAREMONGERING

Within Canada, there is a vocal cohort of academics and analysts who write on the deleterious effects of China's influence on the country's domestic institutions. They argue that China's activities – both overt and covert – are challenging Canadian sovereignty and undermining Canadian values. In contrast to the Australian and New Zealand cases, where analysts have clearly documented Chinese attempts to develop influence through political funding and/or pressure campaigns, the evidence for such Chinese activities in Canada is there – but to date, limited.

'Ottawa should treat unsubstantiated, anecdotal reporting on Chinese influence operations in Canada as a call to develop Asian literacy in the country rather than a call to arms.'

Furthermore, Beijing's ability to 'buy' political influence in Canada is held in check by domestic laws that prohibit foreign campaign funding and ensure transparency under the 2018 Elections Modernization Act. Neither is there compelling evidence that China or any other Asian country is working to influence election outcomes through social media, although Ottawa should (and is) monitoring sites including Facebook and Twitter for foreign sponsored content.

Canada must not turn a blind eye to foreign activities within its borders that could ultimately result in influence development; indeed, Canada should maintain vigilance over this foreign activity. But at present, China has not differentiated itself as a particularly malign actor within Canada's domestic context. Ottawa should, therefore, treat unsubstantiated, anecdotal reporting on Chinese influence operations in Canada as a call to develop Asian literacy in the country rather than a call to arms against one of the country's most important partners.



Source: Chris Slupski | Unsplash

An aerial photograph of a suspension bridge spanning a wide river. The bridge has two large, dark-colored towers and is supported by numerous cables. The water is calm, reflecting the sky. In the background, a city skyline is visible under a clear, bright sky. The foreground shows a dense forest of trees with some autumn-colored foliage.

CHAPTER 4
CONCLUSION



here is no simple formula the Canadian government can follow to develop a grand strategy toward Asia. Canada's interests within the region are diverse and, in some instances, conflicting. Engagement with China – long a government strategy for economic and political diversification – requires an acceptance of the interplay between politics and economics, something Ottawa has been loath to do in the past. Engagement with countries like Myanmar, Cambodia, Thailand, and Vietnam also requires a more realpolitik mindset for Ottawa, as these countries all eschew democracy for authoritarianism. Under U.S. pressure, demonstrating autonomy in foreign policy toward Asia, particularly China, will carry certain costs for Ottawa. As such, the best any Canadian government can do is develop a comprehensive approach to Asia that balances its interests and values and seeks to minimize costs while maximizing gains.

While APF Canada believes there is no one clear approach to Asia that is 'correct,' it does advocate informed policy making that takes regional dynamics into account. This brief has identified what APF Canada believes are the overarching conditions within Asia that Canada must navigate when developing an Asia strategy and has provided parameters around the policy decisions it believes any government must consider. In defining these parameters, APF Canada has used Canada's national interests as a guide, focusing on the core issues of security, sovereignty, and economic growth which, it believes, all Canadian policy-makers will support.

As such, policy-makers should treat this policy paper as a guide upon which they can build a distinct strategy; one that accords with their values and intentions. While it is beyond this brief's scope to spell out such specific policy directions, it provides a starting point for informed discussion from which any government will benefit.

Report prepared by:

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GRANTING & FUNDING

Asia Pacific Foundation of Canada Grants Program

FY2015/16 - FY2019/20

Program Name	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
Canada Asia Agenda	\$7,000	\$1,500	\$4,000	\$3,000	\$500
Junior Research Fellowships	\$62,100	\$103,910	\$133,798	\$93,538	\$187,155
Media Fellowships	\$21,000	\$21,000	\$21,000	\$24,000	\$14,000
MITACS	\$12,300	\$12,300	\$12,300		
PGRF Travel	\$3,821	\$19,994	\$16,977	\$6,626	\$6,222
Policy Research Grants	\$20,000	\$64,339	\$(49,200)	\$12,000	
Post-Graduate Research Scholars	\$207,084	\$180,000	\$122,000	\$200,667	\$124,000
Senior Fellows	\$20,000	\$11,000			
Skills Development Workshops	\$5,322	\$8,525	\$9,093	\$6,658	
Special Initiatives Grants		\$1,000		\$15,000	\$27,912
Misc. Grants	\$2,309	\$7,331	\$194	\$56	\$212
Total Award Amount	\$360,936	\$430,898	\$270,161	\$361,544	\$360,001

Funded Projects

Asia Pacific Foundation of Canada Funded Projects/Events FY2015/16 - FY2019/20

FY 15-16	
Project/Event	Funder
APEC Business Advisory Council - Executive Roundtable	Export Development Canada Global Affairs Canada Huawei Canada Sun Life Financial Services
Asia Business Leaders Advisory Council Meeting, 2016	Export Development Canada Province of BC
Asia Factor – Atlantic Canada	Atlantic Canada Opportunities Agency
Asia Leaders Speaker Series	Borden Ladner Gervais LLP Japan Foundation Moriyama & Teshima Architects Manulife Province of Ontario Royal Bank of Canada
Canada-Asia Energy Futures Project	Camorus Energy Husky Energy Inc. Nexen Inc. Shell Canada Limited. Spectra Energy
Canada Nuclear Energy Roundtable	Caneco Corporation Canada Nuclear Safety Commission Natural Resources Canada Ontario Power Generation SNC-Lavalin Nuclear
China's Energy Commitments - scoping paper	Natural Resources Canada
Philippines Innovation Project	Ryerson University Sun Life Financial Services
Understanding Asia in 2030 - report	Transport Canada

FY 16-17	
Project/Event	Funder
APEC-Canada Growing Business Partnership	Global Affairs Canada
Asia Business Leaders Advisory Council Meeting, 2017	Export Development Canada Province of British Columbia
Asia Competency student activities in Toronto	Sun Life Financial
Asia Connect Program	Global Affairs Canada
Asia Factor – Atlantic Canada	Atlantic Canada Opportunities Agency
Asia Factor – British Columbia	Province of British Columbia

Asia Factor - Ontario	Government of Ontario
Asia Leaders Speaker Series	Bank of China Government of Ontario ICICI Bank Canada Toyota Canada
Asian Literary Lunches Series	Province of British Columbia
Board Meeting in Montreal	Government of Quebec
Canada's Nuclear Opportunity in Asia - report	Natural Resources Canada
China Entrepreneur Dialogues with local communities- roundtable series	AdvantageBC Province of British Columbia
China Research Partnership Website	University of British Columbia's Institute of Asian Research University of Toronto's Munk School of Global Affairs University of Alberta's China Institute Canada China Business Council Ryerson University
Chinese Companies' Outward Investment Survey	Simon Fraser University
Investment Monitor	AdvantageBC Bank of Canada Export Development Canada Province of British Columbia
Kakuhashi Program	Ministry of Foreign Affairs, Japan
Media Fellowship Program	Cathay Pacific
Yuen Pau Woo Travel Award	Yuen Pau Woo Consultants

FY 17-18	
Project/Event	Funder
APEC Business Advisory Council – ABACx Meeting	Kensington Capital Partners Sun Life Financial Services OMERS Ventures Export Development Canada Bombardier Inc Eventmobi (in kind) Nanoleaf (in kind) OneEleven (in kind) The Economist Group (in kind)
APEC Business Advisory Council – ABAC III Meeting	Global Affairs Canada
APEC-Canada Growing Business Partnership	Global Affairs Canada
Asia Business Leaders Advisory Council Meeting, 2018	Government of Ontario Export Development Canada
Asia Competency Training	Government of Saskatchewan
Asia Connect Program	Hong Kong Airlines (in kind)

Asia Connect Studies Showcase	Hong Kong Airlines (in kind)
Asia Factor	Government of Ontario
Asia Leaders' Speaker Series	Sun Life Financial Services Air Canada (in kind)
Asia Pacific Curriculum	Government of British Columbia
Canada-China Track II Energy Dialogue	Natural Resources Canada
China Research Partnership Website	University of British Columbia's Institute of Asian Research University of Toronto's Munk School of Global Affairs University of Alberta's China Institute Canada China Business Council Ryerson University
Clean Tech Working Group	Innovation, Science and Economic Development Canada
India Connect	Anonymous donor
Investment Monitor	Bank of Canada AdvantageBC Export Development Canada
Kakehashi Program	Ministry of Foreign Affairs, Japan
Media Fellowship Program	Cathay Pacific Airways Limited
National Opinion Poll Corporate Briefing in Toronto	Borden Ladner Gervais LLP
Women2Women in the Asia Pacific Roundtable series	Turys LLP (in kind) Bennett Jones LLP (in kind)
Yuen Pau Woo Travel Award	Yuen Pau Woo Consultants

FY 18-19	
Project/Event	Funder
APEC-Canada Growing Business Partnership	Global Affairs Canada
APF Canada Dinner with Saskatchewan Stakeholders	AGT Foods
Asia Business Leaders Advisory Council Meeting, 2019	Air Canada (in kind) CDPQ CPP Investment Board Export Development Canada Invest in Canada Norb International (Hong Kong) Limited OMERS Sun Life Financial Teck Resources Ltd
Asia Connect Program - China Connect - India Connect	Hong Kong Airlines (in kind) Norb Canada Anonymous Donor
Asia Factor in Ontario	Ontario Ministry of Economic Development, Job Creation and Trade

	Communitech (in kind) MARS Discovery District (in kind)
Asia Pacific Curriculum Project	Province of British Columbia, Ministry of Education
Building Bridges: Scaling to Serve 4.5 billion People youth conference	Axiom Zen Kensington Capital Partners Next Canada Nomb Canada Vanedge Capital Western Economic Diversification
Building and Leveraging Canada's China Competence roundtable series	Global Affairs Canada
China Research Partnership Website	University of British Columbia's Institute of Asian Research University of Toronto's Munk School of Global Affairs University of Alberta's China Institute Canada China Business Council Ryerson University
Clean Tech Market Opportunities in China's Tier 2 Cities	Global Affairs Canada – Global Opportunities for Associations
Expanding Four Business Horizons – CPTPP Launch, Vancouver	Global Affairs Canada
Export Development Opportunities for Atlantic Canada in Asia	Atlantic Chamber of Commerce
India Clean Technology Market Demonstration Study	Innovation, Science and Economic Development Canada – Clean Technology, Innovation and Jobs Working Group
Indigenous – Asia Pacific Business Relations Roundtable	Air Canada CP Rail David See-Chai Lam Centre for International Communication LNG Canada Mosaic Forestry Management Teck Resources Limited Vancouver Fraser Port Authority
Innovation in Asia – Strategic Findings for Saskatchewan	Province of Saskatchewan, Ministry of Trade and Export Development
Investment Monitor	AdvantageBC Bank of Canada Export Development Canada Invest in Canada
Kakuhashi Program	Government of Japan
Media Fellowship Program	Cathay Pacific Airways Limited
Miscellaneous Events, Toronto	Air Canada (in kind) Consulate General of Japan in Toronto (in kind) Taipei Economic and Cultural Office (in kind)
Multinational Business Survey in Asia	Export Development Canada Global Affairs Canada Invest in Canada

Canada-China Track II Energy Dialogue	Natural Resources Canada
US-Asia Security Hot Spots to Watch – a series of public and private engagements by Dr. Stewart Patrick	US Embassy Ottawa, Office of Public Affairs David See-Chai Lam Centre for International Communication (in kind)
Western Trade Corridors roundtable	Province of British Columbia, Pacific Gateway Branch, Ministry of Transportation and Infrastructure
Women2Women in the Asia Pacific	Centre for Global Social Policy, University of Toronto Greater Saskatoon Chamber of Commerce Japan's Women's Innovation Network McCarthy Tétrault Nova Scotia Business Inc

FY 19-20	
Project/Event	Funder
Asia Pacific Curriculum Project	Province of British Columbia, Ministry of Education
Canada-China Track II Energy Dialogue	Natural Resources Canada
Canadian representation at the Council for Security Cooperation in the Asia Pacific (CSCAP) meetings	Global Affairs Canada
China Connect program	Norb Canada Wealth Management Ltd
Gala Dinner Celebrating the 90th Anniversary of Canada-Japan Relations	Takada Canada Inc. Beam Suntory Canada Inc. Toyota Inc. Canon Canada Inc. Shiseido (Canada) Inc. Rakuten Kobo Inc. Two Lions Records (in kind)
Export Development Opportunities for Atlantic Canada in Asia	Atlantic Canada Chamber of Commerce Inc.
The Free and Open Indo-Pacific: Charting a Common Approach conference	Fujitsu Intelligence Technology Hitachi Canada Toyota Canada Inc. Mitsui & Co (Canada) Ltd. Global Affairs Canada Ministry of Foreign Affairs, Japan Department of National Defence
Investment Monitor	Export Development Canada Invest in Canada University of Calgary, School of Public Policy
Kakuhashi Program	Government of Japan
Language, Identity, and Heritage Preservation in Global Chinese Communities	National Geographic Society
Media Fellowship Program	Cathay Pacific Airways Limited

Multinational Business Survey in Asia	Export Development Canada
The Global Science and Technology Innovation Ecosystem: Potential disruptions and their implications for the world and Canada – the perspective from Asia	Policy Horizons Canada (Employment and Social Development Canada)
Report on Asia for the Province of Saskatchewan	Province of Saskatchewan
Technology and Geopolitics conference	Business Council of Canada Telus McCarthy Tétrault (in kind) Global Affairs Canada
Women-only Business Missions in Asia – Mission series and related events	Air Canada Manulife Financial Global Affairs Canada Federal Economic Development Agency South Ontario Samantha Thuvosa (in kind)
Yuen Pau Woo Travel Award	Yuen Pau Woo Consultants

In 2015, the John H. McArthur Distinguished Fellowship was established by the John H. McArthur Fellowship Honorary Advisory Committee and the Asia Pacific Foundation of Canada to honour Dr. John H. McArthur, an exemplary Canadian, world-renowned business educator and Chair of the APF Canada Board of Directors from 2006-2015. This fund is managed separately by the Honorary Advisory Committee.



BOARD MEMBERSHIP



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The Honourable Pierre Pettigrew

Chair of the Board, Asia Pacific Foundation of Canada, and Executive Advisor, International, Deloitte Canada

Pierre Pettigrew has many years of leadership experience in both the public and private sectors. Currently, Mr. Pettigrew is executive advisor, International, at Deloitte Canada. Until recently, he was the Government of Canada's special envoy for the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) and regularly arbitrates international trade disputes between countries at the World Trade Organization. The Honourable Pierre Pettigrew

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Pierre Pettigrew has many years of leadership experience in both the public and private sectors. Currently, Mr. Pettigrew is executive advisor, International, at Deloitte Canada. Until recently, he was the Government of Canada's special envoy for the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) and regularly arbitrates international trade disputes between countries at the World Trade Organization in Geneva.

His public sector accomplishments have been substantial at both the federal and provincial levels, where he was a strong advocate for international trade and multilateralism. He was elected as a member of Parliament in March 1996 and held many ministerial portfolios during the following 10 years, including minister of Foreign Affairs, minister for International Trade and minister for International Cooperation. Additionally, Mr. Pettigrew is the author of *The New Politics of Confidence*, a book on globalization and the art of governing.

Marie-Lucie Morin

Vice-chair of the Board, Asia Pacific Foundation of Canada

Marie-Lucie Morin served as Executive Director for Canada, Ireland, and the Caribbean at the World Bank from 2010 to 2013. Before joining the World Bank Ms. Morin pursued a 30-year career in the Federal Public Service.



She was appointed National Security Advisor to the Prime Minister and Associate Secretary to the Cabinet (2008 – 2010); previously served as Deputy Minister for International Trade and as Associate Deputy Minister of Foreign Affairs (2003 -2008). During the earlier years of her career with the Department of Foreign Affairs and International Trade, Ms. Morin completed assignments in San Francisco, Jakarta, London, and Moscow. She was appointed Ambassador to the Kingdom of Norway with concurrent accreditation to the Republic of Iceland (1997 – 2001).

Ms. Morin was awarded the Governor General’s 125th Anniversary of the Confederation of Canada Medal, was named Chevalier de la Légion d’honneur in 2012 and became a member of the Order of Canada in 2016.

Ms. Morin serves on Corporate and not-for-profit Boards; she was an advisor to the Canada Transportation Act Review panel which tabled its Report in December 2016. She is a member of the Security Intelligence Review Committee (SIRC).

Ms. Morin, a lawyer, is a graduate of the Université de Sherbrooke. She was admitted to the Quebec Bar in 1980.

Stewart Beck

President and CEO, Asia Pacific Foundation of Canada

Stewart Beck is the President and CEO of the Asia Pacific Foundation of Canada. Prior to joining APF Canada, Mr. Beck served as the Canadian High Commissioner to the Republic of India with concurrent accreditation to the Kingdom of Bhutan and to Nepal. He joined Canada’s Department of External Affairs and International Trade (now Global Affairs Canada) in 1982 and served abroad in the United States, Taiwan, and the People’s Republic of China. In Ottawa, he held a number of progressively more senior positions, including Director General of the North Asia Bureau, Director General Responsible for Senior Management and Rotational Assignments, and Assistant Deputy Minister for International Business Development, Investment, and Innovation. He was Consul General in Shanghai and prior to his posting to India, he was Consul General in San Francisco.

Jean Charest

Partner, McCarthy Tétrault LLP; Premier of Québec (2003-2012); Member of the Queen’s Privy Council for Canada

Jean Charest is a Partner at McCarthy Tétrault LLP. He provides invaluable expertise to the firm’s clients with his in-depth knowledge and experience with public policy, corporate Canada and international matters. As a strategic advisor with a unique perspective, he



supports clients on complex transactions, projects and international mandates as they navigate the global business environment.

With a public service career spanning almost 30 years, Jean Charest is one of Canada's best-known political figures. Mr. Charest was first elected to the House of Commons in 1984 and, at age 28, became Canada's youngest cabinet minister as Minister of State for Youth.

In 1991, he was named Minister of the Environment and, a year later, he led Canada's delegation at the 1992 Earth Summit on the economy and the environment in Rio. At the summit he was praised for his leadership role among G7 countries on climate change and biodiversity.

In 1993, Mr. Charest was named Minister of Industry and Deputy Prime Minister of Canada. Moreover, in 1994, Jean Charest was chosen Leader of the federal Progressive Conservative Party, becoming the party's first French Canadian leader. He held that post until 1998 when he became the leader of the Quebec Liberal Party. Mr. Charest then broke a 50-year provincial record by winning three consecutive election campaigns in 2003, 2007 and 2008.

The Honourable Jean Charest is notably the initiator of the negotiation for the Canada-European Union Comprehensive Economic Trade Agreement (CETA). Furthermore, the Charest government initiated an unprecedented labour mobility agreement between France and Québec and was best known for a major initiative for the sustainable development of Northern Québec called "Plan Nord."

Lisa de Wilde

Former Chief Executive Officer, TVO

Lisa de Wilde is a well-known Canadian media executive and business leader. She served as chief executive officer of TVO from 2005 to 2019, envisaging and leading its transformation into Ontario's digital learning organization. Prior to leading TVO, Ms. de Wilde was president and CEO of Astral Television, a partner at a law firm, and legal counsel for the Canadian Radio-television and Telecommunications Commission. She has also been recognized for her work in the public policy arena and serves as a director on a number of boards in the public and private sectors. Ms. de Wilde was named a member of the Order of Canada in 2015. She is based in Toronto.

Kevin Falcon

Executive Vice-President, Anthem Capital

Mr. Falcon is British Columbia's former Deputy Premier and Minister of Finance. Mr. Falcon



currently serves as Executive Vice-President with Anthem Capital based in Vancouver, BC.

Mr. Falcon served for twelve years in various senior cabinet positions in the BC government prior to his decision to retire in August, 2012. As Minister of State for Deregulation, Falcon led the BC government's successful effort to reduce unnecessary red tape by more than 40% in government's first mandate. He further served for six years as Minister of Transportation and Infrastructure, overseeing the largest transportation capital program in BC history.

During his time as Minister of Health he led initiatives to improve productivity in the public health care system, such as Patient Focused Funding, supply chain consolidation amongst Health Authorities and support for population based lifestyle and dietary changes. As Minister of Finance, he worked closely to promote British Columbia's financial strengths amidst great global uncertainty.

Falcon is a recipient of the Queen's Diamond Jubilee medal for his significant contributions to British Columbia and Canada. Prior to his public career, Falcon was Vice President of Northwest Investment Properties and received his Bachelor of Arts degree from Simon Fraser University and his real estate education from the University of British Columbia.

Brian Gallant

Former Premier, Province of New Brunswick

Brian Gallant is a Special Advisor on Innovation, Cybersecurity, and Law to the President of Ryerson and is an Entrepreneur in Residence for the world-renowned DMZ incubator. Moreover, as the NGO Global Canada's Chief Sustainability Officer, he is working on strengthening the relationship between business and society, promoting sustainable development, and ensuring corporate social responsibility is at the forefront of our country's private sector.

In 2014, Brian Gallant was sworn in as the Premier of New Brunswick at the age of 32 making him the youngest elected First Minister in Canada in a century.

When he became Premier, his government invested heavily in education and childcare and in initiatives that enhance New Brunswick's competitiveness in order to increase its exports and grow its population.

To bolster exports, his government also focused on strengthening the trading relationship with the United States and further diversifying New Brunswick's export markets. Mr. Gallant lead several trade and diplomatic missions to the United States, Asia, Africa, and the European Union.

In addition to Premier, Mr. Gallant served New Brunswick as the Attorney General, the Minister responsible for Innovation, and the Minister responsible for Women's Equality.

In 2015, he co-lead the development of the Council of the Federation's Canadian Energy Strategy. Moreover, as a member of the New England Governors and Eastern Canadian Premiers meetings and as co-chair of the meeting in 2018 held in Vermont, Mr. Gallant was able to help advance important initiatives such as collaboration on energy and combating



climate change between the jurisdictions of New England and Eastern Canada.

Mr. Gallant lead all Canadian premiers in 2018 as the Chair of the Council of the Federation.

In 2015, he was the only Canadian named as a Young Global Leader by the World Economic Forum.

Prior to entering politics, Mr. Gallant worked as a lawyer. He has university degrees in business and law as well as a Master in Laws from McGill.

Melissa Kennedy

Executive Vice-President, Chief Legal Officer & Public Affairs, Sun Life Financial

Melissa Kennedy is responsible for Sun Life Financial's worldwide legal, compliance, corporate secretarial, and public affairs functions and is the executive sponsor of sustainability at Sun Life.

Through proactive legal consultation and sound compliance and governance frameworks, Melissa and her teams are responsible for guiding the organization to deliver on its purpose to help clients achieve lifetime financial security and live healthier lives.

Melissa joined Sun Life in 2014 with a breadth of experience spanning private practice, regulatory, and in-house roles. Prior to joining Sun Life, she was Senior Vice-President, General Counsel and Corporate Affairs, for the Ontario Teachers' Pension Plan, one of Canada's largest pension funds. Melissa started her career in private practice, followed by roles as head of the prosecution team at the Ontario Securities Commission and as Vice-President, Associate General Counsel, at a major Canadian bank.

A passionate advocate for diversity and inclusion, Melissa is a founding member of Legal Leaders for Diversity and Inclusion, a group of Canadian General Counsel that promotes diversity and inclusiveness in the legal community. In 2017, Melissa received the Distinguished Alumnus Award from the University of Toronto, Faculty of Law, and in 2016, The Women's Executive Network recognized her as one of Canada's Most Powerful Women. In recognition of her teams' efforts to embed sustainability practices into the Sun Life culture and operations, Melissa was awarded the 2017 Environmental, Social and Governance award from the Canadian General Counsel Awards.

John Knuble

Former Deputy Minister, Innovation, Sciences and Economic Development Canada

John Knuble was the Deputy Minister of Innovation, Science and Economic Development from September 2012 to June 30 2019. Before he stepped down from government, John had been a longstanding public servant with experience in over eight departments, including the Privy Council Office, Agriculture and Agrifood Canada, Transport and Infrastructure Canada, Natural Resources Canada as well as the Atlantic Canada Opportunities Agency. John lives in Ottawa and has degrees in politics and economics from Yale, Oxford, Harvard, and Nice universities.



Peter Kruyt

Senior Advisor, Power Corporation of Canada

Peter Kruyt is Senior Advisor, Power Corporation of Canada, and Chair of Power Pacific Corporation Limited, a subsidiary of Power Corporation, one of the corporation's equity investment funds. He is Vice-Chair of Power Energy Corporation, and is a director of Lion Electric Company and Potentia Renewables Inc.

Peter became a member of the board of directors of the Asia Pacific Foundation of Canada in 2016 and was appointed chair of the Board of the McGill University Health Centre in 2017 and chair of the Board of the Research Institute of the McGill University Health Centre in 2019. He is also a director of Tennis Canada.

When he joined Power Corporation in 1981, Peter served as Executive Assistant to Paul G. Desmarais, who, at the time, was the Chair and Chief Executive Officer. Peter took over as President and Chief Executive Officer of Power Broadcasting Inc. from 1987 to 2000 and President and Chief Executive Officer of Power Technology Investment Corporation from 2000 until 2009. He was Vice-President of Power Corporation from 1996 to 2017. He was a director of Great West Lifeco Inc. from 2003 to 2008, of Bellus Inc. from 2002 to 2009, of Bombardier Sifang Power (Qingdao) Transportation Ltd. and of La Presse, Itée from 1985 to 2016. He also served as an alternate director on the board of CITIC Pacific Ltd. in Hong Kong from 2003 to 2014.

Peter was Chair of the Canada China Business Council from 2003 to 2018 and director of Eagle Creek Renewable Energy Inc. from June 2013 to November 2018. He served on the board of the St. Mary's Hospital Foundation and of the Center for Interuniversity Research and Analysis on Organizations (CIRANO). He was also a member of the Board of Governors of Concordia University from 2000 to 2005 and served as Chair from 2005 to 2012.

He was a member of the advisory board of the School of Business at Memorial University of Newfoundland, a director of the Canadian Association of Broadcasters and chaired the Government Task Force on Digital Radio in 1992.

Peter obtained a Bachelor of Commerce degree from Concordia University and an MBA from the European Institute of Business Administration (INSEAD).

Christopher Labelle

Co-founder and Chief Operating Officer, Mosaic Manufacturing

Christopher Labelle is an entrepreneur and mentor in the tech start-up community. He is the co-founder and chief operating officer of Mosaic Manufacturing, a Canadian-based advanced manufacturing company that specializes in 3D printing. Mr. Labelle has extensive experience in developing business partnerships and supply chains outside North America, most notably in Asia. Mr. Labelle is also a founding board member of the Cansbridge Fellowship which aims to discover Canada's future entrepreneurs and leaders at the university level by funding their experiential learning through work terms in Asia.



Paul Lee

Managing Partner of Vanedge Capital Partners

Paul Lee is the founder and a Managing Partner of Vanedge Capital Partners, a Vancouver-based venture capital fund focused on making investments in gaming, digital media, SaaS solutions for small and medium business, enterprise software, and cyber security. Vanedge invests in visionary entrepreneurs and fast growing companies that are poised to disrupt an incumbent business, or create a new market via the introduction of new technologies and business models. The fund is particularly focused on companies that are capitalizing on opportunities brought about by the shift to mobile, transition to digital, and migration to cloud-based computing.

Mr. Lee was the former President of Electronic Arts, Inc. (EA), the global leader in interactive computer and videogame software, and was responsible for all product development within its Worldwide Studios Group.

Mr. Lee has been an active angel investor with successful investments in: Distinctive Software, a games developer, sold to EA in 1991; ALI Technologies, a digital radiology information systems company, sold to McKesson in 2002; ActiveState, a spam-management and open-source software company sold to Sophos in 2003; Blast radius, a leading strategic interactive marketing agency, sold in 2007 to the WPP Group; and Bycast, an enterprise cloud storage provider, sold to NetApp in 2010. Mr. Lee is Chair of D-Wave Systems and on the Board of Directors of Recon Instruments, Privacy Analytics and Pacific BioEnergy.

Mr. Lee was awarded the Outstanding Young Alumnus Award from UBC in 1996, and the B.C. Technology Industries Association Person of the Year Award in 2002. He received the Commemorative Medal for the Golden Jubilee of Her Majesty Queen Elizabeth II in 2003 and was recognized as an Honorary Fellow of UBC's Sauder School of Business in 2005. In 2009 he was awarded an Honorary Master's Degree from the Master's of Digital Media Program at Great Northern Way.

Kevin Lynch

Former Vice Chairman, BMO Financial Group

The Honourable Kevin Lynch served as the Vice Chairman of BMO Financial Group from 2010 to 2020. Prior to that, he was a distinguished former public servant with 33 years of service with the Government of Canada, serving as Clerk of the Privy Council, Secretary to the Cabinet, Deputy Minister of Finance, Deputy Minister of Industry as well as Executive Director for Canada at the International Monetary Fund.

Dr. Lynch is the past Chancellor of the University of King's College, the past Chair of the Board of Governors of the University of Waterloo, a Senior Fellow of Massey College and a Trustee of the Killam Trusts. Since retiring from government, he has written over 140 policy



Op Ed's and articles and speaks frequently at conferences in Canada and abroad.

Dr. Lynch chairs the Board of Directors of SNC Lavalin and is a director of CN Railway and CNOOC (China National Overseas Oil Company). As well, Dr. Lynch is a Director of Communitech, the Governor General's Rideau Hall Foundation and the Asia Pacific Foundation of Canada as well as a Member of the Expert Advisory Group on Digitization and Innovation at the OECD and a Member of the WEF Committee on "Balancing Financial Stability, Innovation and Economic Growth."

Previously, Dr. Lynch served on the boards of the Ditchley Foundation of Canada (Chair), the Accounting Standards Oversight Council (ASOC), the Ontario Rhodes Scholarship Selection Committee, the Princess Margaret Hospital Foundation, the Gairdner Foundation, the Perimeter Institute, the Bank of Canada, Empire (Sobeys), Canadian Deposit Insurance Corporation (CDIC), the Business Development Bank of Canada (BDC), BMO China and the Cape Breton Development Corporation.

Dr. Lynch earned his BA from Mount Allison University, a Masters in Economics from the University of Manchester and a doctorate in Economics from McMaster University. He was made a Member of the Queen's Privy Council for Canada in 2009, was appointed an Officer of the Order of Canada in 2011, has received 11 honorary doctorates from Canadian Universities and was awarded the Queen's Golden and Diamond Jubilee Medals for public service.

John Montalbano

Principal, Tower Beach Capital Ltd.

John Montalbano built his career in asset management, first as an equity analyst and then as an institutional portfolio manager at Phillips, Hager & North Investment Management Ltd. (PH&N), where he was appointed President in 2005. In 2008, when the Royal Bank of Canada acquired PH&N, John became CEO of RBC's newly expanded asset management business, known as RBC Global Asset Management (RBC GAM).

By 2015, when he retired as CEO, RBC GAM had clients in over 40 countries, managing in excess of \$370 billion of assets. RBC GAM maintained offices in Canada, the United States, the United Kingdom and Hong Kong, as well as a joint venture headquartered in Beijing, China. As Vice Chairman of RBC Wealth Management, John was focused on business development and special projects for the Royal Bank of Canada. In 2017, John was appointed as a Director of the Canada Pension Plan Investment Board.

John holds a Chartered Financial Analyst designation and a Bachelor of Commerce, with Honours, from the University of British Columbia (UBC). He is a Leslie Wong Fellow of the UBC Portfolio Management Foundation and also holds an Honorary Doctorate of Letters from Emily Carr University.



John's community contributions include: Trustee of the Killam Trusts, in support of graduate studies at institutions across Canada; member of the Investment Committee, Canada Council for the Arts; Chair of the Vancouver Public Library Capital Campaign and serves as Director for the Boards of Junior Achievement British Columbia, The Vancouver Police Foundation and St. Paul's Hospital Foundation.

Lois Nahirney

President and CEO, dnaPower Inc.

Dr. Lois Nahirney is the President and CEO of dnaPower Inc. Her businesses are revolutionizing preventative healthcare by bringing state of the art DNA information to people to help them make better health decisions based on their unique genetic makeup. Prior to becoming a biotech entrepreneur, Lois was the Executive Vice-President, Corporate Resources for Teekay Corporation and a global senior executive with BC Hydro, WMC, ACL, Crystal Decisions and Fletcher Challenge.

Lois has a Doctorate of Business Administration from Asia Pacific International University. She also has a Master of Business Administration from Ivey Business School and a Bachelor of Arts in Economics and Political Science from UBC. She was an international Rotary scholar in New Zealand, an intern in the Prime Minister's Office and has a Fellow in Board Governance designation.

Lois advised the BC Government on gender equity as Chair of the Premier's Women's Economic Council, and creates impact in the community as Co-Chair of WE for SHE, National Co-Chair of the Women's Executive Network, and board member of Vietnam Education Society (VES), a charity that builds schools in Vietnam and sends girls at high risk of being trafficked to summer camps and school on scholarships.

For her work, Lois has been recognized with awards for Canada's Most Powerful Women: Top 100, BIV Influential Women in Business, YWCA Women of Distinction, BC Business Women of Influence, Canada 150 Community Service and CCDI Community Contributor of the Year. VES was awarded a Medal of Honour from the Vietnamese Government for its contributions to girls and youth in Vietnam.

Sandra Pupatello

President, Canadian International Avenues

Sandra Pupatello was first elected to the Ontario Legislature in 1995 and was appointed to Cabinet in 2003. She served most of her years in Cabinet as Minister of Industry and Trade, where she led trade delegations in most major markets around the world and provided steady leadership through a uniquely challenging economic climate. Sandra chose to enter the private sector launching her management consulting firm, Canadian International Avenues, after leaving office in 2011. She subsequently worked with PwC Canada as the firm's Strategic Advisor: Industry, Global Markets & Public Sector. Sandra's depth of



experience, network of business contacts, global experience, and public profile enabled her to drive growth for the firm and its clients, domestically and on the global stage.

Sandra sits on the boards of Martinrea International Inc., a global auto parts maker, the Asia Pacific Foundation of Canada, and is Chair of the Pearson Centre, a centrist think-tank based in Ottawa. She is Vice-chair of Ontario Global 100, which is instrumental in encouraging trade among Ontario companies. She is also the former Chair and Board member of Hydro One, Canada's largest transmission company.

Sandra's ongoing commitment to community betterment and mentoring women who aspire to lead led to her receiving the Women's Executive Network's (WXN) Top 100 Canada's Most Powerful Women award. She was recently awarded the Business Woman of the Year by the ICCO in Toronto, Canada, and the Innovation and Global Growth Award by the Bank of Montreal, one of Canada's largest banks.

Constance Sugiyama

President, ConMark Strategy Inc.

Constance Sugiyama is the president of ConMark Strategy Inc., providing high-level strategy advice and solutions to the public and private sectors. Prior to retiring, she had a long and distinguished career in law, specializing in corporate finance and mergers and acquisitions. Ms. Sugiyama has served on many boards and advisory committees and currently serves on the boards of the Ontario Financing Authority (Vice Chair), the Mount Pleasant Group, the Canadian Foundation for Healthcare Improvement and the Gairdner Foundation. Formerly, she was the Chair of the Board of Trustees of The Hospital for Sick Children and also served on the boards of, among others, the Toronto International Film Festival, The Nikko Securities Co. Canada Ltd., the Japan Society and, the Japanese Canadian Cultural Centre. She has been a member of the Order of Canada since 2014 and is based in Toronto.

FRENCH

L'honorable Pierre Pettigrew

Président du conseil d'administration, Fondation Asie Pacifique du Canada, conseiller de direction, affaires internationales, Deloitte Canada

M. Pierre Pettigrew occupe des postes de leadership dans les secteurs privé et public depuis de nombreuses années. À l'heure actuelle, il est conseiller de direction aux affaires internationales chez Deloitte Canada. Jusqu'à récemment, il était envoyé spécial du Canada pour l'Accord économique et commercial global entre le Canada et l'Union européenne (AECG), et il arbitre régulièrement des différends commerciaux entre des membres de



l'Organisation mondiale du commerce à Genève.

M. Pettigrew a laissé sa marque sur le secteur public, tant sur la scène fédérale que provinciale, où il a milité vigoureusement en faveur du commerce international et du multilatéralisme. Il a été élu député en mars 1996 et a occupé de nombreux postes ministériels au cours des 10 années qui ont suivi : il a notamment été ministre des Affaires étrangères, ministre du Commerce international et ministre de la Coopération internationale. En outre, il a publié l'ouvrage intitulé *Pour une politique de la confiance*, qui porte sur la mondialisation et l'art de gouverner.

Marie-Lucie Morin

Vice-présidente du conseil d'administration, Fondation Asie Pacifique du Canada

Marie-Lucie Morin a occupé le poste d'administratrice pour le Canada, l'Irlande et les Caraïbes au sein de la Banque mondiale de 2010 à 2013. Auparavant, elle a travaillé 30 ans au sein de la fonction publique fédérale.

De 2003 à 2008, elle a été sous-ministre du Commerce international et sous-ministre déléguée des Affaires étrangères avant d'être, de 2008 à 2010, conseillère à la sécurité nationale auprès du premier ministre du Canada et secrétaire associée du Cabinet. Son parcours au sein du ministère des Affaires étrangères et du Commerce international a mené Mme Morin à être affectée à San Francisco, Jakarta, Londres et Moscou. En 1997, elle a été nommée ambassadrice du Canada auprès du Royaume de Norvège avec accréditation simultanée auprès de la République d'Islande, poste qu'elle a occupé jusqu'en 2001.

Récipiendaire de la médaille du Gouverneur général à l'occasion du 125^e anniversaire de la Confédération du Canada, elle a également reçu en 2012 la distinction de Chevalier de la Légion d'honneur. En 2016, elle est devenue membre de l'Ordre du Canada.

Mme Morin a fait partie de plusieurs conseils d'administration d'entreprises caritatives et non caritatives. En décembre 2016, elle était conseillère au sein du panel conduisant l'Examen de la loi sur les transports au Canada. Elle est membre du comité de surveillance des activités de renseignements de sécurité (CSARS).

Une avocate titulaire d'un diplôme en droit de l'Université de Sherbrooke, Mme Morin a été admise au Barreau du Québec en 1980.

Stewart Beck

Président et chef de la direction, Fondation Asie Pacifique du Canada

Stewart Beck est le président et chef de la direction de la Fondation Asie Pacifique du Canada. Auparavant, M. Beck était le Haut-commissaire canadien auprès de la République de l'Inde avec accréditation simultanée auprès du Bhoutan et du Népal. Il est entré au



ministère des Affaires extérieures et du Commerce extérieur en 1982 et a été affecté aux États-Unis, à Taïwan et en République populaire de Chine. Il a occupé plusieurs postes à Ottawa, dont ceux de directeur général, Direction générale de l'Asie du Nord, de directeur général, Services aux cadres supérieurs et affectations aux postes permutants, et il a été sous-ministre adjoint, Développement du commerce international, investissement et innovation. Il a été consul général pour Shanghai et avant son affectation en Inde, il était consul général pour San Francisco.

Jean Charest

Associé, McCarthy Tétrault s.r.l.; Premier ministre du Québec (2003-2012); Membre du Conseil privé de la Reine pour le Canada

Jean Charest est associé au cabinet juridique McCarthy Tétrault. Il apporte une expertise inestimable aux clients du cabinet, grâce à sa connaissance approfondie et à sa vaste expérience de la politique publique, du secteur des affaires au Canada et des questions internationales. En tant que conseiller stratégique doté d'une perspective unique, il accompagne les clients lors d'opérations, de projets et de mandats internationaux particulièrement complexes, en les guidant à travers les rouages du monde des affaires à l'échelle mondiale.

Fort d'une carrière de près de 30 ans consacrée au service public, M. Charest est l'une des personnalités politiques les plus connues du Canada. Élu pour la première fois à la Chambre des communes en 1984 à l'âge de 28 ans, il devient le plus jeune membre du Conseil des ministres de l'histoire du Canada, lorsqu'on lui confie le ministère d'État à la Jeunesse.

En 1991, il est nommé ministre de l'Environnement, et, un an plus tard, il dirige la délégation canadienne au Sommet de la Terre de Rio sur l'économie et l'environnement. Durant le sommet, son leadership au sein des pays du G7 en matière de changement climatique et de biodiversité lui vaut des éloges.

En 1993, M. Charest est nommé ministre de l'Industrie et vice-premier ministre du Canada. L'année suivante, il est nommé chef du Parti progressiste-conservateur, devenant ainsi le premier Canadien-Français à prendre la tête du parti. Il occupe ce poste jusqu'en 1998, lorsqu'il devient chef du Parti libéral du Québec. Par la suite, en remportant trois mandats consécutifs lors des élections provinciales de 2003, 2007 et 2008, il a établi un nouveau record qui n'avait pas été atteint depuis 50 ans.

Lisa de Wilde

Ancienne chef de la direction, TVO

Mme Lisa de Wilde est bien connue en tant que cadre supérieure dans le domaine des médias et chef d'entreprise au Canada. Elle a occupé les fonctions de chef de la direction de TVO de 2005 à 2019, dont elle a conçu et dirigé la transformation pour en faire l'organisation d'apprentissage numérique de l'Ontario. Avant de diriger TVO, Mme



de Wilde a été présidente et chef de la direction d'Astral Television, associée dans un cabinet d'avocats et conseillère juridique auprès du Conseil de la radiodiffusion et des télécommunications canadiennes (CRTC). Elle a aussi été reconnue pour son travail dans le domaine des politiques publiques et elle siège à de nombreux conseils d'administration dans les secteurs public et privé. Mme de Wilde a été nommée membre de l'Ordre du Canada en 2015 et elle est installée à Toronto.

Kevin Falcon

Vice-président directeur, Anthem Capital

Ancien vice-premier ministre et ministre des Finances de la Colombie-Britannique, M. Falcon occupe actuellement le poste de vice-président directeur chez Anthem Capital à Vancouver.

Au cours de ses douze ans de service au sein du gouvernement provincial, M. Falcon a occupé plusieurs postes ministériels importants avant de se retirer de la vie publique en août 2012. À titre de ministre d'État à la Déréglementation, il a dirigé l'initiative réussie du gouvernement britanno-colombien de réduire les lourdeurs administratives de plus de 40 % au cours de son premier mandat. Par la suite, il a occupé pendant six ans le poste de ministre des Transports et des Infrastructures, administrant le plus grand budget d'immobilisations dans les transports dans l'histoire de la province.

Au cours de son mandat de ministre de la Santé, il a encadré les efforts d'accroître l'efficacité du système de soins de santé par des initiatives comme le financement axé sur les patients, la consolidation des chaînes d'approvisionnement des régies de santé et la promotion de changements dans le mode de vie et d'alimentation de la population. À titre de ministre des Finances, il s'est appliqué à préserver et améliorer la santé financière de la Colombie-Britannique parmi les incertitudes de l'économie mondiale.

M. Falcon a reçu le prix du Jubilé de diamant de la Reine en reconnaissance de ses contributions considérables à la Colombie-Britannique et au Canada. Avant de faire carrière dans la fonction publique, M. Falcon était vice-président de Northwest Investment Properties. Il est titulaire d'un baccalauréat ès arts de l'Université Simon Fraser et a fait des études en affaires immobilières à l'Université de Colombie-Britannique.

Brian Gallant

Ancien premier ministre, province du Nouveau-Brunswick

Brian Gallant est conseiller spécial en matière d'innovation, de cybersécurité et de droit auprès du recteur de Ryerson et est entrepreneur en résidence à DMZ, un incubateur de renommée mondiale. De plus, en tant que directeur du développement durable de l'ONG Global Canada, il s'emploie à renforcer les relations entre les entreprises et la société, à promouvoir le développement durable et à veiller à ce que la responsabilité sociale des entreprises soit au premier plan dans le secteur privé de notre pays.



En 2014, Brian Gallant a été assermenté en tant que premier ministre du Nouveau-Brunswick à l'âge de 32 ans, ce qui fait de lui le plus jeune premier ministre élu au Canada depuis un siècle.

Pendant son mandat de premier ministre, son gouvernement a investi massivement dans l'éducation et la garde d'enfants, ainsi que dans des initiatives visant à améliorer la capacité concurrentielle du Nouveau-Brunswick, afin d'accroître ses exportations et sa population.

Pour stimuler les exportations, son gouvernement s'est également attaché à renforcer les relations commerciales avec les États-Unis et à diversifier davantage les marchés d'exportation du Nouveau-Brunswick. M. Gallant a dirigé plusieurs missions commerciales et diplomatiques aux États-Unis, en Asie, en Afrique et au sein de l'Union européenne.

En plus d'être premier ministre, M. Gallant a servi le Nouveau-Brunswick à titre de procureur général, de ministre responsable de l'Innovation et de ministre responsable de l'Égalité des femmes.

En 2015, il a codirigé la mise sur pied de la Stratégie canadienne de l'énergie du Conseil de la fédération. De plus, en tant que membre des réunions des gouverneurs de la Nouvelle-Angleterre et des premiers ministres de l'Est du Canada, et en tant que coprésident de la réunion de 2018 qui s'est tenue au Vermont, M. Gallant a pu contribuer à faire avancer d'importantes initiatives comme le cadre de collaboration sur l'énergie et la lutte contre le changement climatique entre les administrations de la Nouvelle-Angleterre et de l'est du Canada.

M. Gallant a également été à la tête de tous les premiers ministres canadiens en 2018, dans son rôle de président du Conseil de la fédération.

En 2015, il a été le seul Canadien à être nommé Jeune leader mondial par le Forum économique mondial.

Avant d'entrer en politique, M. Gallant a travaillé comme avocat. Il est titulaire de diplômes universitaires en commerce et en droit ainsi que d'une maîtrise en droit de l'Université McGill.

Melissa Kennedy

Vice-présidente générale, affaires publiques et première directrice des affaires juridiques, Financière Sun Life

En plus d'être la haute responsable de la durabilité à la Financière Sun Life, Melissa Kennedy assume la responsabilité des activités liées aux affaires juridiques, au contrôle de la conformité, au secrétariat général et aux affaires publiques de la compagnie à l'échelle mondiale.

Par l'intermédiaire de services de consultation juridique proactive et des cadres de conformité et de gouvernance solides, Melissa et ses équipes se chargent de guider l'organisation dans la mise en œuvre de sa raison d'être : aider les clients à atteindre une sécurité financière durable et un mode de vie sain.



Melissa est entrée au service de la Financière Sun Life en 2014 avec une vaste expérience acquise en cabinet privé et en entreprise ainsi que dans des postes de réglementation. Avant de se joindre à la compagnie, elle occupait le poste de vice-présidente principale, Conseil général et Affaires générales pour le Régime de retraite des enseignantes et des enseignants de l'Ontario, une des plus importantes caisses de retraite du Canada. Melissa a commencé sa carrière en cabinet privé. Elle est par la suite devenue directrice de l'équipe responsable des poursuites de la Commission des valeurs mobilières de l'Ontario puis vice-présidente, avocate générale associée au sein d'une grande banque canadienne.

Ardente partisane du concept de la diversité et de l'intégration, Melissa est membre fondatrice de Legal Leaders for Diversity, un groupe du Canadian General Counsel qui fait la promotion de la diversité et de l'intégration au sein de la communauté juridique. En 2017, elle a reçu le Distinguished Alumnus Award de la faculté de droit de l'Université de Toronto et, en 2016, a été reconnue comme l'une des Canadiennes les plus influentes par le Réseau des femmes exécutives en 2016. En raison des efforts déployés par son équipe en vue d'intégrer des pratiques de durabilité aux activités et à la culture de la Financière Sun Life, Melissa a aussi remporté un prix des Canadian General Counsel Awards 2017, dans la catégorie de l'environnement, de l'engagement social et de la gouvernance.

John Knuble

Ancien sous-ministre, Innovation, Sciences et Développement économique Canada

John Knuble a été sous-ministre de l'Innovation, des Sciences et du Développement économique de septembre 2012 au 30 juin 2019. Avant de quitter le gouvernement, John a été un fonctionnaire de longue date ayant de l'expérience dans plus de huit ministères, dont le Bureau du Conseil privé, Agriculture et Agroalimentaire Canada, Transports et Infrastructure Canada, Ressources naturelles Canada ainsi que l'Agence de promotion économique du Canada atlantique. Établi à Ottawa, John détient des diplômes en politique et en économie des universités Yale, Oxford, Harvard et de Nice.

Peter Kruyt

Conseiller principal, Power Corporation du Canada

Peter Kruyt est conseiller principal de Power Corporation du Canada et président de Power Pacific Corporation Limited, une filiale de Power Corporation, qui est l'un des fonds de placement en actions de la société. Il est vice-président du conseil d'administration de Power Energy Corporation et administrateur de Lion Electric Company et de Potentia Renewables Inc.

Peter est devenu membre du conseil d'administration de la Fondation Asie Pacifique du Canada en 2016 et a été nommé président du conseil d'administration du Centre universitaire de santé McGill en 2017 et président du conseil de l'Institut de recherche du Centre universitaire de santé McGill en 2019. Il est également membre du conseil d'administration de Tennis Canada.



Lorsqu'il a grossi les rangs de Power Corporation en 1981, c'était à titre d'adjoint de direction de M. Paul G. Desmarais, qui était alors le président du conseil d'administration et le chef de la direction. Peter est devenu président et chef de la direction de Diffusion Power Inc. de 1987 à 2000 et président et chef de la direction de la Corporation d'investissements en technologies Power de 2000 à 2009. Il a été vice-président de Power Corporation de 1996 à 2017. Il a siégé au conseil de Great West Lifeco Inc. de 2003 à 2008, de Bellus Inc. de 2002 à 2009, de Bombardier Sifang Power (Qingdao) Transportation Ltd. et de La Presse Itée, de 1985 à 2016. Il a également été administrateur suppléant au conseil de CITIC Pacific Ltd. à Hong Kong, de 2003 à 2014.

Peter a présidé le Conseil d'affaires Canada-Chine de 2003 à 2018 et a été administrateur d'Eagle Creek Renewable Energy Inc., de juin 2013 à novembre 2018. Il a siégé aux conseils d'administration de la Fondation de l'Hôpital St. Mary et du Centre interuniversitaire de recherche en analyse des organisations (CIRANO). Enfin, il a également été membre du conseil des gouverneurs de l'Université Concordia de 2000 à 2005, qu'il a présidé de 2005 à 2012.

Il a été membre du conseil consultatif de la Faculté d'administration des affaires de l'Université Memorial de Terre-Neuve, administrateur de l'Association canadienne des radiodiffuseurs et président du Groupe de travail gouvernemental sur la radio numérique en 1992.

Peter possède un baccalauréat en commerce de l'Université Concordia et une maîtrise en administration des affaires (MBA) de l'Institut européen d'administration des affaires (INSEAD).

Christopher Labelle

Cofondateur et chef de l'exploitation, Mosaic Manufacturing

M. Christopher Labelle est entrepreneur et mentor dans le secteur des jeunes entreprises spécialisées dans la technologie. Il a fondé Mosaic Manufacturing, une entreprise canadienne de fabrication de pointe qui se spécialise dans l'impression en trois dimensions. En tant que cofondateur et chef de l'exploitation, M. Labelle possède une vaste expérience de la création de partenariats commerciaux et de chaînes d'approvisionnement à l'extérieur de l'Amérique du Nord, notamment en Asie. Il est aussi membre fondateur du conseil d'administration du Cansbridge Fellowship, qui vise à découvrir les futurs entrepreneurs et leaders du Canada au niveau universitaire en finançant leur apprentissage expérientiel au moyen d'un stage de travail en Asie. M. Labelle vit à Toronto.

Paul Lee

Associé directeur, société Vanedge Capital Partners

Paul Lee est le fondateur et l'un des associés directeurs de Vanedge Capital Partners, une société de capital-risque située à Vancouver et dont les créneaux sont les médias



numériques, les solutions de logiciel service (SaaS), les logiciels d'entreprise et la cybersécurité. Vanedge investit dans des entrepreneurs visionnaires et des sociétés en plein essor qui sont prêtes à révolutionner un domaine d'activité établi ou à créer un nouveau marché à l'aide de nouvelles technologies et de nouveaux modèles d'affaires. Le fonds privilégie les sociétés qui tirent parti des possibilités que présentent l'adoption des technologies mobiles, la transition vers le numérique et la migration vers l'infonuagique.

Ancien président d'Electronic Arts, Inc. (EA), un chef de file mondial dans les domaines des logiciels interactifs et des jeux vidéo, M. Lee assumait le développement de tous les produits au sein de son entreprise Worldwide Studios Group.

Il a joué un rôle d'investisseur providentiel dans les opérations fructueuses relatives aux entreprises suivantes : Distinctive Software, un développeur de jeux, vendu à EA en 1991; ALI Technologies, une société de systèmes d'information en radiologie numérique, vendue à McKesson en 2002; ActiveState, un fabricant de logiciels de source libre et de gestion des pourriels, vendu à Sophos en 2003; Blast radius, une agence de marketing interactif stratégique de premier plan, vendue en 2007 au WPP Group; et Bycast, un fournisseur de services de stockage dans le nuage pour les entreprises, vendu à NetApp en 2010. M. Lee est président de D-Wave Systems et siège aux conseils de Recon Instruments, de Privacy Analytics et de Pacific BioEnergy.

En 1996, M. Lee a reçu le prix de Jeune diplômé exceptionnel de l'Université de la Colombie-Britannique et, en 2002, le prix Personnalité de l'année de l'Association des industries des technologies de la C.-B. La Médaille commémorative du jubilé de Sa Majesté la reine Elizabeth lui a été décernée en 2003 et le statut de membre honoraire de l'École des études commerciales Sauder de l'Université de la Colombie-Britannique lui a été conféré en 2005. En 2009, le campus Great Northern Way lui a remis une maîtrise honorifique, dans le cadre du Programme sur les médias numériques.

Kevin Lynch

Ancien vice-président, BMO Groupe financier

L'honorable Kevin Lynch a été vice-président du conseil de BMO Groupe financier de 2010 à 2020. Ancien fonctionnaire distingué avec plus de 33 ans au service du gouvernement du Canada, M. Lynch a été greffier du Conseil privé, secrétaire du Cabinet et chef de la fonction publique du Canada ainsi que sous-ministre des Finances, sous-ministre de l'Industrie et administrateur pour le Canada au Fonds monétaire international.

M. Lynch est ancien chancelier de l'Université de King's College et ancien président du conseil d'administration de l'Université de Waterloo. Agrégé supérieur du Massey College, il est également l'un des administrateurs des Fiducies Killam. Depuis sa retraite du gouvernement, il a rédigé plus de 140 éditoriaux et articles sur diverses politiques et prend fréquemment la parole lors de conférences au Canada et à l'étranger.

Président du conseil d'administration de SNC-Lavalin, M. Lynch est administrateur de CN et de la CNOOC (China National Offshore Oil Corporation). Enfin, M. Lynch est directeur de Communtech, de la Fondation Rideau Hall de la gouverneure générale et de la Fondation



Asie Pacifique du Canada, de même que membre du Groupe consultatif de spécialistes sur la numérisation et l'innovation de l'OCDE, ainsi que membre du comité du Forum économique mondial (FEM) sur le « juste équilibre entre la stabilité financière, l'innovation et la croissance économique. »

Auparavant, M. Lynch avait siégé aux conseils d'administration de la Fondation Ditchley du Canada (président), du Conseil de surveillance de la normalisation comptable (CSNC), du Comité de sélection des boursiers Rhodes de l'Ontario, de la Princess Margaret Hospital Foundation, de la Fondation Gairdner, de l'Institut Perimeter, de la Banque du Canada, d'Empire (Sobeys), de la Société d'assurance-dépôts du Canada (SADC), de la Banque de développement du Canada (BDC), de BMO Chine et de la Société de développement du Cap-Breton.

M. Lynch est titulaire d'un baccalauréat de l'Université Mount Allison, d'une maîtrise en économie de l'Université de Manchester et d'un doctorat en économie de l'Université McMaster. Nommé Officier de l'Ordre du Canada en 2011 et membre du Conseil privé de la Reine pour le Canada en 2009, il a reçu 11 diplômes honorifiques d'universités canadiennes, et son service au sein de la fonction publique a été reconnu par la Médaille du jubilé de diamant et la Médaille du jubilé d'or de la reine. mme sur les médias numériques.

John Montalbano

Président et chef d'entreprise, Tower Beach Capital Ltd.

John Montalbano a bâti sa carrière dans le domaine de la gestion des actifs, d'abord à titre d'analyste boursier, puis à titre de gestionnaire de portefeuille institutionnel chez Phillips, Hager & North Investment Management Ltd. (PH & N), dont il a été nommé président en 2005. En 2008, lorsque la Banque Royale du Canada a acheté PH & N, John est devenu chef de direction de la division de gestion d'actifs récemment élargie de la RBC, du nom de RBC Gestion mondiale d'actifs (RBC GMA).

En 2015, lorsqu'il a pris sa retraite de son poste de chef de la direction de RBC GMA, celle-ci comptait des clients dans plus de 40 pays et gérât des actifs d'une valeur de plus de 370 milliards de dollars. RBC GMA a conservé des bureaux au Canada, aux États-Unis, au Royaume-Uni et à Hong Kong, ainsi qu'une coentreprise à Beijing, en Chine. À titre de vice-président de RBC Gestion du patrimoine, John prêtait une attention toute particulière à l'expansion des affaires et aux projets spéciaux de la Banque Royale du Canada. En 2017, John a été nommé membre du conseil d'administration de l'Office d'investissement du Régime de pensions du Canada.

Analyste financier agréé, John est également détenteur d'un baccalauréat en études commerciales (avec distinction) de l'Université de la Colombie-Britannique (UCB). Il a obtenu une bourse Leslie Wong de la Portfolio Management Foundation (Fondation de la gestion des portefeuilles) de l'UCB et détient un doctorat honorifique en lettres de l'Université Emily Carr.

John apporte de nombreuses contributions à la communauté. Il est fiduciaire des Fiducies Killam, qui octroient des bourses aux chercheurs de deuxième et troisième cycles



d'universités canadiennes. Il siège également au comité de placements de Conseil des arts du Canada et préside la compagnie de collecte de fonds de la bibliothèque publique de Vancouver. Enfin, il siège aux conseils d'administration de l'organisme Junior Achievement British Columbia, de la Fondation de la police de Vancouver et de la Fondation de l'Hôpital St. Paul's.

Lois Nahirney

Présidente et chef de la direction, dnaPower Inc.

Lois Nahirney est présidente et chef de la direction de dnaPower Inc. Ses entreprises sont en train de révolutionner les soins de santé préventifs en fournissant aux gens de l'information de pointe sur l'ADN, pour de les aider à prendre de meilleures décisions en matière de santé selon leur composition génétique unique. Avant de devenir entrepreneure en biotechnologie, Lois a été vice-présidente administrative aux ressources de l'entreprise pour Teekay Corporation et cadre supérieure mondiale chez BC Hydro, WMC, ACL, Crystal Decisions et Fletcher Challenge.

Lois détient un doctorat en administration des affaires de l'Université internationale de l'Asie Pacifique. Elle est également titulaire d'une maîtrise en administration des affaires de l'École des hautes études commerciales Ivey et d'un baccalauréat ès arts en sciences économiques et politiques de l'Université de la Colombie-Britannique. Boursière internationale du Rotary en Nouvelle-Zélande, elle a également été stagiaire au cabinet du premier ministre et détient le titre de « Fellow in Board Governance », sur la gouvernance de conseils d'administration.

Lois a conseillé le gouvernement de la C.-B. en matière d'équité entre les sexes en tant que présidente du Conseil économique des femmes du premier ministre. Elle s'implique dans la communauté en tant que coprésidente de l'organisme WE for SHE, coprésidente nationale du Women's Executive Network et membre du conseil de la Vietnam Education Society (VES), une organisation caritative qui construit des écoles au Vietnam et envoie les filles à risque élevé d'être victimes de trafic humain dans des camps de vacances et dans des écoles, grâce à des bourses.

Pour son travail, Lois a reçu divers prix, dont le prestigieux Canada's Most Powerful Women: Top 100, l'Influential Women in Business de BIV, un prix Women of Distinction du YMCA, le BC Business Women of Influence, le Prix de service communautaire de Canada 150 et le prix Contributeur/contributrice communautaire de l'Année du CCDI. La VES a reçu une médaille d'honneur du gouvernement vietnamien pour ses contributions en faveur des filles et des jeunes au Vietnam.

Sandra Pupatello

Présidente, Canadian International Avenues

Sandra Pupatello a été élue pour la première fois à l'Assemblée législative de l'Ontario



en 1995 et a été nommée au Cabinet en 2003. À titre de ministre du Développement économique et du Commerce pendant la plus grande partie des années qu'elle a passées au Cabinet, elle a dirigé des délégations commerciales dans la plupart des marchés importants autour du monde, tout en faisant preuve d'un leadership inébranlable durant une période économique difficile unique en son genre. Sandra a choisi d'entrer dans le secteur privé en lançant son cabinet de consultation en gestion, Canadian International Avenues, après avoir quitté son poste en 2011. Par la suite, elle a travaillé pour PwC Canada à titre de conseillère stratégique de l'entreprise, dans les domaines de l'industrie, des marchés mondiaux et du secteur public. La vaste expérience de Sandra, son réseau de contacts d'affaires, son expérience internationale et son profil public lui ont permis de stimuler la croissance du cabinet de consultation et de ses clients, au pays et sur la scène internationale.

Sandra siège aux conseils d'administration de Martinrea International Inc., un fabricant mondial de pièces d'automobile, de la Fondation Asie Pacifique du Canada, et est présidente du Centre Pearson, un groupe de réflexion centriste situé à Ottawa. Elle est vice-présidente du conseil d'administration d'Ontario Global 100, qui joue un rôle déterminant dans la promotion du commerce entre les entreprises ontariennes. Enfin, elle est présidente sortante du conseil d'administration d'Hydro One Inc., la plus importante entreprise de transmission d'énergie au Canada.

L'engagement indéfectible de Sandra à l'égard de l'amélioration de la communauté et du mentorat des femmes qui aspirent à devenir leaders lui a valu d'obtenir le prix Top 100 2014 des Canadiennes les plus influentes du Réseau des femmes exécutives (WXN). Récemment, elle a remporté le prix Femme d'affaires de l'année de l'ICCO, à Toronto (Canada), ainsi que le prix Innovation et croissance mondiale de la Banque de Montréal, l'une des plus grandes banques du Canada.

Constance Sugiyama

Présidente, ConMark Strategy Inc.

Constance Sugiyama est présidente de ConMark Strategy Inc., une entreprise qui fournit des conseils et des solutions stratégiques de haut niveau aux secteurs public et privé. Avant de prendre sa retraite, elle a eu une longue et brillante carrière en droit, se spécialisant dans le financement des entreprises et les fusions et acquisitions. Mme Sugiyama a siégé à de nombreux conseils et comités consultatifs et siège actuellement aux conseils de l'Office ontarien de financement (vice-présidente), du Mount Pleasant Group, de la Fondation canadienne pour l'amélioration des services de santé et de la Fondation Gairdner. Auparavant, elle a été présidente du conseil d'administration de l'Hospital for Sick Children et a également siégé aux conseils d'administration du Festival international du film de Toronto, de The Nikko Securities Company Ltd. au Canada, de la Japan Society et du Centre culturel canadien. Elle est membre de l'Ordre du Canada depuis 2014 et est établie à Toronto.



Asia Pacific Foundation of Canada Board Membership FY 2015/16 - FY 2019/20

2015

John H. McArthur

Chair, Asia Pacific Foundation Canada, Dean Emeritus, Harvard Business School

Dominic Barton

Global Managing Partner, McKinsey and Company

Colin Dodds

President, Saint Mary's University

Kevin Falcon

Executive Vice-President, Anthem Capital

George Heller

Corporate Director

Evaleen Jaager Roy

Principal, Jaager Roy Advisory Inc.

Vikram Khurana

CEO, Prudential Consulting Inc.

Kevin Lynch

Vice-Chairman, BMO Financial Group

Marie-Lucie Morin

Director, World Bank

John D. Reynolds

Senior Strategic Advisor, McMillan LLP

Indira Samarasekera

President and Vice-Chancellor, University of Alberta

Graham Shantz

Director General, North Asia, Department of Foreign Affairs, Trade and Development, Government of Canada (DFAIT)



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Emeritus, Harvard Business School

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Company

Colin Dodds

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Kevin Falcon

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John D. Reynolds

Senior Strategic Advisor, McMillan LLP

Indira Samarasekera

President and Vice-Chancellor, University of
Alberta

Graham Shantz

Director General, North Asia, Department
of Foreign Affairs, Trade and Development,
Government of Canada (DFAIT)



2016

David L. Emerson

Chair, Asia Pacific Foundation of Canada;
Chair, Emerson Services Ltd.

Marie-Lucie Morin

Vice Chair, Asia Pacific Foundation of Canada

Murad Al-Katib

President & CEO, AGT Food and Ingredients
Inc.

Dominic Barton

Managing Director, McKinsey & Company

Stewart Beck

President and CEO

Jean Charest

Partner, McCarthy Tetrault LLP

Colin Dodds

President Emeritus, Professor of Finance, Saint
Mary's University

Kevin Falcon

Executive Vice President, Anthem Capital

Blaine Favel

Executive Chair, One Earth Oil and Gas

George Heller

Corporate Director

Evaleen Jaager Roy

Principal, Jaager Roy Advisory Inc.

Vikram Khurana

CEO, Prudential Consulting Inc.

Paul Lee

Managing Partner, Vanedge Capital

Kevin Lynch

Vice Chair, BMO Financial Group

John H. McArthur

Dean Emeritus, Harvard Business School

Sandra Pupatello

Strategic Advisor, Industry, Global Markets &
Public Sector, PwC Canada

John D. Reynolds

Senior Strategist, Lang Michener



Indira Samarasekera

Former President and Vice-Chancellor,
University of Alberta

Graham Shantz

Director General, North Asia, DFAIT

2017

David Emerson

Chair, Asia Pacific Foundation of Canada,
Chair, Emerson Services Pvt. Ltd.

Colin Dodds

President Emeritus & Professor of Finance,
Sobey School of Business, Saint Mary's
University

Marie-Lucie Morin

Vice-Chair, Asia Pacific Foundation of Canada

Kevin Falcon

Executive Vice-President, Anthem Capital
Corp.

Stewart Beck

President & CEO, Asia Pacific Foundation of
Canada

Blaine Favel

Executive Chairman, One Earth Oil and Gas

Murad Al-Katib

President & CEO, AGT Food & Ingredients Inc.

George Heller

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Dominic Barton

Managing Director, McKinsey & Company

Evaleen Jaager Roy

Principal, Jaager Roy Advisory Inc.

Jean Charest

Partner, McCarthy Tetrault LLP

Peter Kruyt

Vice-President, Power Corporation



Paul Lee

Managing Partner, Vanedge Capital

Kevin Lynch

Vice-Chair, BMO Financial Group

John Montalbano

Principal, Tower Beach Capital Ltd.

Sandra Pupatello

Strategic Advisor, Industry, Global Markets & Public Sector, PWC Canada

Indira Samarasekera

Former President & Vice-Chancellor, University of Alberta

2018

David Emerson

Chair of the Board, Asia Pacific Foundation of Canada

Stewart Beck

President & CEO, Asia Pacific Foundation of Canada

Marie-Lucie Morin

Vice-Chair, Asia Pacific Foundation of Canada

Jean Charest

Partner, McCarthy Tétrault LLP

Murad Al-Katib

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J. Colin Dodds

Professor of Finance, President Emeritus, Saint Mary's University

Dominic Barton

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Kevin Falcon

Executive Vice-President, Anthem Capital Corp.



Blaine Favel

Executive Chair, One Earth Oil and Gas

George Helle

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Evaleen Jaager Roy

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Paul Lee

Managing Partner, Vanedge Capital

Kevin Lynch

Vice-Chair, BMO Financial Group

John Montalbano

Principal, Tower Beach Capital Ltd.

Peter Kruyt

Vice-President, Power Corporation of Canada

Sandra Pupatello,

Former Strategic Advisor: Industry, Global Markets & Public Sector at PwC Management Services LP

Indira Samarasekera

Former President and Vice-Chancellor, University of Alberta

2019

David Emerson

Chair of the Board, Asia Pacific Foundation of Canada

Marie-Lucie Morin

Vice-Chair, and Acting Chair, Asia Pacific Foundation of Canada

Murad Al-Katib

President and CEO, AGT Food and Ingredients Inc.

Dominic Barton

Chair, Teck Resources, and Senior Partner, McKinsey & Company

Stewart Beck

President and CEO, Asia Pacific Foundation of Canada

Jean Charest

Partner, McCarthy Tétrault LLP



J. Colin Dodds

Professor of Finance, President Emeritus, Saint Mary's University

Kevin Falcon

Executive Vice-President, Anthem Capital Corp.

Blaine Favel

Executive Chair, One Earth Oil and Gas

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Senior Advisor, Power Corporation of Canada

Sandra Pupatello

Former Strategic Advisor: Industry, Global Markets and Public Sector at PwC Management Services LP

Indira Samarasekera

Former President and Vice-Chancellor, University of Alberta

2020

Pierre Pettigrew

Chair of the Board, Asia Pacific Foundation of Canada, Executive Advisor, International Deloitte

Marie-Lucie Morin

Vice-Chair, Asia Pacific Foundation of Canada

Murad Al-Katib

President and CEO, AGT Food and Ingredients Inc.



Stewart Beck

President and CEO, Asia Pacific Foundation of Canada

Jean Charest

Partner, McCarthy Tétrault LLP

Lisa de Wilde

Former Chief Executive Officer, TVO

Kevin Falcon

Executive Vice-President, Anthem Capital Corp.

Brian Gallant

Former MLA and Premier of New Brunswick

Melissa Kennedy

Executive Vice-President, Chief Legal Officer & Public Affairs, Sun Life Financial

John Knubley

Former Deputy Minister, Innovation, Sciences and Economic Development Canada

Peter Kruyt

Senior Advisor, Power Corporation of Canada

Christopher Labelle

Co-founder and Chief Operating Officer, Mosaic Manufacturing

Paul Lee

Managing Partner, Vanedge Capital

Kevin Lynch

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Constance Sugiyama

President, ConMark Strategy Inc.



KEY PUBLICATIONS



KEY PUBLICATIONS 2015-2020

The Asia Pacific Foundation of Canada has kept the goal of being Canada's catalyst for engagement with Asia and Asia's bridge to Canada at the forefront of our work. In providing actionable policy advice to businesses and government, our focus shifts and adapts to the dynamic Asia Pacific region and the changing global order, as well as to the needs of Canadians. From sustainability to trade and investment, the Foundation has produced a large body of research outputs over the past five years.

2014-2015 Key Publications

- [From Nurses to Nannies: Filipina Women and Canada's Live-in Caregiver Program](#)
(3,286 pageviews)
- [Canada's Asia Challenge: Creating Competence for the Next Generation of Canadians](#)
(1,493 pageviews)
- [Making Sense of the Umbrella Moment in Hong Kong: Hope, Uncertainties, and Possible Pathways Ahead](#) (976 pageviews)
- [The Asia Factor](#) (962 pageviews)
- [Running Low: The Politics of China's Water Insecurity](#) (879 pageviews)

At the beginning of 2015, the Foundation recognized the need to strategically align its brand and work within the contemporary Canada-Asia context. This resulted in a substantive rebranding of the Foundation as well as the launch of [The Asia Factor](#), which developed into a nationwide, multi-year project examining the impact and interaction of each Canadian province and territory with Asia. Additionally, the Foundation maintained a keen eye on sustainability, which spawned publications such as [Running Low: The Politics of China's Water Insecurity](#) and inspired long-term future initiatives, including the [China Eco-City Tracker](#).



2015-2016 Key Publications

- [Canadian Companies That Do Business in India: New Landscapes, New Players and the Outlook for Canada](#) (2,425 pageviews)
- [Taiwan Elections 2016: Certain Outcome, Uncertain Implications](#) (1,508 pageviews)
- [10 Things Every Canadian Should Know About the TPP](#) (1,305 pageviews)
- [China Looks North: Carving Out a Role in the Arctic](#) (1,305 pageviews)
- [Vancouver's Foreign-owned Real Estate: Perceptions, Facts and Comparisons](#) (1,203 pageviews)

In 2016, the growing interest among Canadian businesses to penetrate the Asian market was escalating, most notably exemplified through the formation and development of the CPTPP (formerly TPP). To better align our activities with this new demand, the Foundation shifted its focus towards identifying bottlenecks faced by Canadian businesses in engaging with Asia, and in providing policy recommendations to support the economic goals of the Government of Canada and our provincial governments. Our efforts coalesced around a robust strategy that brought life to key initiatives and publications, including the [Building Blocks for Canada-Asia Strategy](#) presented at several high-level, C-suite meetings, the three-year [Investment Monitor](#) initiative to analyze and report on Canada's two-way investment relations with the Asia Pacific, the four-year [APEC-Canada Growing Business Partnership \(A-CGBP\)](#) project focused on supporting MSMEs in APEC developing economies to foster sustainable inclusive growth and poverty reduction, and the [Guidebook to Doing Business in Asia: A Resource for BC SMEs](#) to help SMEs in British Columbia build their market share and navigate the Asia Pacific region.



2016-2017 Key Publications

- [Guidebook to Doing Business in Asia: A Resource for BC SMEs](#) (7,085 pageviews)
- [Canadian Companies That Do Business in India: New Landscapes, New Players and the Outlook for Canada](#) (6,820 pageviews)
- [Preparing Students for South Korea's Creative Economy: The Successes and Challenges of Educational Reform](#) (2,942 pageviews)
- [Japanese Youth's Political Engagement: Now or Never](#) (2,558 pageviews)
- [From Ethnic Tensions to a Citizen/Foreigner Divide in Singapore](#) (2,510 pageviews)

In 2017, a critical knowledge gap was identified among Canadians regarding exposure to Asia or Asian business culture, a gap that was compounded by the growing importance of involving Canadian youth in Canada's necessary pivot to Asia. With this in mind, the Foundation deepened its focus on education and implemented the [Asia Pacific Curriculum](#) project, a three-year initiative to incorporate a stronger Asia focus in B.C.'s social studies classrooms and increase young Canadians' awareness and understanding of Asia. The Foundation leveraged the trending prominence of digital media by publishing blog posts engaging youth and releasing in-depth dispatches on topical issues and events in Asia from the organization's Youth Council-affiliated [Election Watch student teams](#). During this period, the rising international influence and dominance of China did not go ignored. The Foundation launched the [China Research Partnership](#) initiative, Canada's premier web portal featuring Canadian research, expertise, news, activities and other resources on China as a tool for policy-makers, academia, media, and students interested in China studies. The Foundation also turned its attention to Canada's Atlantic provinces and their untapped economic potential vis-à-vis the Asia Pacific, an initiative that culminated in [The Asia Factor for Atlantic Canada](#).



2017-2018 Key Publications

- [Canadian Companies That Do Business in India: New Landscapes, New Players and the Outlook for Canada](#) (9,668 pageviews)
- [China's New Policies on Foreign Investment](#) (7,248 pageviews)
- [15 Years After Independence, Whatever Happened to East Timor?](#) (3,845 pageviews)
- [The China-Australia Free Trade Agreement: Lessons for Canada](#) (3,403 pageviews)
- [Building on a Friendship: Canada-Japan Relations in 2017](#) (3,098 pageviews)

The arrival of 2018 saw a dramatic rise in an isolationist, anti-trade rhetoric in the United States and Europe, which impacted alliances throughout the Asia Pacific. The Foundation identified the urgency of a multilateral, long-term, diversified approach to managing and balancing international engagement, thus the importance of diversification was paramount. [The ASEAN Advantage: Exploring Canada's Trade Potential](#) and [Toward a Canada-China FTA: 8 Points to Consider for Pursuing Free Trade with China](#) explored the benefits of new free trade agreements in response to the changing landscape of economic opportunity. The Foundation also investigated the emerging e-commerce sector in Asia in our [Succeeding in China's \\$9.4 T E-commerce Market: Why Culture and Context Matters](#) report and published [The Tech Corner](#), a five-part blog series showcasing Canada's innovative technological capacity. Domestically, the Foundation also expanded The Asia Factor to Ontario, and continued to focus on youth by launching a nine-episode podcast series titled [The Youth Element](#) to capture the voices of millennials and learn more about contemporary East Asia through their lived experiences.



2018-2019 Key Publications

- [What Has 'Make in India' Made for India?](#) (6,358 pageviews)
- [15 Years After Independence, Whatever Happened to East Timor?](#) (5,066 pageviews)
- [Migration Matters: Thailand – the Land of Migrants and Refugees](#) (4,035 pageviews)
- [Localizing Mobile Apps: A Case Study of LINE Messenger](#) (2,765 pageviews)
- [China's Frontier Lands](#) (2,150 pageviews)

In 2019, the Foundation's focus on diversification was accentuated amid the positive potential of free trade agreements like the Canada-South Korea Free Trade Agreement and the CPTPP, and the negative impacts of rising protectionism, increasing global insecurity, and tense Canada-China relations sparked by the Huawei controversy and the Spavor and Kovrig detainments. Despite these rising, global, anti-trade and anti-immigration sentiments, our research and polling during this period identified and articulated a counter-narrative in Canada where the public was increasingly supportive of international engagement, particularly Asian talent and technology. This prompted the Foundation to expand its current research topics to include [e-commerce in Japan](#) and clean tech across [East Asia](#), [India](#), [China](#), and [Atlantic Canada](#). Our research focus was indicative of the growing interest in the digital sphere and how Asia is a pioneering leader in these sectors that can offer valuable key takeaways for Canada. Furthermore, the A-CGBP project magnified its focus on diversification in Southeast Asia with published surveys on [Vietnam](#), [Indonesia](#), and [the Philippines](#).



BOARD CORRESPONDENCE



CANADA

LE ROYAUME DU CANADA • LE CONSEIL PRIVÉ

P.C. 2015-705
May 28, 2015

His Excellency the Governor General in Council,
on the recommendation of the Minister of Foreign Affairs, after
consultation with the Board of Directors of the Asia-Pacific
Foundation of Canada and pursuant to paragraph 9(a) and
section 11 of the *Asia-Pacific Foundation of Canada Act*,
appoints the Honourable David L. Emerson, P.C., O.B.C., of
Vancouver, British Columbia, to be Chairperson of the Board of
Directors of the Asia-Pacific Foundation of Canada to hold office
during pleasure for a term of three years, effective July 1, 2015.

CERTIFIED TO BE A TRUE COPY / COPIÉ CERTIFIÉ CONFORMÉ

CLERK OF THE PRIVY COUNCIL / LA GREFFIERE DU CONSEIL PRIVÉ



CANADA

PRIVY COUNCIL • CONSEIL PRIVÉ

C.P. 2015-705
28 mai 2015

Sur recommandation du ministre des Affaires étrangères,
après consultation auprès du conseil d'administration de la Fondation
Asie-Pacifique du Canada et en vertu de l'alinéa 9a) et de l'article 11
de la *Loi sur la Fondation Asie-Pacifique du Canada*, Son Excellence
le Gouverneur général en conseil nomme l'honorable David L. Emerson,
C.P., O.B.C., de Vancouver (Colombie-Britannique), président du conseil
d'administration de la Fondation Asie-Pacifique du Canada à titre
amovible pour un mandat de trois ans, à compter du 1^{er} juillet 2015.

CERTIFIED TO BE A TRUE COPY—COPIE CERTIFIÉE CONFORMÉ

CLERK OF THE PRIVY COUNCIL—LA BIFFIÈRE DU CONSEIL PRIVÉ

Minister of
Foreign Affairs



Ministre des
Affaires étrangères

Ottawa, Canada K1A 0G2

The Honourable David L. Emerson, P.C.
Chairperson
Asia Pacific Foundation of Canada
900-675 West Hastings Street
Vancouver BC V6B 1N2

Dear Mr. Emerson:

I would like to take this opportunity to sincerely thank you for your service as chairperson of the Asia Pacific Foundation of Canada. The leadership you provided over your three-year term period, which ended on June 30, 2018, was invaluable for advancing the foundation's goals. I would note that these goals are closely aligned to the Government of Canada's priorities, particularly with regard to strengthening and diversifying Canada's international economic relationships.

The foundation has played an important role in analyzing the state of Canada's relationship with the Asia-Pacific region. Global Affairs Canada has looked to this analysis to make its policies and programs more effective in terms of encouraging and supporting Canadian businesses to seize the opportunities that Asia's dynamic economic growth presents. I look forward to deepening that cooperation.

With your stellar career in both the public and private sectors, you have been ideally placed to credibly and forcefully communicate with both business and government on the need for intensified strategic focus on Asia.

Please accept my best wishes for every success in your endeavours.

Sincerely,

A handwritten signature in blue ink, appearing to be 'C. Freeland'.

The Honourable Chrystia Freeland, P.C., M.P.

c.c. Ms. Hilary Leftick, Director, Office of the Prime Minister
Ms. Jennifer Thorne, Acting Director, Privy Council Office
Mr. Stewart Beck, President, Asia Pacific Foundation of Canada

Canada



Global Affairs
Canada

Affaires mondiales
Canada

Mr. David Emerson
Chairman of the Board

Mr. Stewart Beck
President and Chief Executive Officer
Asia Pacific Foundation of Canada
900-675 West Hastings Street
Vancouver BC V6B 1N2

Dear Messrs. Emerson and Beck:

Thank you for your letter of June 3, 2016, regarding the invitation to appoint Mr. Graham Shantz as an ex-officio member of the Board of Directors of the Asia Pacific Foundation when his Governor in Council (GIC) term ends on September 30, 2016. I understand your interest in having a senior departmental official serve on your Board.

As you are aware, the *Asia-Pacific Foundation of Canada Act* does not formally require a departmental or federal official on the Board, even though it has been the practice to have such representation. In conjunction with the introduction of the government's new GIC appointment process, the department has reviewed the staffing of various Board appointments in light of various budgetary and personnel constraints. We have assessed that the Foundation and its Board have numerous contacts with various parts of the department on a regular basis and I suggest that our officials be made available for a specific event or Board meeting if required. Considering our well-established and productive interactions, I would not recommend that Mr. Shantz or another senior departmental officer from Global Affairs Canada be appointed to the Board.

I appreciate your words of congratulations on my appointment as Deputy Minister of Foreign Affairs and look forward to cooperating with you in building deeper Canada-Asia ties.

Sincerely,

Ian Shugart
Deputy Minister of Foreign Affairs

*I look forward to
personal engagement with
the Board and the Fd's.
Best,
/*

Canada



CANADA
PRIVY COUNCIL • CONSEIL PRIVÉ

P.C. 2019-982
July 1, 2019

Her Excellency the Governor General in Council, on the recommendation of the Minister of Foreign Affairs, after consultation with the Board of Directors of the Asia-Pacific Foundation of Canada and pursuant to paragraph 9(a) and section 11 of the *Asia-Pacific Foundation of Canada Act*, appoints the Honourable Pierre S. Pettigrew, P.C., of Toronto, Ontario, to be Chairperson of the Board of Directors of the Asia-Pacific Foundation of Canada, to hold office during pleasure for a term of three years.

Minister of
Foreign Affairs



Ministre des
Affaires étrangères

Ottawa, Canada K1A 0G2

JUN 18 2019

Ms. Marie-Lucie Morin
Interim Chairperson of the Board of Directors
The Asia Pacific Foundation of Canada
900-675 Hastings Street West
Vancouver BC V6B 1N2

Dear Ms. Morin:

Pursuant to subsection 9(a) of the *Asia-Pacific Foundation of Canada Act*, please accept this letter of consultation in consideration of the candidatures of the following individuals for the position of Director of the Board of the Asia Pacific Foundation of Canada:

Ms. Lisa de Wilde, Toronto, Ontario
Ms. Constance Sugiyama, Toronto, Ontario
Mr. Christopher Labelle, Toronto, Ontario

This letter is further to earlier consultations that took place between members of the Board and my staff. In keeping with the government's open and transparent appointment process, and based on the deliberations of the officials of the Selection Committee that was convened for this purpose, it is my understanding that each of these candidates would be ideally suited to the role. You will find enclosed the curriculum vitae of each candidate.

I would like to personally thank you for your leadership and for your continued service in your role as the Foundation's Interim Chairperson during this transition period.

Sincerely,

The Honourable Chrystia Freeland, P.C., M.P.

Enclosures

Canada



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DU CANADA

Mr. Paul Thoppil
Assistant-Deputy Minister
Asia-Pacific OGM
125 Sussex Drive, A5-190
Ottawa, ON
K1A 0G2

30th July, 2019

Ref: Information pertaining to the Asia Pacific Foundation of Canada's Conditional Grant Agreement

On behalf of the Asia Pacific Foundation of Canada ("the Foundation"), I am writing to inform you of an update to our accounting procedures related to the Conditional Grant Agreement (the "Agreement").

Under the Agreement, section 2.4.1, APF Canada is required to allocate a minimum of 25 percent of its annual investment revenue from the Endowment Fund to the Foundation's Granting Program, which supports the annual disbursement of grants by the Foundation.

The Agreement, however, does not define what constitutes investment revenue and, as such, has been interpreted differently by the Foundation's auditors over the past five years. At the November 2018 Board meeting it was decided that an acceptable not-for-profit definition of investment revenue was required. The Audit and Evaluation Committee of the Board subsequently researched the most appropriate and common definition of 'investment revenue' for similar not-for-profits and, based on those findings and supported by our current auditors, KPMG, the Board approved, by resolution dated April 4, 2019, the following definition of "investment revenue" for the purposes of the annual allocation to the Foundation's Granting Program, as well as the Foundation's audited financial statements:

"The Foundation defines investment revenue as investment interest, dividend and other similar income, whether reinvested or distributed, less investment management fees charged. Realized gains on dispositions or redemptions of investments and capital gains distributions shall be excluded from the definition of revenue for purposes of the annual determination of revenue to be used toward grant funding and shall be recapitalized to the Endowment Fund in the interest of preserving the capital of the fund."

To ensure the consistent application of the above definition of investment revenue, and on the advice of the Foundation's current auditors, KPMG, the prior Granting Program calculations will need to be restated retroactive to 2016 to reflect this new, Board-approved, KPMG-supported definition of investment revenue.

The Board-approved definition of investment revenue provides for a more consistent and predictable income to the Foundation, and thus shelters APF Canada's Granting Program from the volatility and whims of the financial markets. Additionally, it provides the Foundation with the ability to commit, annually, to supporting, up to, four Post-Graduate Research Scholars through its Granting Program.



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DU CANADA

It is the position of the Foundation that the adoption of this common definition of investment revenue neither contradicts the spirit or intent, nor constitutes a material change as articulated in section 4.11 of, the Conditional Grant Agreement, which reads: "No material changes in the objectives of the Fund, the use of the Fund or the Fund's investment policy will be undertaken without prior written approval of the Minister of Foreign Affairs."

Further, the Board definition of investment revenue is consistent with Canada's *Chartered Professional Accountants Handbook* section 1001, para. 32, to wit: "Revenues are increases in economic resources, either by way of inflows or enhancements of assets or reductions of liabilities, resulting from the ordinary activities of an entity. Revenues of not-for-profit organizations normally arise from donations, government grants and other contributions as well as from membership fees, the sale of goods, the rendering of services or the use by others of entity resources yielding rent, interest, royalties or dividends."

The Endowment Fund's objective to support the goals and activities of the Foundation has not changed, nor has the use of the Fund to support the operations and granting functions of the Foundation changed, nor have the investment policies, as prescribed in the Conditional Grant Agreement, changed. The only change is the application of a definition of investment revenue consistent with acceptable accounting practices, applied by the Board, supported by the Foundation's auditors, and immaterial to the objectives of the Fund, its use or the Fund's investment policies.

We kindly request your acknowledgement of and concurrence with the above by signing below and returning copies to the Foundation's attention per stewart.beck@asiapacific.ca and to our auditor KPMG's attention per cchiang@kpmg.ca.

Thank you for your attention.

Yours Sincerely,

Mr. V. Paul Lee
Chair, Audit and Evaluation Committee
Asia Pacific Foundation of Canada

Signature

Date:

Mr. Paul Thoppil
Assistant Deputy Minister
Asia Pacific OGM

Signature

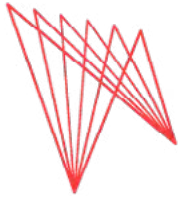
Date:

February 5, 2020



BOARD COMMITTEE DOCUMENTS

Audit & Evaluation Committee



ASIA PACIFIC
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DU CANADA

Mr. Graham Shantz

Director General, North Asia Bureau,
Department of Foreign Affairs and International Trade
125 Sussex Drive
Ottawa, ON
K1A 0G2

2nd April, 2015

Ref: Information pertaining to the APFC Conditional Grant Agreement.

On behalf of the APFC, I am writing to you to inform you of an accounting change regarding our grants allocation policy.

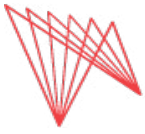
We have instructed the Foundation to manage the grants program under an accrual system to support planning purposes.

This change will not affect the grants allocation as described in the Asia Pacific Foundation of Canada's Conditional Grant Agreement of December 2006.

Many thanks for your attention

Mr. George Heller

Chair, Investment Committee
Asia Pacific Foundation of Canada



ASIA PACIFIC FOUNDATION OF CANADA - PROCEDURES ON SIGNING AUTHORITY

The Asia Pacific Foundation of Canada (APF Canada) is committed to ensuring best practice in the management of financial resources. The following document has been created to clarify the procedures on signing authority, in particular, to establish the correct roles and responsibilities for signing cheques, contracts, invoices and expense claims, as well as making other commitments regarding the resources of APF Canada.

No person may sign any document which creates an obligation or undertaking on behalf of APF Canada unless that individual has signing authority in accordance with this policy. Persons vested with this responsibility are expected to act at all times in good faith, to act solely in the best interests of APF Canada, and to comply with its policies and protocols pertaining to conflict of interest, as set out in the Employee Information Handbook, as well as complying with relevant legislation.

Signature authority for banking matters

Signature authority for banking matters, for instance the signing of cheques, is designated in accordance with APF Canada's Bylaws Section 13, Certification of Documents, which reads, "*The seal of the Foundation when required may be affixed to contracts or other documents in the presence of any two Directors or such other persons as may be designated from time to time by the Board.*"

The current designated signing officers for the APF Canada bank account are as follows:

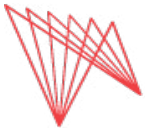
- President and CEO, Stewart Beck;
- VP Research, Jeffrey Reeves;
- and
- Communications Manager, Michael Roberts.

Signing authority will also be granted to Director level employees at the discretion of the President and CEO. Additional signing officers may be designated at a later date as required.

Other commitments

Proper oversight by the Executive team is paramount in ensuring appropriate allocation of resources, whether financial or staff time, and to allow forward planning of APF Canada's activities. The rules set out below must therefore be adhered to before making any commitment under the below categories.

All **research proposals** must be approved by the VP Research or President and CEO before submission. Where signature by an authorized representative is required, this should be



completed by a Director or Vice-President, following the approval of the VP Research or President and CEO.

All **contracts with a value under \$5,000** (excepting those relating to communications activities, as set out below) must be signed by a Vice-President. All **contracts with a value over \$5,000** must be signed by the President and CEO.

Any invoice over \$150,000 and in budget (of the annual operating budget) requires the sign-off by the Audit and Evaluation Committee Chair. **Any invoice over \$50,000 and not in budget** requires sign-off by the Audit and Evaluation Committee Chair. A Budget Request Form outlining the details of the request must be signed off by the President and CEO before being sent to the Chair. The Chair will determine whether it is necessary to consult the Committee or the full Board regarding expenditure requests as necessary.

These rules apply to any contracts entered into by APF Canada, whether for the provision of research activity or the receipt of goods and services, for instance the use of hotel venues for hosting events. In the certain instances where a contract is not required, such as the receipt of catering services, the Events Coordinator may secure these services by paying a deposit on behalf of the Foundation.

Contracts for communications activities, for instance the use of Getty Images, may be signed by the Communications Manager, where the prior approval of the President and CEO has been secured.

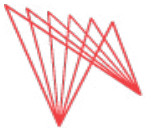
All **service agreements**, for instance as regards the Website Developer, or agreements to collaborate with other organizations to host events, should be signed by the relevant Program Manager or Manager and countersigned by a Vice-President or the President and CEO.

All **invoices and expenses over \$5,000** must be signed by the relevant Program Manager or Manager and countersigned by a Vice-President or the President and CEO, with the exception of those relating to **communications materials**, which may be signed by the Communications Manager, where the prior approval of the President and CEO has been secured.

Expenses under \$5,000 may be signed by the relevant Program Manager or Manager and counter-signed by the Director of Research, Communications Manager or Director of Business Development.

Employment agreements

For **interns and Junior Research Scholars**, contracts should be signed by the Research Manager or Communications Manager, in the case of the Graphic Design Intern.



For **executives, including VPs and the Communications Manager**, contracts should be signed by the President and CEO.

For **Post-graduate Research Scholars, Research Specialists, Program Managers, consultants, and all other staff**, contracts should be signed by a Vice-President or the President and CEO.

Endowment Fund

Authority to provide instruction to APF Canada's Fund Managers, with the approval of the Investment Chair, regarding fund transfers, redemptions and allocations, and authority to receive and/or request information, reports, notices, and other documents related to the management of an account is granted to the following individuals:

- President and CEO, Stewart Beck
- Accountant Manager, Annie Hu
- Board Secretary, Aloka McLean



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Mr. Paul Thoppil
Assistant-Deputy Minister
Asia-Pacific OGM
125 Sussex Drive, A5-190
Ottawa, ON
K1A 0G2

30th July, 2019

Ref: Information pertaining to the Asia Pacific Foundation of Canada's Conditional Grant Agreement

On behalf of the Asia Pacific Foundation of Canada ("the Foundation"), I am writing to inform you of an update to our accounting procedures related to the Conditional Grant Agreement (the "Agreement").

Under the Agreement, section 2.4.1, APF Canada is required to allocate a minimum of 25 percent of its annual investment revenue from the Endowment Fund to the Foundation's Granting Program, which supports the annual disbursement of grants by the Foundation.

The Agreement, however, does not define what constitutes investment revenue and, as such, has been interpreted differently by the Foundation's auditors over the past five years. At the November 2018 Board meeting it was decided that an acceptable not-for-profit definition of investment revenue was required. The Audit and Evaluation Committee of the Board subsequently researched the most appropriate and common definition of 'investment revenue' for similar not-for-profits and, based on those findings and supported by our current auditors, KPMG, the Board approved, by resolution dated April 4, 2019, the following definition of "investment revenue" for the purposes of the annual allocation to the Foundation's Granting Program, as well as the Foundation's audited financial statements:

"The Foundation defines investment revenue as investment interest, dividend and other similar income, whether reinvested or distributed, less investment management fees charged. Realized gains on dispositions or redemptions of investments and capital gains distributions shall be excluded from the definition of revenue for purposes of the annual determination of revenue to be used toward grant funding and shall be recapitalized to the Endowment Fund in the interest of preserving the capital of the fund."

To ensure the consistent application of the above definition of investment revenue, and on the advice of the Foundation's current auditors, KPMG, the prior Granting Program calculations will need to be restated retroactive to 2016 to reflect this new, Board-approved, KPMG-supported definition of investment revenue.

The Board-approved definition of investment revenue provides for a more consistent and predictable income to the Foundation, and thus shelters APF Canada's Granting Program from the volatility and whims of the financial markets. Additionally, it provides the Foundation with the ability to commit, annually, to supporting, up to, four Post-Graduate Research Scholars through its Granting Program.



ASIA PACIFIC FOUNDATION OF CANADA FONDATION ASIE PACIFIQUE DU CANADA

It is the position of the Foundation that the adoption of this common definition of investment revenue neither contradicts the spirit or intent, nor constitutes a material change as articulated in section 4.11 of, the Conditional Grant Agreement, which reads: "No material changes in the objectives of the Fund, the use of the Fund or the Fund's investment policy will be undertaken without prior written approval of the Minister of Foreign Affairs."

Further, the Board definition of investment revenue is consistent with Canada's *Chartered Professional Accountants Handbook* section 1001, para. 32, to wit: "Revenues are increases in economic resources, either by way of inflows or enhancements of assets or reductions of liabilities, resulting from the ordinary activities of an entity. Revenues of not-for-profit organizations normally arise from donations, government grants and other contributions as well as from membership fees, the sale of goods, the rendering of services or the use by others of entity resources yielding rent, interest, royalties or dividends."

The Endowment Fund's objective to support the goals and activities of the Foundation has not changed, nor has the use of the Fund to support the operations and granting functions of the Foundation changed, nor have the investment policies, as prescribed in the Conditional Grant Agreement, changed. The only change is the application of a definition of investment revenue consistent with acceptable accounting practices, applied by the Board, supported by the Foundation's auditors, and immaterial to the objectives of the Fund, its use or the Fund's investment policies.

We kindly request your acknowledgement of and concurrence with the above by signing below and returning copies to the Foundation's attention per stewart.beck@asiapacific.ca and to our auditor KPMG's attention per cchiang@kpmg.ca.

Thank you for your attention.

Yours Sincerely,

Mr. V. Paul Lee
Chair, Audit and Evaluation Committee
Asia Pacific Foundation of Canada

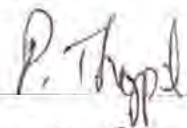
Signature

Date:

Mr. Paul Thoppil
Assistant Deputy Minister
Asia Pacific OGM

Signature

Date:


February 5, 2020

STATEMENT OF INVESTMENT POLICIES AND PROCEDURES

For

ASIA PACIFIC FOUNDATION OF CANADA

Approved: July 25, 2019

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Section I – Introduction

- 1.1 This document constitutes the Statement of Investment Policies and Procedures (the “Policy”) applicable to the assets held in respect of the Fund (the “Fund”) of the Asia Pacific Foundation of Canada (the “Foundation”).
- 1.2 The purpose of this Policy is to formulate those investment principles, guidelines and monitoring procedures that are appropriate to the needs and objectives of the Fund.
- 1.3 Any Manager or other agent or advisor providing services in connection with the investment of the Fund assets shall accept and adhere to this Policy.
- 1.4 This Policy may be changed or modified at any time by action of the Committee.

Section II – Overview of the Fund

- 2.1 The Fund was established primarily through a grant from the Government of Canada. Its purpose is to provide a stable source of funding for the effective operation of the Asia Pacific Foundation of Canada.

Section III – Governance and Administration

- 3.1 The Fund was furnished through a conditional grant of \$50 million on December 22, 2005 provided by the Government of Canada. The Foundation shall use this conditional grant solely for the purposes of the Fund. No material changes in the objectives of the Fund, the use of the Fund or the Fund's Policy will be undertaken without prior written approval of the Minister of Foreign Affairs.
- 3.2 The Board of Directors of the Asia Pacific Foundation (the "Board") has the ultimate responsibility to ensure that the Fund is invested and managed in accordance with the prudent person principle.
- 3.3 The Board is the administrator of the Fund and responsible for all aspects of the operations of the Fund.
- 3.4 To assist in meeting its obligations, the Board has established a governance structure and delegated to the Investment Committee (the "Committee") responsibility for investment of the Fund. The Committee shall be composed of at least three Directors who are not officers or employees of the Foundation. Members of the Committee shall be financially literate and, collectively, have broad knowledge or experience in investment matters. Members of the Committee are to be appointed by the Board.
- 3.5 Oversight activities of the Fund are administered by the Committee. These include development of policies, appointment and termination of investment managers and other external service providers, and monitoring of investment results.
- 3.6 In fulfilling its responsibilities, the Committee may delegate to or otherwise utilize employees of the Foundation where appropriate. The Committee shall retain responsibility and utilize suitable personnel for such activities and monitor the activities undertaken by the selected personnel. The Committee may delegate some activities where appropriate but shall retain responsibility for such activities. Any reference in the Policy to the Committee shall be interpreted as referencing the appropriate delegate.
- 3.7 The Committee may rely on independent experts for certain aspects of the Fund's operations where expert knowledge is required or where a perceived or actual conflict of interest exists.

- 3.8 Neither the Committee nor any employee of the Foundation shall select securities on behalf of the Fund except for the selection of Pooled Funds, GICs, or short-term deposits with banks or trust companies for the Fund.
- 3.9 The Committee shall retain one or more independent professional investment managers (the “Manager(s)”) to invest the Fund assets.
- 3.10 Assets of the Fund shall be allocated by the Committee among Managers in such proportions that will implement the Fund asset allocation guidelines in accordance with this Policy.
- 3.11 Where the Committee desires to invest in a Pooled Fund, the Committee must satisfy itself that the Investment Policy of such Pooled Fund and any amendments thereto are consistent with this Policy.
- 3.12 Any Custodian of Fund assets shall be a trust company registered in Canada or an insurance company authorized to underwrite life insurance in Canada. All investments and assets of the Fund shall be held by a Custodian and invested in a name that clearly indicates that the investment is held in trust for the Fund and, where the investment is capable of being registered, registered in that name.

Section IV – Roles and Responsibilities

The Board

4.1 The Board shall:

- Approve the Policy.
- Approve the appointment of Committee members.
- Approve any public financial statements which include reporting on the value of the Fund.
- Ensure that proper external investment arrangements are established for the Fund.
- Approve the asset mix policy.
- Ensure that Policy is reviewed at least annually.

The Committee

4.2 The Committee shall:

- Recommend a written Statement of Investment Policy to the Board.
- Approve the appointment of independent external advisors to provide investment advice (the “Investment Consultant(s)”).
- Approve the manager structure and review it at least annually.
- Approve the appointment and termination of the Managers.
- Approve the appointment and termination of the Custodian.
- Monitor the activities and performance of the Fund.

- Make other decisions that may be required to fulfill the terms of this Policy.

The Managers

4.3 The Managers shall:

- Invest the assets allocated to them in accordance with the Policy.
- Comply with the terms of an Investment Manager Agreement (“Agreement”).
- Report to the Committee in writing on a quarterly basis in respect of their performance for the quarter, the investment holdings and transactions, the intended strategy for the following quarter, deviation from the intended strategy for the preceding quarter and compliance with the Policy.
- Provide to the Committee upon appointment, and whenever change occur thereafter, their policies and procedures relating to professional standards, conflicts of interest, internal controls and trading policies.
- Advise the Committee on an ongoing basis of any relevant changes in their organization, personnel or investment process.
- Be available for meetings or discussions with the Committee on a reasonable basis.
- Report to the Committee in writing on an annual basis, and whenever there are changes, their Environmental, Social, and Governance policies and practices.

Section V – Asset Classes Eligible for Investment

5.1 From time to time, and subject to this Policy, the Fund may invest in any or all of the following asset categories and subcategories of investments either directly or through Pooled Funds or exchange traded funds that hold these investments. To the extent the Fund invests in a Pooled Fund, the investment constraints outlined below and any other provisions of the Statement that may be affected, shall not apply, but the Managers shall be governed by the investment policy for the Pooled Fund. At the time of hire, the Managers shall inform the Committee when and how the guidelines of the Pooled Fund differs from the diversification and other constraints in this Policy, and shall also inform the Committee of their policies on environmental, social and governance factors as these relate to their security selection decisions.

(a) “Equity”:

- common stocks, convertible debentures, share purchase warrants, exchangeable shares, share purchase rights, installment receipts or preferred shares of corporations
- interests in limited partnerships
- exchange traded funds, real estate investment trusts and income trusts
- depositary receipts

(b) “Fixed Income”:

- bonds, debentures, notes, or other debt instruments of domestic, foreign and supranational issuers
- asset-backed securities
- mortgage-backed securities
- commercial and residential mortgages

- pooled funds primarily invested in mortgage loans secured against Canadian and US real estate
 - hybrid debt instruments issued by Canadian chartered banks
 - term deposits or similar instruments of licensed trust companies and banks
- (c) **“Infrastructure”:**
- pooled funds primarily invested in US and Canadian infrastructure assets
- (d) **“real estate”**
- pooled funds primarily invested in global real estate assets
- (e) **“Cash and Cash Equivalents”:**
- deposits with banks or trust companies with a term to maturity of one year or less
 - money market securities with a term to maturity of one year or less
 - floating rate notes
 - repurchase agreements with a term to maturity of one year or less
- (f) **Hedge Funds:**
- Hedge funds via pooled funds only, including, but not limited to absolute return strategies, market neutral credit and equities, event driven and global credit
- (g) **Derivatives:**
- Futures and options that are regularly traded upon recognized public exchanges or other organized public trading facilities where market prices are readily available.

- Forward contracts and swap agreements with financial institutions that satisfy the credit standards of the Policy with respect to Cash Equivalents and Fixed Income.

Other Investments:

- 5.2 The Fund may not invest in categories of assets or instruments not specifically provided for in this section including commodities, precious metals, mineral rights, bullion or collectibles.

Section VI – Investment Objectives and Risk Considerations

- 6.1 The overall investment philosophy of the Fund is to maximize the long-term real rate of return subject to an acceptable degree of risk.
- 6.2 The investment objectives of the Fund are:
- (a) The primary objective of the Fund is to preserve the principal amount of the Fund over the long term.
 - (b) A secondary objective is to preserve the real value of the Fund over the longterm.
 - (c) The long-term expected rate of return for the Fund is 4% above inflation (as recorded by the Consumer Price Index) over four-year rolling periods.
- 6.3 The overall quantitative performance of the Fund shall be considered satisfactory if the total annualized returns earned by the Fund exceed by 1.0% the returns that could have been earned by passively investing the Normal Allocation, identified in the following table, over rolling four year periods.

Asset Class	Benchmark Index	Normal Allocation
Canadian Equities	S&P/TSX Composite Index	25%
Global Equities	MSCI World Index	35%
Canadian Fixed Income and Mortgages	Blended Index comprised of 80% FTSE Canada Universe Bond Index + 20% FTSE Canada Short Term Index	22%
Infrastructure	CPI + 4%	8%
Real Estate	CPI + 4%	10%

6.4 For each actively managed component of the Fund, the following table details the value add expectations relative to the corresponding benchmark. It is expected that the Managers will achieve these performance targets for their respective mandates, measured over rolling four year periods.

Asset Class	Benchmark Index	Added Value Expectation
Canadian Equities	S&P/TSX Composite Index	Index + 1.0%
Global Equities	MSCI World Index	Index +1.0%
Canadian Fixed Income and Mortgages	Blended Index comprised of 80% FTSE Canada Universe Bond Index + 20% FTSE Canada Short Term Index	Index + 0.4%
Infrastructure	CPI + 4%	0.0%
Real Estate	MSCI Global Property Fund Index	0.0%

6.5 For the purpose of measuring rates of return of the Fund, all returns shall be measured before investment management fees, but after transaction costs, and over rolling four-year periods. All index returns shall be total returns. All foreign index returns shall be Canadian dollar returns.

6.6 The risk inherent in the investment strategy over a market cycle (a five to ten year period) is three-fold. There is a risk that long-term market returns will not be in line with expectations. To the degree that active management is employed, there is a risk that the added value will not be realized, or will be negative. There is also the risk of annual volatility in returns which means that in any one year the actual return may be very different from the expected long-term return and that such return may also be negative.

Section VII – Asset Allocation Guidelines

7.1 In identifying the Normal Allocation that would best meet the objectives identified in this Policy, consideration was given to:

- (a) the factors outlined in Overview of the Fund;
- (b) the long-term nature of the Fund's assets;
- (c) the long-term return expectations and the risks associated with key asset classes, as well as the relationships of their returns with each other, inflation and interest rates; and
- (d) Practical considerations.

7.2 Over complete market cycles the allocation is expected to stay within the following ranges and to approximate the Normal Allocation:

Component Asset Classes	Percentage of Fund at Market Values		
	Normal Allocation	Range	
		<i>Minimum</i>	<i>Maximum</i>
Canadian Equities	25%	15%	30%
Global Equities	35%	30%	45%
Total Equities	60%	50%	70%
Fixed Income and Mortgages	22%	15%	30%
Cash & Cash Equivalents	0%	0%	10%
Infrastructure	8%	4%	12%
Real Estate	10%	0%	12%

Cash and Cash Equivalents may also be held from time to time on a short-term, temporary basis or as defensive reserves within the portfolios for each asset class at the discretion of each Manager within the constraints prescribed by that Manager's mandate, and for the

purposes of this section such Cash and Cash Equivalents shall be included in that respective asset class.

During periods of asset mix transition, the allocations may deviate from the permitted ranges.

- 7.3 If the asset mix deviates outside the above ranges at the end of any quarter, the Committee shall take corrective action on rebalancing the asset mix to bring the asset mix back within the range as soon as practicable. The Committee may also take action to bring the asset mix closer to the Normal Allocation at any time.

Section VIII – Restrictions and Constraints for Fund's Investments

- 8.1 (a) The Committee shall ensure that the diversification requirements in each Manager's mandate or Pooled Fund investment policy, in combination with the amount of assets allocated to each Manager or Pooled Fund, are consistent with the limits outlined in this Section.
- (b) Unless otherwise indicated, all percentages used in this Section shall be calculated using market values at the time; and
- (c) With the exception of a pooled fund and securities issued or guaranteed by the Government of Canada or by a province of Canada having at least an "A" rating no more than 10% of the Fund shall be invested in any one entity or group.
- 8.2 In respect of the equity portfolio of the Fund:
- (a) All holdings shall be listed on a public exchange or convertible or exchangeable into such securities.
- (b) Neither the Manager nor the Fund may take part in the management of any business in which the Fund invests.
- (c) Holdings shall be diversified by company, region, industry, currency and country; however, consideration may be given to the relative sizes of economic activity and stock market capitalization.
- (d) In respect of any Canadian income trust and Canadian real estate investment trust, unless the unit of such trust is held within a Pooled Fund and the agreements governing the Pooled Fund state that the investors in that Pooled Fund cannot be held personally liable for the obligations of the trust or the trustee, such trust:
- (i) must be a reporting issuer under the applicable securities legislation in Canada;

- (ii) must be governed by the laws of a province that limits the liabilities of unit holders by statute; and
 - (iii) The agreements governing any such trust must state that beneficiaries cannot be held personally liable for the obligations of the trust or the trustee.
- (e) Any interest in a partnership must be as a limited partner and not as a general partner.
 - (f) Not more than 10% of the Canadian Equity portfolio shall be invested in securities not included in the S&P TSX Composite Index.
 - (g) Not more than 10% of the global equity portfolio shall be invested in companies having market capitalization, including closely held shares, below \$1 billion (USD).
 - (h) Not more than 10% of the global equity portfolio shall be invested in countries not included in the MSCI World index.

8.3 In respect of the fixed income portfolio of the Fund:

- (a) All securities must be readily marketable.
- (b) Securities rated below “BBB (low)” or equivalent at the time of purchase are not permitted.
- (c) The aggregate duration of the portfolio shall be maintained within three years of the FTSE Canada Universe Bond Index.
- (d) Not more than 5% shall be invested in any one corporation or security with the exception of those issued or guaranteed by the Government of Canada or by a province of Canada having at least an “A” rating.
- (e) Asset-backed securities shall be rated by at least two rating agencies.

- (f) Mortgages shall be secured against Canadian and US real estate, and the loan to market value ratio for individual mortgages shall not exceed 75%.
- (g) Not more than 30% shall be held in issues rated below "A" or equivalent.
- (h) Not more than 15% shall be held in securities denominated for payment in foreign currency.

8.4 In respect of Derivatives:

- (a) Any use of Derivatives must be in accordance with a policy that has been specifically considered and approved by the Committee whether done directly in the Funds or in a Pooled Fund.
- (b) Derivatives may be used only to:
 - (i) adjust the duration and/or credit exposure of the Fixed Income portfolio within the ranges set out in this Policy;
 - (ii) replicate the investment performance of interest rates or a recognized capital market index;
 - (iii) create an exposure to securities that are otherwise permitted under this Policy;
 - (iv) manage the currency exposure of foreign property; or
 - (v) Reduce risk as part of a hedging strategy.
- (c) Derivatives may not be used to create exposures that would not otherwise be permitted under this Policy or which would be outside the limits under this Policy had the exposure been obtained in the cash markets.

- (d) Any Manager investing in Derivatives must determine the market value of that Manager's exposures on a daily basis.

8.5 In respect of Cash and Cash Equivalents of the Fund:

- (a) All Cash Equivalents, including those held within the portfolios for each asset class at the discretion of the Manager, shall have a minimum credit rating of "R-1 (low)" or equivalent and be readily marketable or redeemable.
- (b) Deposits with banks or trust companies must be rated "A" or better or be with institutions that have a long-term rating of "A" or better.

8.6 For purposes of this Section:

- (a) All debt ratings refer to the ratings of Dominion Bond Rating Service unless otherwise indicated, however, equivalent ratings by another major credit rating agency can be used.
- (b) If a security's credit rating falls below the required level after purchase, the Manager shall advise the Committee of their proposed course of action in writing as soon as practical.
- (c) Unrated securities will be assumed to fail the credit ratings referred to in this Section.

8.7 Other than in the case of Derivatives specifically permitted by this Policy, the Fund shall not purchase securities on margin or engage in short sales. Installment receipts may not be purchased unless Cash or Cash Equivalents equal to the unpaid purchase price are also held.

Section IX – Loans and Borrowing

9.1 No part of the Fund assets shall be loaned to any party, other than by:

- (a) purchasing securities which otherwise meet the requirements of this Policy for Fixed Income or Cash Equivalent;
- (b) lending securities either by the Custodian or through a Pooled Fund that lends securities provided that a minimum collateral coverage of at least 102% of the current market value of the loaned securities is maintained at all times:
 - (i) in high quality liquid securities defined in an agreement with the lending agent and provided also that the lending agent provides a Bank guarantee of all such loans, or
 - (ii) in cash, provided that such cash is invested in investments that comply with the requirements for Cash and Cash Equivalents in this Policy, or
- (c) Entering into repurchase agreements provided that the market value of the collateral held equals or exceeds the repurchase price plus accrued interest each day and the collateral otherwise qualifies for investment under this policy.

9.2 Money shall not be borrowed on behalf of the Fund and the Fund' assets shall not be pledged or otherwise encumbered in respect thereof, except for temporary overdrafts that occur in the course of normal day-to-day portfolio management.

Section X – Valuation of Investments

- 11.1 Investment in marketable securities shall be valued by the Custodian no less frequently than monthly at their market value at that time.
- 11.2 The Fund's investments in Pooled Funds holding publicly traded securities shall be valued according to the unit values published by the Managers. The Custodian shall be responsible for requesting and recording the unit values on a monthly basis.
- 11.3 If a market valuation of an investment is not readily available, an estimate of fair value shall be supplied by the Manager to the Custodian no less frequently than quarterly. Such fair value may be determined by reference to the most recent independent expert appraisal or by other means such as discounted cash flow or comparison with similar assets which are publicly traded. In all cases the methodology should be applied consistently over time.

Section XI – Conflicts of Interest

- 11.4 If a member of the Committee, or any agent of or advisor to the Committee, or any person employed in the investment or administration of the Fund has or acquires any material interest, direct or indirect, in any matter in which the Fund is concerned or may benefit materially from knowledge of, participation in, or by virtue of an investment decision or holding of the Fund, the person involved shall, as soon as practicable, disclose this conflict of interest to the Chair of the Committee. The Chair shall then immediately advise all members of the Board, and the Board shall decide upon a course of action according manager's internal guidelines and polices. Any such person will thereafter abstain from any decision making with respect to the area of conflict, unless otherwise determined by unanimous decision of the remaining members of the Committee.
- 11.5 A Manager shall provide the Committee with its internal guidelines on purchasing securities of members of the Manager's organization, affiliates, or entities in which the Manager or its affiliates have a substantial interest or in which any employee of the Manager or that employee's spouse or children have a substantial investment.
- 11.6 Every disclosure of interest under this Section shall be recorded in the minutes of the relevant Committee meeting.
- 11.7 The failure of a person to comply with the procedures, described in this Section, shall not of itself invalidate any decision, contract or other matter.
- 11.8 The Committee shall satisfy itself that an appropriate policy regarding conflicts of interest exists and is followed by any Manager. As a minimum, the Code of Ethics and Standards of Professional Conduct adopted by the CFA Institute shall be expected to apply to such Manager.

Section XII – Voting Rights

- 12.1 The responsibility of exercising and directing voting rights acquired through the Fund's investments shall normally be delegated to the Manager, who shall be required at all times act prudently and in the best interests of the beneficiaries. The Manager shall provide a copy of their voting rights policy to the Committee on request.

- 12.2 The Manager shall be required to maintain a record of how the Fund's voting rights have been exercised and provide a copy of such record to the Committee on request.

Section XIII – Monitoring

13.1 The Committee shall review on a regular basis, as needed, and at least once a year:

- (a) the assets and net cash flow of the Fund;
- (b) the current asset mix of the Fund;
- (c) the investment performance and management of the Fund and each Manager relative to the objectives of the Policy, their Investment Policy or their individual Mandate, as applicable;
- (d) portfolio holdings;
- (e) the fees and expenses incurred in managing the Fund; and
- (f) Compliance with this Policy.

Following such review, the Committee shall take such action as it deems prudent and appropriate.

13.2 The Committee or a representative appointed by the Committee shall meet at least once a year with each Manager to discuss investment performance, investment strategies, expected future performance and any changes in that Manager's organization, investment processes and professional staff.

13.3 The primary focus of performance assessment will normally be on a moving four-year basis, but performance over shorter time periods and the Manager's performance for other comparable accounts prior to appointment for the Fund may also be considered. The Manager will not necessarily be faulted for underperforming the agreed standard over short time periods. However, the Committee may conclude that significant short-term underperformance renders it unlikely that the performance standard can reasonably be achieved at an appropriate risk level over the remainder of a market cycle.

- 13.4 Managers' performance will be measured against applicable benchmarks and peer groups, as well as non-performance criteria, indices and comparator groups.
- 13.5 The Managers will also be judged on non-performance related criteria such as
- (a) failure to comply with the guidelines of the Policy;
 - (b) changes in key investment personnel, ownership and organization;
 - (c) deterioration in the quality and level of service;
 - (d) investment management fees, and
 - (e) Financial condition of the firm (including any significant changes in assets under management).
- 13.6 The Committee shall evaluate whether any information discovered through the foregoing monitoring activities require specific communication to the Board.

Section XIV – Policy Review

- 14.1 This Policy will be reviewed and affirmed at least annually, but otherwise whenever a major change is apparent or necessary. Such review may be prompted by:
- (a) a change in the expected projected expenditures of the Fund;
 - (b) a revision to the expected long-term trade-off between risk and reward on key asset classes;
 - (c) a shift in the financial objectives and risk tolerance of the Foundation,
 - (d) shortcomings of the Policy that emerge in its practical operation; or
 - (e) Modifications that are recommended to the Committee by a Manager.

Section XV – Environmental, Social, and Governance

- 15.1 Companies that ignore environmental, social, and governance (ESG) factors expose themselves to risks that can adversely impact long term financial performance. When evaluating companies for potential investment, investment managers should include an assessment of the potential risks and opportunities arising from ESG factors.
- 15.2 Existing managers are encouraged to integrate ESG considerations into their investment process and are required to provide annual updates on their ESG practices. In evaluating and selecting new investment managers or retaining existing managers, consideration will be given to whether and how ESG factors are integrated into the manager's investment process. Individual security selection decisions will remain the responsibility of investment managers retained by the Foundation.



NETWORKS (DISTINGUISHED FELLOWS, YOUTH COUNCIL, MEDIA FELLOWS)

Distinguished Fellows

2015:

APFC Senior Fellow

- 1 Arvind Gupta
- 2 Brian L Job
- 3 Daniel Savas
- 4 David Zweig
- 5 Hugh L. Stephens
- 6 Ito Peng
- 7 Saumitra Chaudhuri
- 8 Yuezhi Zhao
- 9 Yves Tiberghien

APFC Executive Fellow

- 1 Alison Nankivell
- 2 Doug Horswill
- 3 Geoffrey K. Mitchell
- 4 Isabelle Courville
- 5 Prashant S. Pathak

APFC Distinguished Fellow

- 1 David L Emerson
- 2 David Mulroney
- 3 Donald W. Campbell
- 4 Joseph P. Caron
- 5 Leonard J Edwards
- 6 Michael A Goldberg
- 7 Pitman Potter
- 8 Stockwell Day
- 9 Yuen Pau Woo

2016:

Senior Fellows

1. Daniel Savas
2. Saumitra Chaudhuri
3. Brian Job
4. Yves Tiberghien
5. Ito Peng
6. Joe Knockeart
7. Deanna Horton

Distinguished Fellows

1. Stockwell Day
2. Len Edwards
3. Michael Goldberg
4. Don Campbell
5. Joseph Caron
6. David Mulroney
7. Pitman Potter
8. Hugh Stephens

Executive Fellows

1. Doug Horswill
2. Prashant Pathak
3. Isabelle Courville
4. Geoffrey Mitchell
5. Alison Nankivell
6. Mukund Purohit
7. Jingming Li

2016:

Distinguished Fellows

- 1 David Alan Byng
- 2 Don Campbell
- 3 Joseph Caron
- 4 Dan Ciuriak
- 5 Dr. Ken Coates
- 6 Brad Gilmour
- 7 Dr. Michael Goldberg
- 8 Dr. Carin Holroyd
- 9 Dr. Deanna Horton
- 10 Margaret McCuaig-Johnston
- 11 Dr. Jonathan Berkshire Miller
- 12 Dr. Jean Michel Montsion
- 13 Dr. Stephen Robert Nagy
- 14 Dr. Patricia Nelson
- 15 Nicholas Parker
- 16 Dr. Ito Peng
- 17 Dr. Pitman Potter
- 18 Daniel Savas
- 19 Michael Small
- 20 Hugh L. Stephens
- 21 Dr. Yves Tiberghien
- 22 Dr. James Tiessen
- 23 Dr. David Welch

Youth Council

2016-2017:

Nichole Chan: President

Oliver Mann: VP of Communications

Yiming Liu: VP of Finance

Jessica Zheng: VP of Outreach Domestic

Tracy Ly: VP of Event Logistics

Verna Yam: VP of Event Programming

Virginia Zheng: VP of Sponsorship

2017-2018:

Nushrat Anjum: President

Yiming Liu: VP of Finance

Zining Wang: VP of Programming and Logistics

Phebe Ferrer: VP of Programming

Megan McMahon: VP of Communications and Outreach

Julian Lam: VP of Sponsorship and Outreach

Ekaterina Voronkina: VP of Outreach Strategy

2019-2019:

Phebe Ferrer: Co-President

Yiming Liu Co-President

Carl Cai: Vice President of Finance

Angela Tien: Vice President of Signature Programs

Arthur Liao: Vice President of Event Programming

Kris Jun: Vice Programming and Logistics

Julian Lam: Advisor to the Co-Presidents

2019-2020:

Angela Tien: Youth Council President

Felipe Civita Ferreira: Director of Global Careers

Catherine Jiang: Associate Director of Global Careers

Nicola Jones-Crossley: Director of Entrepreneurship and Asia Pacific Business

Lucya Park: Associate Director of Entrepreneurship and Asia Pacific Business

Jamie Cin Yee Leung: Co-Director of Student Election Watch Programming

Matthew Putman: Co-Director of Student Election Watch Programming

Faiz Vagh: Co-Director of Student Election Watch Programming

Benedict Tang: Director of Digital Communication and Marketing

Arkam Nusky: Director of Finance and Sponsorship

Chandima Silva: Co-Director of Arts and Culture Programming

Natascha Schoepl: Co-Director of Arts and Culture Programming

Yaoyao Pei: Co-Director of Arts and Culture Programming

Arthur Liao: Co-Director of Arts and Culture Programming

Media Fellows

Year	Name	Profile	Company	Destination	Outcome
2014-2015	Carl Meyer	Foreign Affairs Editor and Reporter	Embassy News	Vietnam	Produced a six-part series examining Canada's multifaceted relationship with Vietnam.
	Elaine O'Connor	Reporter	The Province (Vancouver)	South Korea	Wrote an article examining the acceleration and impact of international education linkages between British Columbia and Asia with a focus on education links between B.C. and South Korea.
2015-2016	Melanie de Klerk	Assignment Editor, Field Producer, and Reporter	Global National News (Vancouver)	Myanmar	Produced eight episodes and eight accompanying articles on Myanmar to provide Canadians with a picture of the largely unknown country as it struggles to overcome its past and move into the future.
	Bill Strautman	Agri-Business Writer, former Communications Professional	Freelance (Saskatoon)	China, Brunei, Japan, Hong Kong	Wrote 14 articles and one sidebar that explored and highlighted some of the Asian markets that Canadian beef is sold in, with a focus on how beef is prepared and consumed in these markets.
	Adam Walsh	Multimedia Reporter	CBC (St. John's)	China	Published a four-part series on his firsthand experience witnessing Newfoundland and Labrador's efforts to expand seafood business interests into the Asian market, specifically China.
2016-2017	Kristi Alexandra	Writer	Freelance (Business in Vancouver, Vancouver's Westender, Ricepaper Magazine)	Indonesia	Published three articles that explored and reported on Indonesia's textile arts and how it pertains to the fashion trade in Vancouver and Canada.
	Dan Fumano	Investigative Reporter	Postmedia News Group	India	Produced a five-part series examining how Canada and India's top minds are collaborating to tackle water security challenges.
	Josh Dehaas	Correspondent	Maclean's Magazine	China	Published five feature articles that explored opportunities for Canada's higher education sector to collaborate more closely with China.



Year	Name	Profile	Company	Destination	Outcome
2017-2018	Philippe Grenier	Multimedia Journalist	CBC's Radio Canada (Atlantic Canada, Saskatchewan, and Manitoba)	Japan	Published five articles exploring the demographic upheaval that has left Japan with the oldest population on the planet, an issue also affecting Canada.
	John Shmuel	Finance Journalist	Maclean's Magazine	China	Published a four-part series exploring the rapid rise of China's technology startups.
	Hayley Woodin	Multimedia Reporter and Producer	Business in Vancouver	Singapore, Malaysia, Brunei, Hong Kong	Produced one interview and six articles detailing the trade relationship between Canada and Singapore, complemented by experiences from the different Asian countries visited.
2018-2019	Emma Graney	Provincial Affairs Reporter	Edmonton Journal	China	Published a three-part series on China's growing interest in artificial intelligence, and what the future holds for both Canada and China.
	Althia Raj	Bureau Chief and Multimedia Writer and Editor	HuffPost Canada (Ottawa)	Thailand	Produced one mini documentary, eight social videos, and a written feature exploring the plight of Pakistani Christians living in Bangkok who had been denied refugee status by the UNHCR, in part because of the diaspora in Canada.
	Roberta Staley	Author, Magazine Editor and Writer, and Filmmaker	N/A (Vancouver)	Papua New Guinea (PNG)	Produced four feature articles on gender violence and the rise of witchcraft in the Oceanic nation, as well as China's relationship to illegal logging in PNG.
2019-2020	Catherine Tsalikis	Senior Editor	Open Canada	Japan	Published three articles on women's empowerment and gender equality in the 'superaged' economy of Japan where 'womenomics' is presenting new lessons for countries like Canada in dealing with extreme demographic shifts.
	Amitha Kalaichandran	Epidemiologist, Physician, and Writer	N/A (Toronto)	Japan, China	Published three articles that explored what Canada can learn from Japan and China with respect to the integration of artificial intelligence and health care given new Canadian investments in these sectors.



AUDITS & REVIEWS

Asia Pacific Foundation Strategic Review

DRAFT

Board pre-read document | November 3, 2016

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WORKING DRAFT

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- During the summer of 2016, McKinsey & Company executed a strategic refresh for the Asia Pacific Foundation of Canada. The work comprised a review of other agencies' activities, historic surveys, and reports, as well as primary research including:
 - Interviews with more than 10 members of the Board
 - Interviews with more than 8 stakeholders (federal and provincial governments, corporate Canada, universities, and fellows)
 - Working sessions with more than 10 program managers and members of the executive team
 - Case studies of 4 similar organizations and reviews of the Foundation's previous strategic plans and related documents
- The findings and recommendations within the document provide background materials to support a working session with the Foundation's Board on November 16, 2016. McKinsey will facilitate the session and support the Board in thinking through important decisions to gain perspectives and drive alignment

Strategy refresh – considerations for the Board

Considerations for the Foundation...

Aspiration / scope of the APF

- 1 Increase the focus on the Federal Government.** Respond opportunistically and nimbly to the current demand in Ottawa to deepen the relationship/have impact similar to that achieved in BC
- 2 Target “pull” provinces.** Efficiently pursue relationships with provincial governments, targeting those where strong pull is present rather than adopting a push strategy
- 3 Focus on engaged youth.** Narrow the aspiration from having an impact on the broader Canadian populace to shaping future leaders and influencing engaged youth
- 4 Provide a window into Canada.** Be a bridge for Asian companies seeking to establish a presence and in need of assistance understanding our culture
- 5 Move from 1 signature product to 3 or 4** that mirror the National Opinion Poll in stature and are distinct to the Foundation (ABAC should provide one of these pillars)
- 6 Pursue fewer, larger funding opportunities.** Focus on transformative, rather than incremental funding opportunities to maximize resource deployment

Supporting activities

- 7 Be more deliberate in convening efforts.** Strengthen the link between synthesis/research and events to strengthen communications and increase the impact of findings
- 8 Better leverage the Leaders Advisory Council.** Leverage additional expertise to help inform focus areas and identify white spaces to further the Foundation’s efforts to be a thought leader
- 9 Hire a COO or the equivalent.** Increase the Foundation’s senior leadership capacity, which is greatly valued by clients and necessary to deepen the Federal Government relationship
- 10 Strengthen commercial and marketing capabilities.** Deepen the skillset to better shape proposals and opportunities, inform pricing decisions, and structure execution of work
- 11 Deepen the Pan-Canadian presence.** Continue to grow the non-BC location(s) to deepen business, Provincial Government and Federal Government relations

- **The imperative and opportunity for APF**

- Exploring the Foundation – sources of insight
- Considerations for APF’s strategy
- Appendix

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Chapter Summary – the imperative and opportunity

- Asia's well-documented rise has had a profound impact on the global economy, the Pacific Region, and Canada
- Canada, with its advantageous geographic position and advanced economy, has an opportunity to participate in and benefit (in terms of job creation, trade, etc.) from **big opportunities** in a number of areas
 - **Consumers:** annual consumption in emerging markets will rise to \$20 trillion by 2030
 - **Natural resources:** global energy needs will increase by 30% and there will be a 30% shortfall of available water
 - **Agriculture and food:** global meat demand will double by 2050
 - **Education:** the number of Chinese international students will increase by 65% between 2011 and 2025
 - **Tourism:** in 2015, there were more than 110 million outbound travelers from China globally
 - **Technology and innovation:** Canada has one of the most educated populations in the world providing the foundation for profound impact
 - **Security:** increasing regional politics, return of geopolitics and security concerns becoming more prevalent
 - **Infrastructure:** an essential source of competitive advantage, infrastructure will be core to effective participation
- **Competition for these monetary flows and economic impact is fierce;** many regions are aggressively positioning themselves to participate and capture “their share” of the economic benefit
- If Canada is to succeed, a number of elements will need to come together, some of which will require new thinking and approaches and others that will involve a coalescing of ideas and aspirations
 - **Leadership:** federal government, provincial governments, corporate Canada will need to champion our efforts
 - **Access and understanding:** connectivity, market access, and cultural awareness will need to be present to overcome fears and ensure common understanding
 - **Ability and resources:** competency and market insight need to be developed to provide the capacity to execute
- APF Canada is positioned to play an important role in helping Canada realize its full potential. Its four strategic pillars (promotion of trade, investment, and innovation; building skills and competency; mobilizing energy assets; understanding Asia now) are well-aligned with the opportunity at hand. The challenge for APF Canada is to determine **how it can best help Canada realize the Asian opportunity**

The next 20 years will be some of the most disruptive and exciting we have ever seen, driven by four global forces

1

Shifting economic power

2

Accelerating technological change

3

The aging population

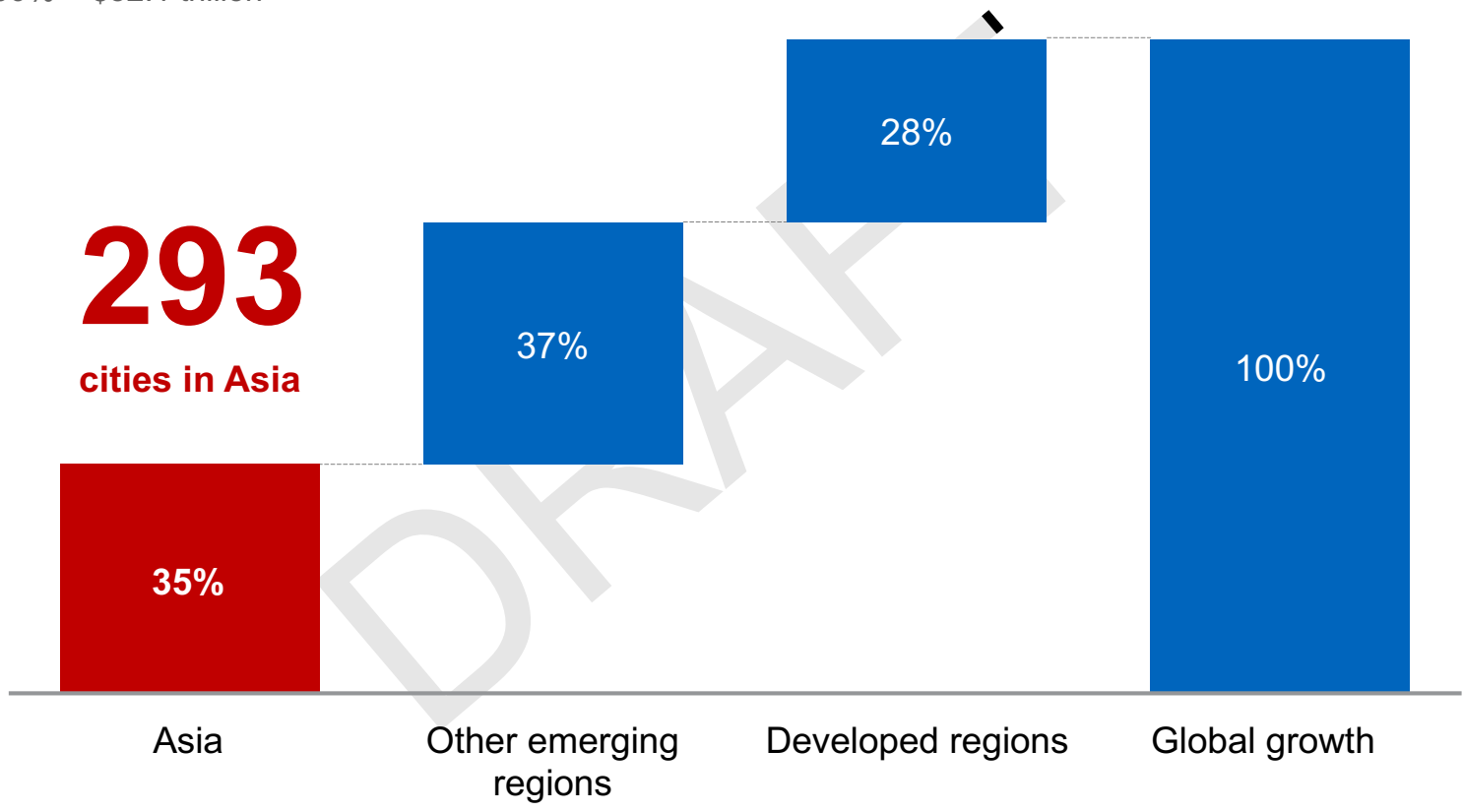
4

System-wide transformation

414 cities in emerging markets will fuel nearly half of the growth in global GDP through 2025 – 293 of which are in Asia

Percent contribution to global GDP growth, 2015–2025

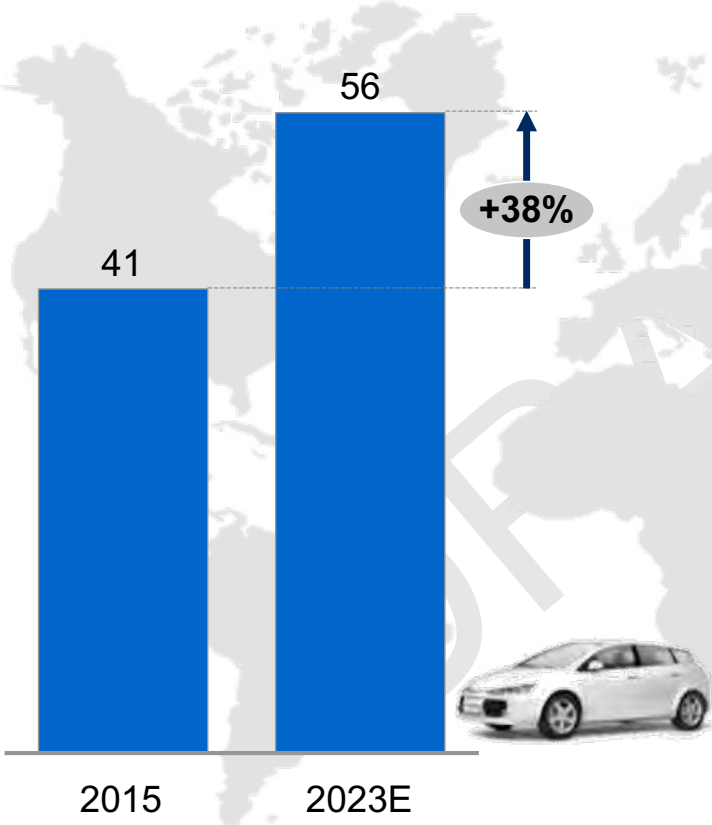
100% = \$52.1 trillion



Globally, middle class consumers in emerging markets will want to consume like those in the developed world

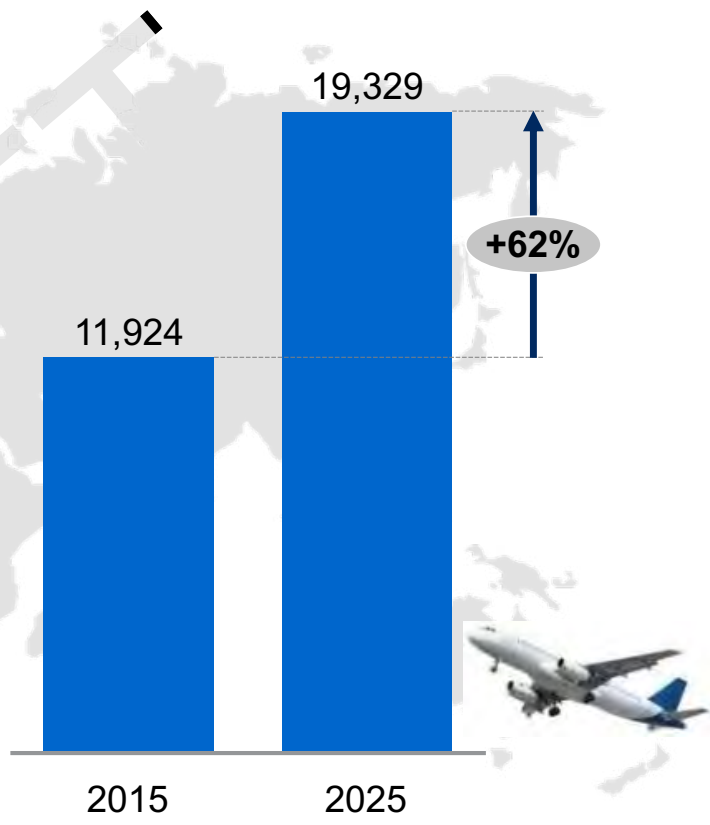
Emerging market light vehicle production

Millions per year



Emerging market airplane fleet size

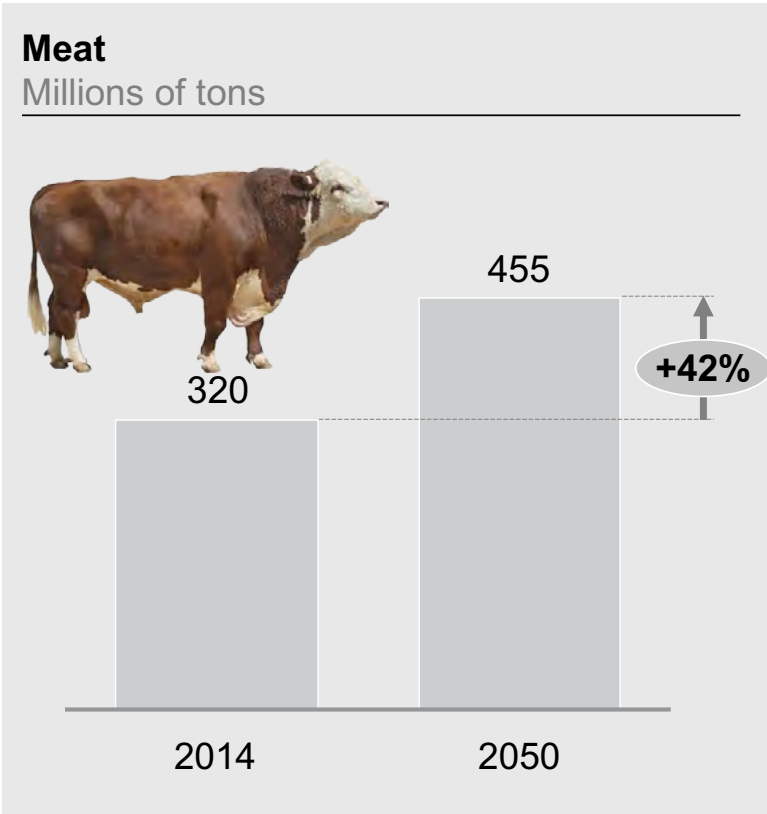
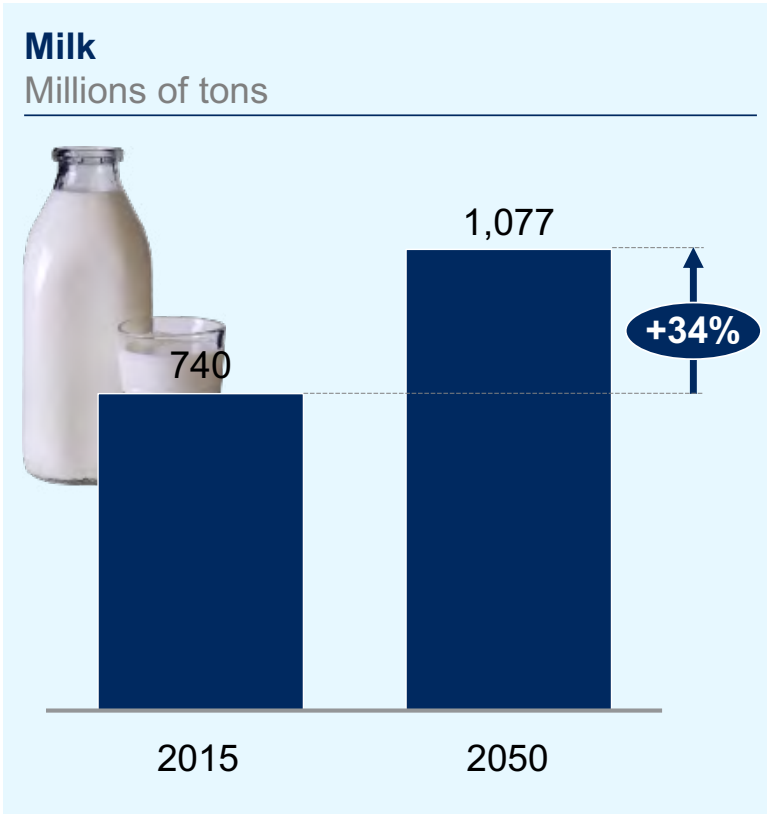
Total aircraft



SOURCE: IHS Automotive; ICFI

As incomes grow, caloric intake, especially from milk and meat, will rise – AgFood will be a huge opportunity

Worldwide production by 2050



SOURCE: Food and Agriculture Organization of the United Nations

Growth in population and the rise of the middle class will place significant strain on global resources



By 2025, water demand will exceed supply by

56%

“The Big Opportunities” for Canada and other considerations

- Opportunities
- Other considerations

	Consumers Over \$20 trillion annual consumption from emerging markets by 2030
	Natural resources (energy and water) 30% increase in global energy needs by 2030; 30% global shortfall of water by 2030
	Agriculture & food Global meat demand expected to double by 2050
	Education Already Canada's 11 th largest export (\$8B); number of international students globally will increase from 4.3M in 2011 to 7.2M in 2025
	Tourism By 2015, over 110 million outbound travelers from China, with more than half surveyed looking to experience natural landscapes
	Technology and innovation Canada has one of the most educated populations in the world
	Security issues Including regional conflicts, social tensions and cyber security challenges will become much more prevalent in the next 20 years
	Infrastructure Will be an essential source of competitive advantage, core to capturing the opportunities above and another area where Canada can lead

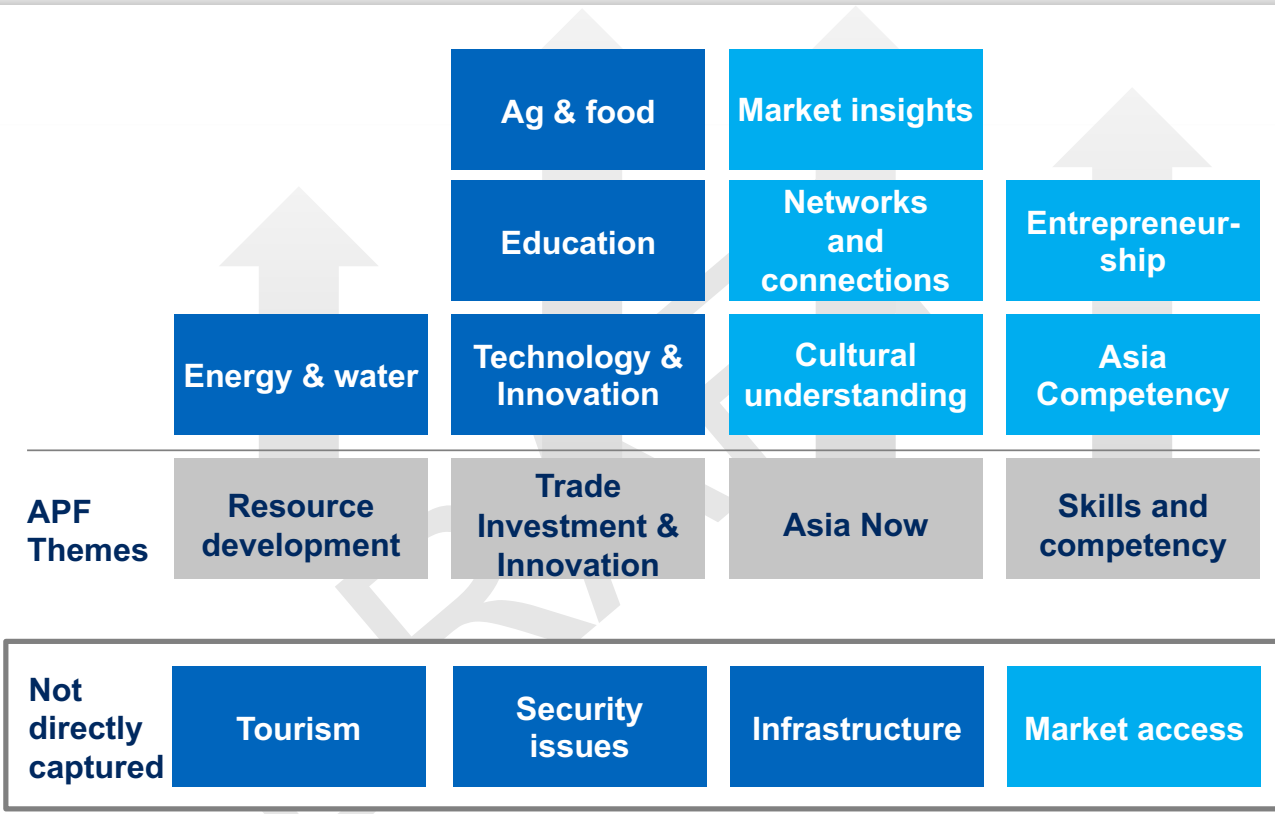
What will it take for Canada to grasp this potential?



APF's four pillars are well aligned with these opportunities and needs

■ Big Economic Opportunities

■ Enablers



At a macro level the APF is focussing on high impact opportunities with maximum potential for impact

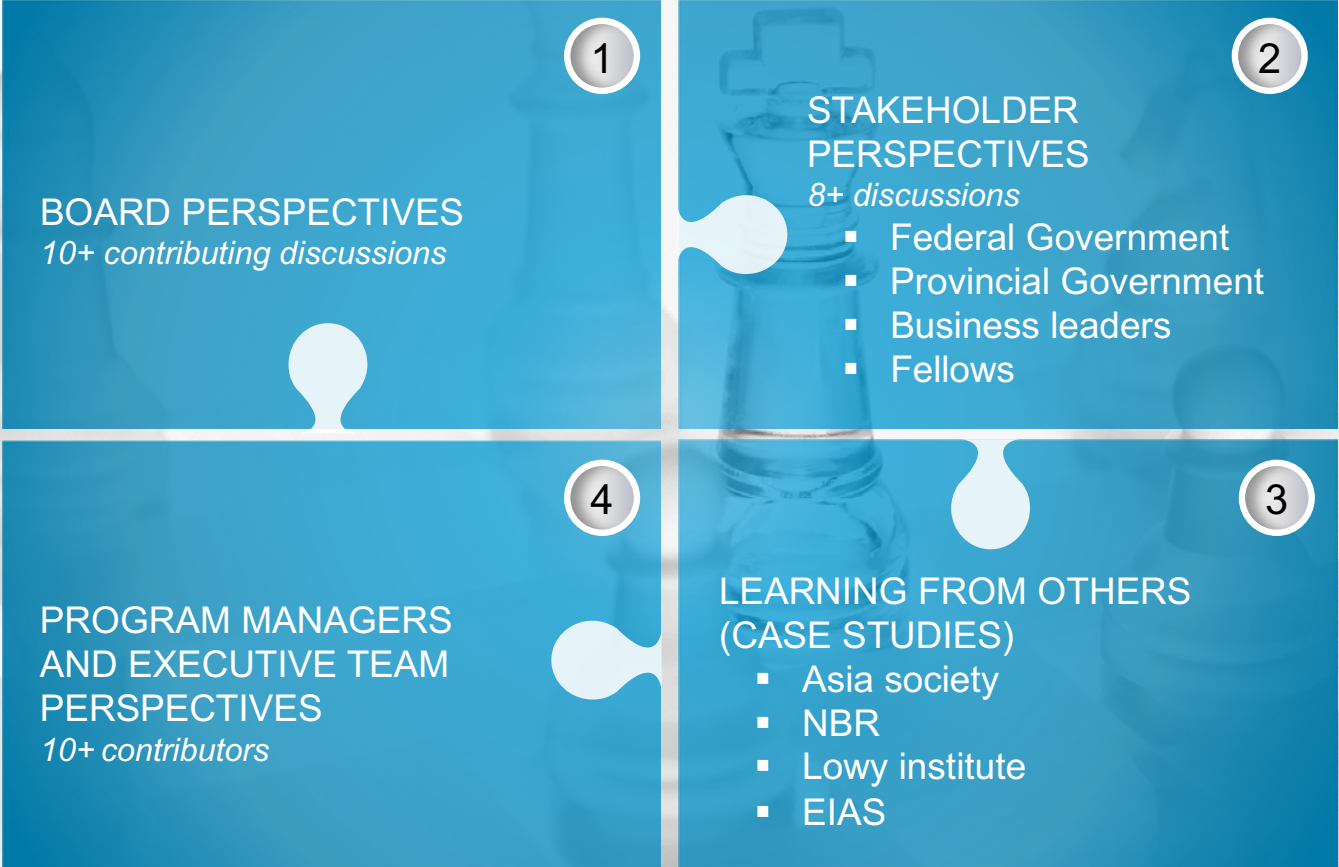
- The imperative and opportunity for APF
- **Exploring the Foundation – sources of insight**
- Considerations for APF's strategy
- Appendix



Chapter summary: Exploring the Foundation - Sources of insight and perspective

- **Board perspectives.** The Board is strongly aligned on the Foundations achievements as well as the opportunity to be even **bolder in our aspiration**. This sentiment is echoed in discussions with various stakeholders. Contributing to the achievement is a widely valued brand, strong executive leadership and a **can-do** organisational backbone. While strengths abound, there is also recognition for the **frailty of the financial model**, with significant funds being generated by strong market returns. In light of these and other factors, many Board members believe in the need to be **both nimble and opportunistic in the Foundation's strategy**, with emphasis on fully leveraging the Foundations resources and strengthening the **Foundation's ROI mentality**
- **Learning from our stakeholders.** The Foundation's impact and aspirations were strongly supported by its stakeholders, who stressed the Foundations **ability for thought leadership, ability to convene disperse populations and its stead-fast values and mission** as a catalyst for engagement between Canada and Asia. Stakeholders deeply appreciate their pragmatic and trust based working relationship with the Foundation and encourage the Foundation to continue to **be profound in its positions and thought leadership** for the Nation; and to continue to **focus on high impact, high touch interactions**
- **Bold opportunities from our program managers.** Program managers highlighted the imperative for the Foundation to continue to challenge itself to **influence big decisions and decision makers**; requiring an **even stronger brand which could be deepened by developing 2/3 additional signature products** similar to the National Opinion Poll. This approach to be deliberate in where the Foundation goes deep is sure to unlock **additional sources of leverage and potentially untapped assets** (e.g., ABAC) and will support the Foundation in maintaining its forward looking perspective. Ensuring it maintains or builds on its ability to be a leading voice on Asia
- **Lessons from others.** Most peers (NBR, Asia Society, Lowy Institute) operate with funding models less secure than that of the Foundation, often generating additional monies from the private sector, donations etc. All maintain a **broad focus on the greater Asian region in place of select target nations**. Most deploy a combination of both applied research as well and convening power, similar to the Foundation. Both the NBR and Lowy Institute gain additional support and insight from an **Advisory Council or equivalent**

Four sources of information provide learning for the Foundations go-forward strategy



Board perspectives: A strong foundation built on over 30 years of service

Role of the foundation

Strong recognition that “the need for the Foundation has never been greater”, a message echoed by numerous stakeholders and as evident by various stakeholders increasing their focus on Asia

Brand reputation

- A reputation founded on 30 years of impact and regarded as the “most important voice on Asia” in many domains
- A powerful reputation supported by its strong convening power

Board strength

- A Board with diverse skills, significant accomplishments, deep relationships and influence and who are deeply passionate about the Foundation’s cause

Executive leadership

- Strong leadership with gravitas, deep and varied networks and a vision for the Foundation
- Deep expertise within policy, the bureaucracy and research combining as a powerful force

Organizational backbone

- A culture of learning and can-do program managers as a backbone

- Dual footprint with presence in both Vancouver and Toronto providing Pan-Canadian impact

- A culture of learning and can-do program managers as a backbone

- A broad network and affiliations contributing to close collaboration and greater impact

There exists strong alignment on a number of considerations

1 A need to be nimble and opportunistic

“The Foundation needs to be sufficiently nimble to get ahead of the emerging issues as well as opportunistic (e.g., increasing its focus on the Federal Government during this period of increased Asia focus)”

2 An imperative to prepare for slower growth of the Investment Fund and related funds

“We have a wonderful record of growing our Investment Fund (through market activities), but it would be imprudent to assume the same returns can be realized in the future”

3 A need to continue to focus on applied research and synthesis of findings

“When the foundation formed there were no other research entities; today, there are many academic institutions conducting good work. Our niche needs to be the how to/what to applications”

4 An opportunity to better leverage the full power of the Foundation and its Board

“We have a discrete amount of resources that have to be leveraged to the full capacity, including our Board...we have an opportunity to better leverage our reputation and our Board members when convening events and industry discussions”

5 An opportunity to enhance the Foundation’s external interactions with commercial and marketing skillsets

“Our core is in research and synthesis, we would do well to add additional marketing and commercial abilities to: (a) obtain our share of opportunities; and (b) continue to position APF Canada as the preeminent think tank on Canada-Asia considerations”

6 An opportunity to be more rigorous in our ROI mentality

“We need to view each project as a return on investment, if we don’t run this way the long term sustainability of the Foundation could be in jeopardy”

And some questions to debate

How and when to focus on business

DEEP AND DELIBERATE TODAY
“We should continue to orient much of our effort in the economic space. The Canadian business sector needs a lot of help”

VS.

STRATEGIC AND LONGER-TERM
“I don’t think we have a lot of support to provide help to business now. But I think that if we can show we can influence government, then we will influence business”

Breadth of focus on the broader public

BROAD AND HOLISTIC
“To be relevant the Foundation has to appeal to the broader population and push for breadth of impact”

VS.

NARROWER AND FOCUSED
“We are killing ourselves pretending we can have an impact on the general public. We don’t have the budget & resources to do that effectively”

Growth platform

GROWTH WHICH STAYS CLOSE TO OUR CORE MANDATE AS A THINK-TANK
“We should seek other contributions to the Investment Fund funds, it requires executive leadership and potential staffing”

VS.

GROWTH THROUGH EXECUTION OF PROJECTS
“If we want to grow... (1) Investment Fund is one option, and (2) new business like project execution can be an interesting opportunity and something we have experience with...but it could be a distraction”

Stakeholders were consistent and unwavering in what they value from the Foundation

Theme	Stakeholder comments
<p>Thought leadership</p>	<p>“CCBC/CIBC are great convenors, but only the APF thinks about the long-term impact/considerations”</p> <p>“APF is so much more specialized at seeing the big picture”</p> <p>“The National Opinion Poll is a unique offering which no other academic institution could deliver”</p> <p>“The Foundation is at its best when it is profound, at the forefront of thinking and at times controversial”</p>
<p>Convening power</p>	<p>“The Foundation is uniquely positioned to bring together business, government and academia ... government cannot do this without being seen as ‘promoting’, etc.”</p> <p>“APF is very different than CCBC ... it should not convene to the masses; its value is its high impact and high touch and therefore smaller, and ‘tailored’ convening”</p> <p>“The Foundation can have, and lead, really frank conversations without bringing any criticism, and is not beholden to other issues”</p>
<p>Mission and values</p>	<p>“The Foundation is not a self-interested player, its goal is to be a catalyst and add value for Canada. This is core to how it collaborates”</p> <p>“The Foundation has great strength in its character, and the executive team has a unique ability to converse and work together in confidence”</p>

They shared perspectives as to when and how the Foundation is at its best

The recipe for impact

“APF is at its best when it synthesizes knowledge, holds dialogue, summarizes findings, and convenes an event to draw debate...this works well in Ottawa”

The working relationship

“The foundation understands the government and its sensitivities – it is so easy to work with and there is never concern they will embarrass departments, etc.”

Deploying the network

“The Foundation has a network, particularly in business, that we as government don’t have and struggle to deploy”...its strength is bringing fresh faces and ideas to the discussion”

Leading debate, being profound

“The Foundation is at its best when it is speaking loudly, being proactive, and acting as a catalyst for conversation”

On the subject of growth and future opportunities, stakeholders expressed a variety of thoughts

An opportunity within the Federal Government.

“There is no peer to the APF in Ottawa... it is always valuable to have different perspectives and to bring new thinking to the table... there is no shortage of opportunity to educate the bureaucracy”

A lack of clarity on the Foundations full capabilities

“I am so supportive it is hard for me to be objective... that said, I don't know the breadth and scope of the foundation... that says something”

Up the game.

“Don't boil the ocean, develop concrete recommendations, with the right people at the table, make it understandable and most important implementable”

An opportunity to co-develop proposals and deliverables

“More studies, more research is all good... greater emphasis on synthesis is good... there is a real opportunity to lead an iterative process with stakeholders to identify needs and then leverage the network to engage ministers and ultimately execute projects etc.”

A challenge to engage other Provinces

“What is the foundation doing in Calgary/Quebec... the public policy space in Calgary is in need, what is the contribution of the foundation in those dialogues”

A caution not to grow for growths sake

“Bigger is not always better, the value of the APF is in high impact, high touch interactions”

Program managers highlighted 7 opportunities for the Foundation to get right

1 Influence

It's behind all that we do; we need to be deliberate in our resourcing and scale accordingly to ensure influence

2 Regionalism

To increase our influence we will need to impact other regions of Canada outside Toronto and Vancouver; in time regional strategies will be required

3 Brand

The Foundation requires 2/3 additional signature events to strengthen our brand and build awareness

4 Leverage

NOP is amazing tool, how can we leverage it further (e.g., workshops to understand what is behind opinions, identifying catalysts for change and levers to advance awareness further)

5 Deliberate

We need to be thoughtful in matching our resources to the scale of our organization, taking into consideration the structural turnover in the organization

6 Forward looking

We need to stay ahead of the curve, develop positions on key statements and provide a leading voice on Asia

7 Pragmatic

We need to be clear on our rationale for events (how to have more diverse groups, what events we accept to host and how these activities add value to APF, etc.)

Learning from others: Similar models with important nuances

■ Key difference with APF



	Asia Pacific Foundation of Canada	Asia Society	NBR THE NATIONAL BUREAU OF ASIAN RESEARCH	LOWY INSTITUTE FOR INTERNATIONAL POLICY	EIAS	
Mission	<ul style="list-style-type: none"> To be Canada's catalyst for engagement with Asia and Asia's bridge to Canada 	<ul style="list-style-type: none"> To promote mutual understanding and strengthen partnerships among peoples, leaders and institutions of Asia and the US 	<ul style="list-style-type: none"> To inform and strengthen Asia-Pacific policy 	<ul style="list-style-type: none"> To provide high-quality research on the international trends shaping Australia & the world 	<ul style="list-style-type: none"> To promote dialogue and understanding between the EU and Asia 	
Scope	Audience	<ul style="list-style-type: none"> Domestic: government and students International: business 	<ul style="list-style-type: none"> International: business, government, arts institutions, and students 	<ul style="list-style-type: none"> Domestic: government (especially Congress) and business 	<ul style="list-style-type: none"> Domestic: government and business 	<ul style="list-style-type: none"> Domestic: European institutions (secondary focus on government, civil society and business)
	Themes	<ul style="list-style-type: none"> Asia now, Energy Assets, Trade Investment and Innovation and Skills and competencies 	<ul style="list-style-type: none"> Arts, business, culture, education, and policy 	<ul style="list-style-type: none"> Strategic, political, economic, globalization, health and energy issues affecting US relations with Asia 	<ul style="list-style-type: none"> Australian foreign policy options and on the ground 	<ul style="list-style-type: none"> Affairs of strategic regional and global importance¹
	Regional focus	<ul style="list-style-type: none"> Broad focus on Asia 	<ul style="list-style-type: none"> Broad footprint of over 30 Asiana nations 	<ul style="list-style-type: none"> Broad focus on Asia 	<ul style="list-style-type: none"> Worldwide 	<ul style="list-style-type: none"> Broad focus on Asia
Tactics of influence	<ul style="list-style-type: none"> Emphasis on research Events, affiliations 	<ul style="list-style-type: none"> Emphasis on events/programs Research Museums / exhibitions 	<ul style="list-style-type: none"> Research, conferences Direct report to congress 	<ul style="list-style-type: none"> Emphasis on research Research, conferences 	<ul style="list-style-type: none"> Events and programs Research and publications Trainings 	
Revenue Source	<ul style="list-style-type: none"> Volatile endowment incomes account for 35-70+% of revenues 	<ul style="list-style-type: none"> Contribution and grants (>50% of revenues) 	<ul style="list-style-type: none"> Foundations, corporations, government and agencies, individuals, and NBR itself¹ 	<ul style="list-style-type: none"> Donation (~50%), grants, memberships & sponsorship (government corporate) 	<ul style="list-style-type: none"> Not public 	
Organisation	<ul style="list-style-type: none"> Two offices in Canada (Vancouver and Toronto) Significant reliance on Government of Canada 	<ul style="list-style-type: none"> Global footprint (7 locations) Dual chairs (one in Asia and one in USA) support two directional flow of information and direction 	<ul style="list-style-type: none"> Two offices in US (Seattle and Washington, DC) Board of directors supported by a board of advisors 	<ul style="list-style-type: none"> One office in Sydney Board of directors setting the strategic direction and research priorities, supported by an International Advisory Council 	<ul style="list-style-type: none"> One office in Brussels "network of experts" model 	

¹ Research main focus on trade, finance, economics, industrial and technological innovation, R&D, CSR, migration, sustainable development, geopolitics, connectivity, education and people-to-people dialogue

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DRAFT



A guiding set of questions frame the APF's strategic review

Framing questions for the APF strategy review

- 1 Aspiration.** What do we want to achieve as a Foundation?
- 2 Scope.** If we seek to be bolder, where and how should we deepen or broaden our focus?
- 3 Approach.** What actions could support such an aspiration, what approach could we take?
- 4 Financing.** How would we fund these activities and opportunities?
- 5 Risk.** What risks could arise and need to be mitigated?

Attached materials and November board discussion

- Subsequent materials reflect learning and synthesis from Board interviews, stakeholder discussions and research in support of the APF Strategic Review
- The materials do not reflect a definitive answer, rather they help frame the nature of the discussion for the November 16th Board discussion and provide background perspective

What is the aspiration of the Foundation? Are we seeking the next S-curve in our ability to drive impact?

Initial input from interviews and global research...

The aspiration ...

To help Canada realize its full potential through active and effective participation with Asia

What it will take ...

By preparing our youth for the future, informing and influencing our leaders and helping our organizations and corporations engage and interact with their Asian counterparts

What could this mean for the scale of our financial resources, the nature of the commitments and the operating model of the Foundation?

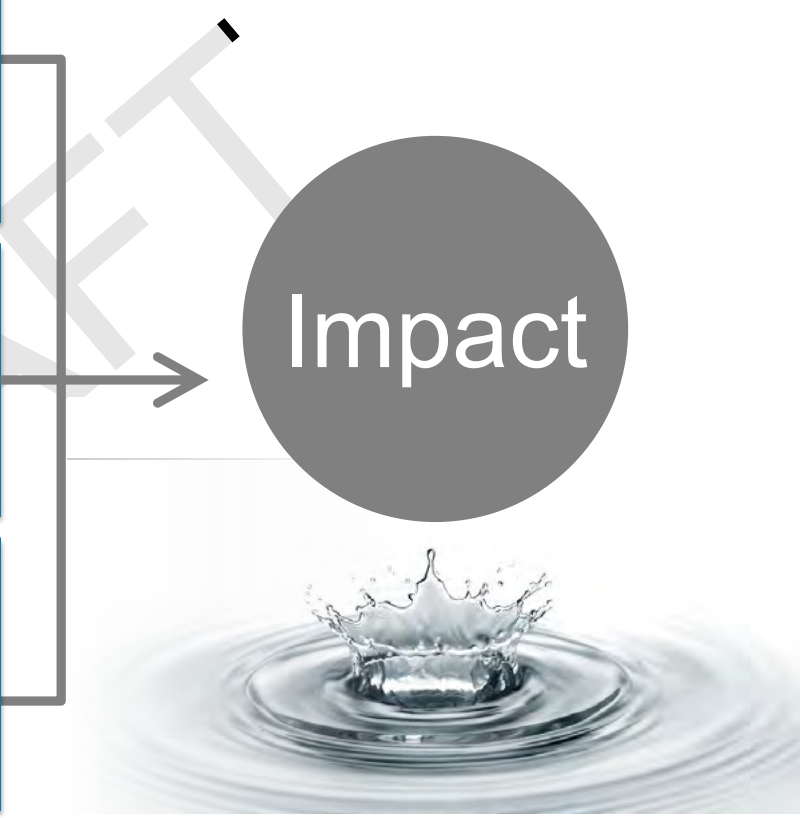
Initial input from interviews and global research...

THOUGHT STARTER

1.5-2X
Doubling of our operating budget to drive greater impact

Greater flexibility
Less dependency on market returns to fund Foundation activities

Value add mindset
Purposeful allocation of resources to ensure maximum impact



Meeting the aspiration will require a deliberate focus on the who, what and how to determine where to go deeper vs where to go broader



Who

is the audience of the Foundation, where will we realise our greatest impact in the most resource effective manner



What

is the right scope of service offering to deliver distinctive value and lasting impact for the benefit of Canada



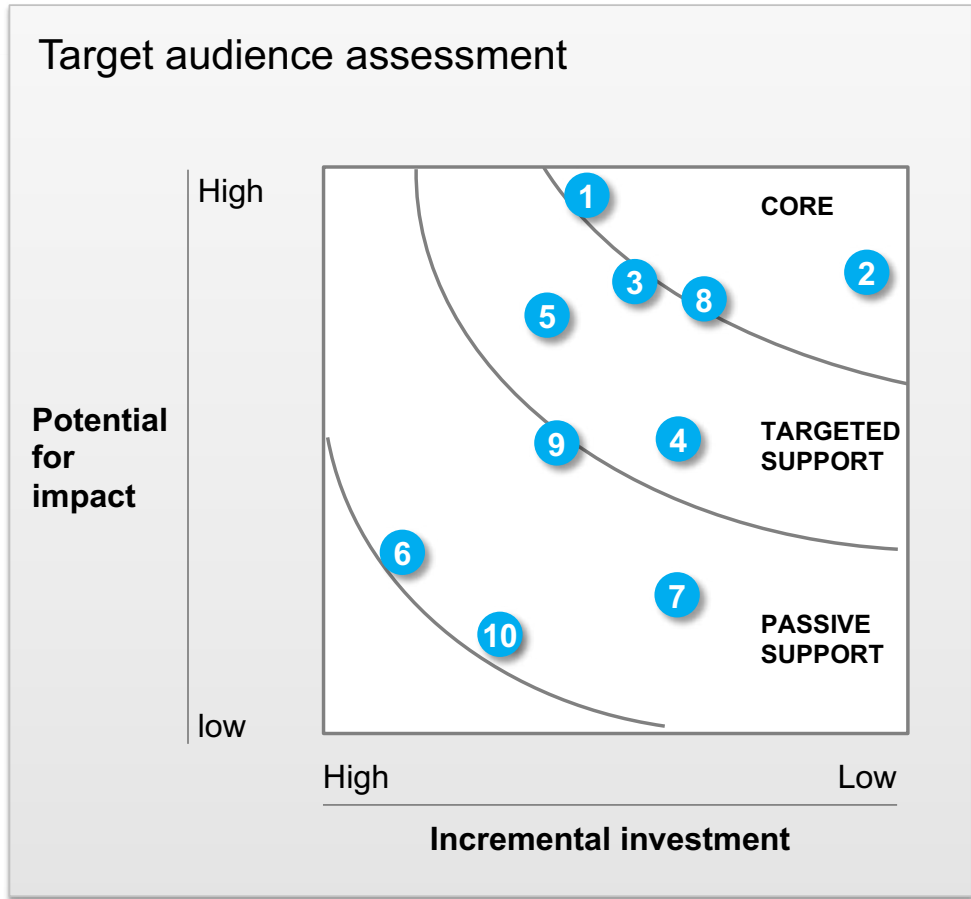
How

will the Foundation best manage itself, best resource itself, and best finance itself to make the aspiration a reality

The Foundation has an opportunity to assess with whom it can be most impactful in a cost efficient model

Initial input from interviews and global research...

NOT DEFINITIVE FOR DISCUSSION



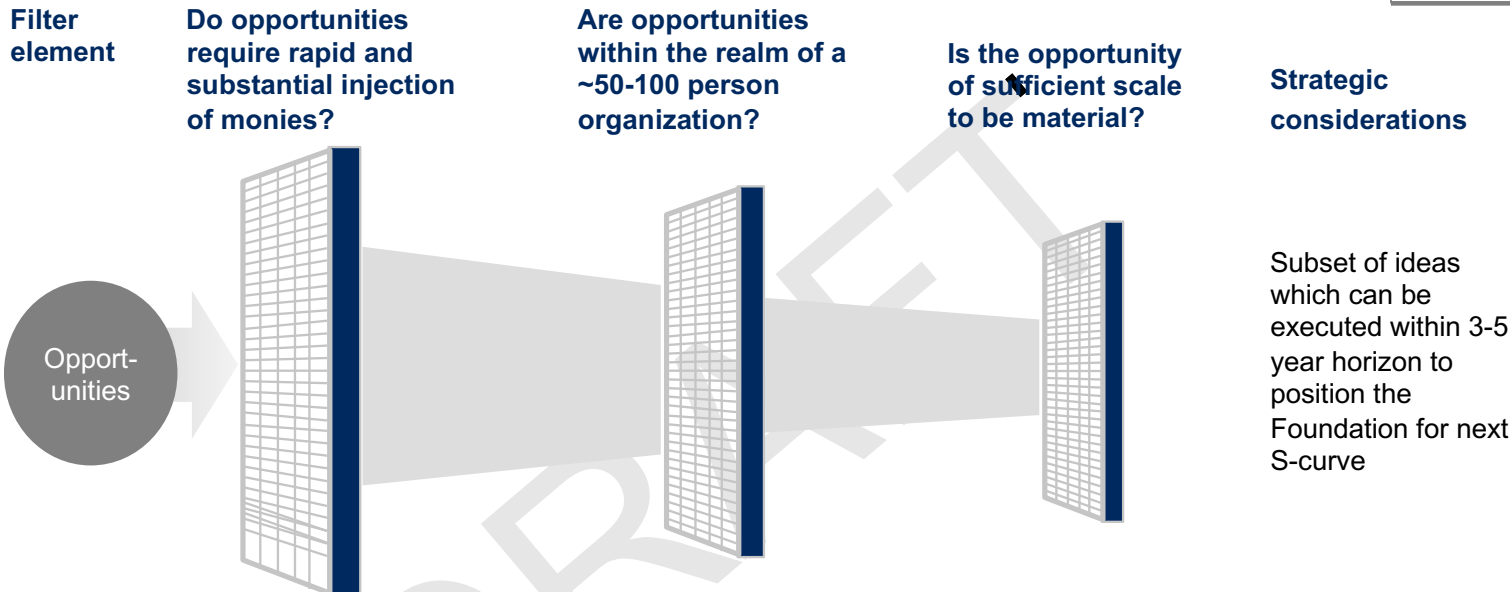
Possible audience

- 1 Federal government
- 2 BC government
- 3 Other "pull" Provinces (e.g., Ontario)
- 4 Large corporate Canada
- 5 SME corporate Canada
- 6 Broader public
- 7 Academia
- 8 Engaged youth
- 9 Large foreign corporations
- 10 Foreign SME

There is a need to define which constraints will inform the aspiration and what activities or opportunities rise to the forefront

Initial input from interviews and global research...

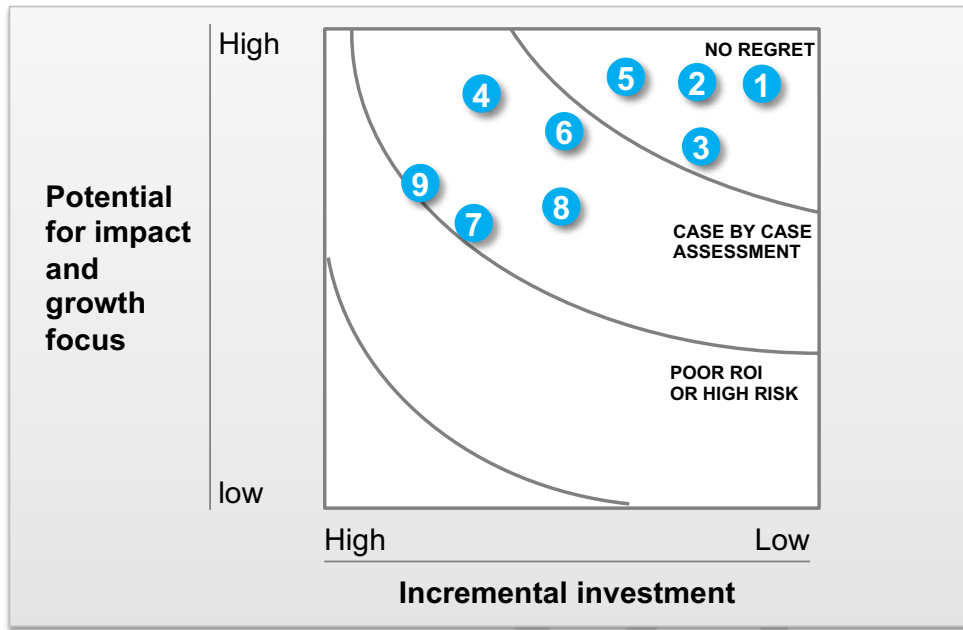
NOT DEFINITIVE FOR DISCUSSION



Removed through filter process

- Opening of international offices
- Establishment of large cultural dimension
- Physical development of museum or related cultural activities
- Full scale public engagement model
- Full engagement with Provinces not seeking Asian engagement at scale
- Significant depth and breadth in primary research (full spectrum of Asian activities and nations)
- Additional Canadian locations
- New networking data base and connectivity service
- New small scale convening service or fee model

A subset of opportunities will include no-regret opportunities, those requiring further assessment and some which drop from consideration



- 1 National Opinion Poll – understanding “why”
- 2 Rapid rollout of K-12 across Canada; and expansion to facilitation sessions
- 3 Bundling of Youth activities and scale up (incl. K-12)
- 4 Going deep on key topic – e.g., innovation
- 5 Deepening a signature convening event (ABAC)
- 6 Exploring how Canada can support US / Asia relations in support of Federal Gov
- 7 Deepening support of scholarships and coop programs
- 8 Developing exchange programs for SME (start-ups / VCs etc.)
- 9 Convene annual activity on the ground in Asia

Opportunity to raise the impact (select examples from list)

- 1 Explore the underlying reasons or causes for the results within the NOP
- 2 Rapidly scale and extend the K-12 curriculum work to broaden impact and gain recognition in other Provincial and Federal Government. Seek extension opportunities into facilitation etc.
- 3 Seek opportunities to bundle concepts and resources to create more distinctive and cohesive products
- 4 Make a bet on a topic which will be critical to the Federal Government and go deep providing leadership on the subject; include a thorough vision for how the materials will be delivered (convening, minister meetings, etc)

A number of actions and tactics will be needed to support whatever course the Foundation pursues

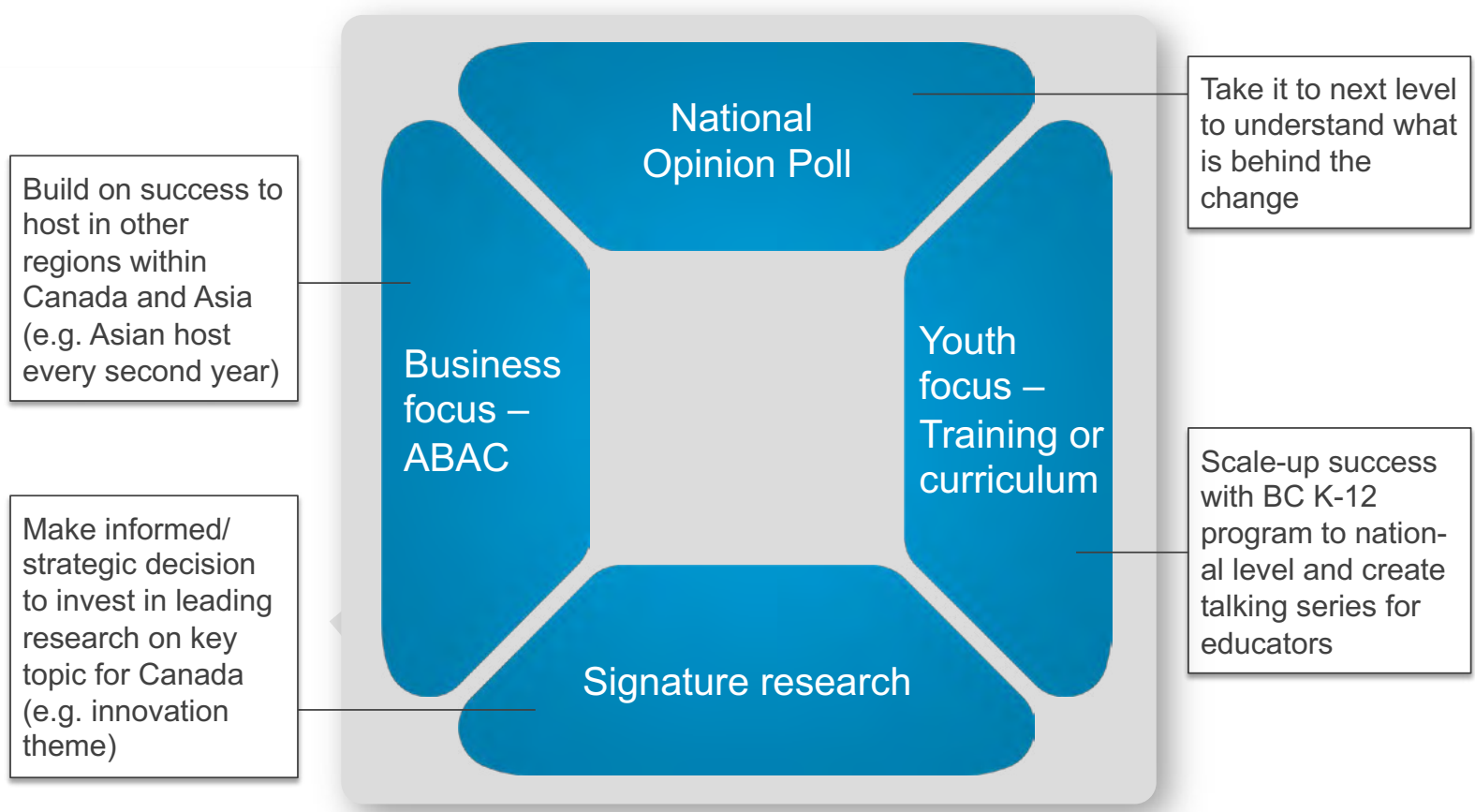
THOUGHT STARTER

Initial input from interviews and global research...

Additional detail

Activity	Approach
1 Deepen the brand	Develop 2/3 additional signature events (e.g., ABAC) which distinguish the foundation and deepen awareness
2 Pursue fewer, larger funding opportunities	Be bold and confident in pursuit of large contracts which can provide material financing and stability
3 Strengthen the commercial and marketing capabilities	Enhance the ability to co-develop proposals with stakeholders to have impact, realize full market value for Foundation services and support effective execution
4 Be deliberate in convening activities	Be deliberate in what convening activities are supported and how Foundation research can be maximized to support impact
5 Better leverage the advisory council	Leverage the brand and Board to better utilize the advisory board to inform focus areas and support knowledge areas to lead
6 Hire a COO or equivalent	Expand the capacity of leadership to support a push into the Federal Government
7 Earn right for additional funding	Generate additional monies by earning the right for additional capacity through targeted impact and results

1 Focus on signature events to strengthen the brand and create awareness



2 Small scale proposals are valuable when they create a runway for future work, but in absence of a longer term benefit the work can be low ROI

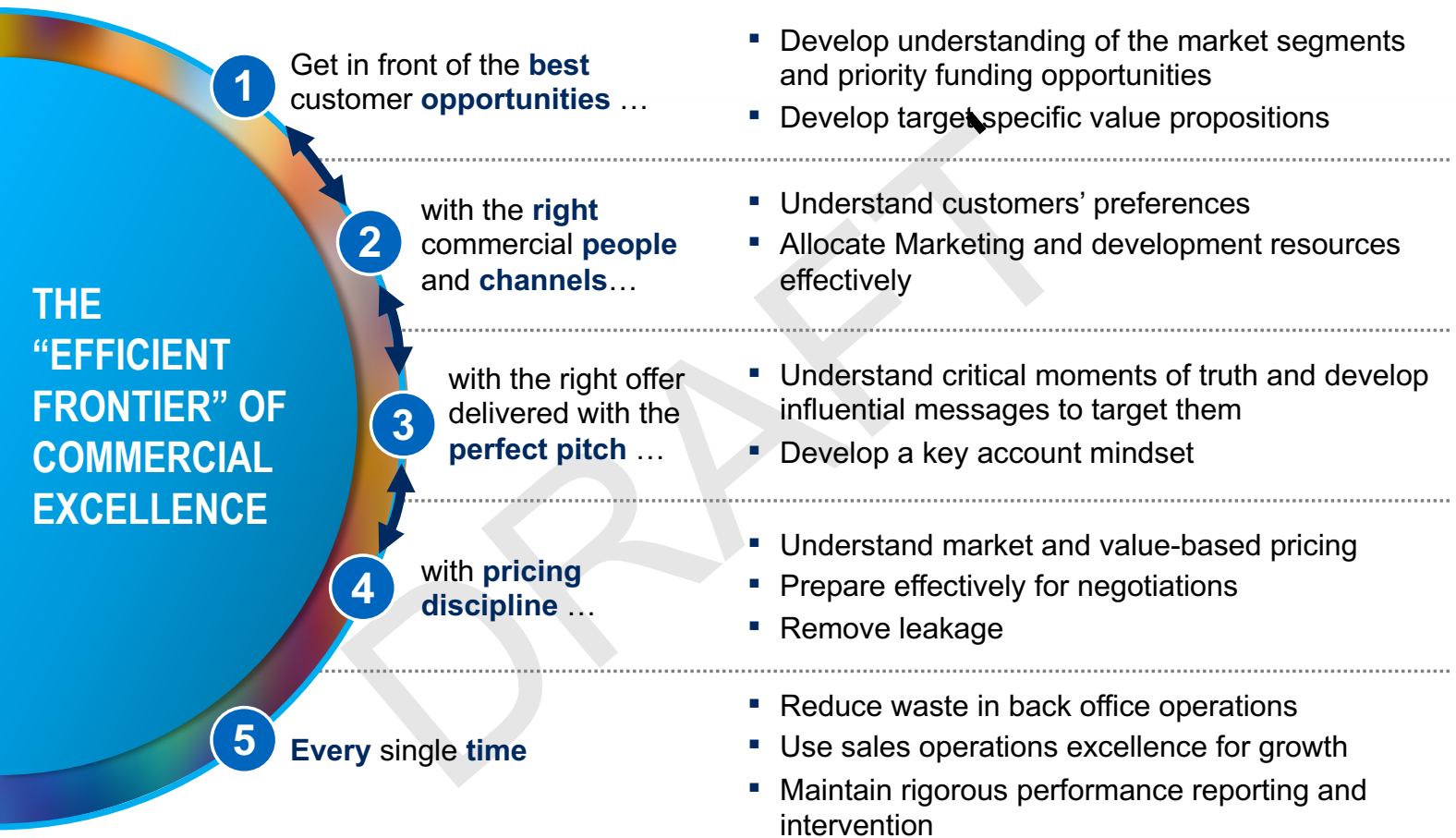
Proposals	Amount, \$	Proposal Status
Canada-China Engagement Roundtables (FTA Roundtables)	0	Written and submitted
Mapping Canada's Trade and Investment Promotion Activities	0	Written and submitted
BC-India Forestry Mission Research Trip	0	Written and submitted
APEC Innovation Centre Mapping Project	0	Written and submitted
India Smart Cities - The BC Opportunity	0	Written and submitted
Dialogues with immigrated Chinese entrepreneurs	14,000	From a previous project
IP India	20,000	Initial concept note
China's energy landscape research paper	22,000	Written and submitted
Understanding Asia in 2013 (research paper)	24,500	Written and submitted
ABAC Canada Secretariat Expansion	25,000	Written and submitted
ASEAN Economic Study Report	32,575	Written and submitted
ABAC Canada Executive Roundtable	35,000	Written and submitted
The Asia Factor for International Trade in British Columbia	49,700	Funded
APF-Fairfax India Connect	50,000	Written and submitted
Mobilizing Canada's Nuclear Energy Assets	60,000	Written and submitted
APF Canada Investment Monitor (FDI Database)	145,250	Partially funded
APF-Manulife China Connect	150,000	Written and submitted
APF-Nimbyx Philippines Connect	150,000	Proposal underway
India-BC Forestry Strategy	150,000	Presented to BCIT
The Asia Factor in Alberta	175,000	Written and submitted
Asia Themed Teaching Resources and Professional Development (BC Ministry of Education)	250,000	Written and submitted
Asia Factor in Ontario	280,000	Written and submitted (2 years)
Asian Business Leaders Advisory Council	350,000	Written and submitted
APEC-Canada Growing Business Partnership	2,811,648	Written and submitted (4 years)

NOT EXHAUSTIVE

Absent a longer term benefit small scale proposals can have a low ROI, consuming significant management capacity in shaping and selling the concept

"A \$25,000 proposal can be as much work at \$150,000 proposal"

3 Achieving commercial excellence – multiple levers needs to be pulled to be successful



SOURCE: McKinsey Marketing & Sales practice

COMMUNICATIONS AUDIT: ASIA PACIFIC FOUNDATION OF CANADA

Prepared by: Weber Shandwick



AGENDA

- + OBJECTIVES
- + APF CANADA'S STRENGTHS
- + STAKEHOLDER FEEDBACK
- + SHORT-TERM RECOMMENDATIONS
- + LONG-TERM RECOMMENDATIONS
- + LEVERAGING THE BOARD
- + DISCUSSION, Q&A

OBJECTIVES

Elevate APF Canada's relevancy among youth audiences while retaining core stakeholders

Identify opportunities to increase engagement with APF Canada content

Refine delivery of APF Canada content through short- and long-term actionable recommendations

APF CANADA'S CURRENT STRENGTHS

- APF Canada has established credibility and is respected with government, policy-makers, and media
- CEO Stewart Beck's background is a real asset to the Foundation
- Effective long-form content is in-depth, rich, compelling, and relevant
- Established a path on social media to more effectively engage younger demographic
- Effectively evolving into a platform for information on Canada's relationship with Asian nations
- Taken steps to create networking opportunities for key stakeholders – business, government, policy-makers

STAKEHOLDER FEEDBACK

Audience

- **Maintain Core Audience** by continuing to address the needs of government policy-makers, business decision-makers, youth, academia, and the media
- **Distill Rich APF Canada Content** to make it more digestible to 18-35 demographic and more accessible to the business community; format content into visually captivating layout

Focus

- **Expand the Foundation's Role as Agents of Change** in social and cultural issues
- **Fulfill APF Canada's Promise of Being a Bridge to Asia** by enhancing and broadening APF Canada's profile and credibility in Asia-Pacific nations and their respective marketplaces
- **Fulfill the Foundation's Promise of Being Canada's Catalyst** for engagement with Asia by promoting APF Canada as a trusted partner within the Canadian community (business, government, media, culture)

Tonality

- **Ensure an Appropriate Tone** when speaking to a younger audience on informal platforms
- **Further Evolve APF Canada's Voice** on social media platforms in a relevant and sustained manner

SHORT-TERM RECOMMENDATION – GET THE MOST OUT OF YOUR CORE PRODUCT!

- Research like the recently published LGBT movement in Asia can provide opportunities to tailor content to each of your target markets
- Articulate key insights relevant to each stakeholder audience
- **For Government Policy-Makers:**
 - Distill and summarize key findings of the research into a 1-2 page briefing
- **For Media:**
 - Contribute byline content based off of the findings of the research
- **For Youth Audiences:**
 - Distill findings and share on social media, podcast, blog
- **For Academia:**
 - Continue developing rich, in-depth research
- **For Business Decision-Makers:**
 - Highlight economic implications and opportunities stemming from Canada being a catalyst for cultural or social change



MORE SHORT-TERM RECOMMENDATIONS

- **Continue to Repurpose Original Content** from long-form research to create succinct, digestible content that references findings- creating **blog posts** from research reports, **podcast recordings** of event recaps, infographics to visualize compelling data points
- **Make Social Media Content More Easily Digestible, Shareable** by including relevant context, purposeful imagery, and adopting an informal tone
- **Enhance Canada-Asia News Service Emails and APF Canada Roundups**
 - Organize the current Canada-Asia News Service email so that all sections are easily discoverable and clearly defined at the top of the page
 - Curate weekly commentary from APF Canada in the upfront section of the email to contextualize the news

MORE SHORT-TERM RECOMMENDATIONS

- **Develop a Succinct, Compelling Communications Toolkit** for APF Canada that covers the 5W's and the H – that is easy to use, share, and send out to prospective users, stakeholders
- **Improve Web Tags** to make the Foundation more easily discoverable so that visitors can quickly find relevant content
- **Leverage Existing Events** and other communications vehicles and opportunities of relevance to stakeholder audiences to further drive awareness of AFP Canada's thought leadership, subject matter expertise and relevance

LONG-TERM RECOMMENDATIONS

- **Drive Culture-Laden Initiatives** including a series of Asian themed long table dinners, with food and drink inspired by local chefs embracing Asian cuisine – use this an opportunity to educate stakeholders on the 5W and the H of the APF Canada
- **Create the APF Canada Creative Newsroom** to empower the organization and commit resources to it, to allow it to operate as its own media outlet – so it can take a journalistic approach to its storytelling, content creation and curation, gatekeeping and agenda setting, and its ability to provide context and insight in a low bandwidth environment
- **Engage Renowned Thought Leaders, Subject Matter Experts and Storytellers** with active social media profiles, and get them to help amplify the messages around the Foundation’s good works (essentially, third party engagement and validation)
- **Compile a Monthly News Roundup** of the Foundation’s most relevant or popular/accessed content; motivate subscribers to share this and include **daily commentary** in the upfront section of the email that incorporates insights from APF Canada to contextualize the news
- **Look Ahead to Emerging Trends and Forthcoming Developments** and strive to position APF Canada as THE leading source of information, knowledge, insights, and context to deepen current stakeholder engagement and build dialogue and relationships with new stakeholders

LEVERAGING THE BOARD

Expanding APF Canada’s Voice

- Stakeholders unanimously considered APF Canada to be a relevant and credible voice
- CEO Stewart Beck and the distinguished Board of Directors were often highlighted as proof points for this trust the foundation has with government, policy-makers, and educational institutions
- The Board’s experiences could be leveraged to help tell personal stories to establish greater credibility within the business community and further humanize the foundation



ENHANCING BOARD ENGAGEMENT

5 Simple Steps:

1. Connect your communications team with APF Canada's communications team
2. Speak at one relevant event on behalf of APF Canada, annually
3. Extend 12 event invitations on behalf of APF Canada to high-level guests and potential advocates, annually
4. Offer a byline for one Asia Pacific-related commentary piece or op-ed, annually
5. Invite key APF Canada speakers to address your corporate team, or clients, or professional clubs or associations



DISCUSSION, Q&A

THANK YOU

Prepared by Weber Shandwick Vancouver, November 16, 2017

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Resources Study: Testing Private Sector Philanthropic Opportunities for the Asia Pacific Foundation of Canada

Sarah Howard, CFRE, ICD.D
Managing Partner & President

November 15, 2018



Philanthropic Strategists | Sage Advice

Timeline & Approach

- Spring 2018: Study Steering Committee* met to:
 1. Identify individuals for the Interview Panel
 2. Develop key Study documents:
 - Case Statement
 - Test Scale of Giving for \$25 million
 - Questionnaires (Board E-Survey and one-on-one interviews)
- May – September 2018:
 1. 22 confidential one-on-one interviews
 - 32% internal (Board and staff)
 - 68% external (past Board, current sponsors, business and community leaders)
 2. 82% Board members shared their feedback and opinions via the confidential Board E-Survey

** Steering Committee members: John Montalbano, Sandra Papatello, Kevin Falcon, Marie-Lucie Morin, Stewart Beck, Vilupti Lok Barrineau, Rosie Bolderston/Lauren Chang, Indira Samarasekera, Christine Nakamura and Sarah Howard*



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Findings

1. APF Canada's **greatest strength**: the organization's impressive Board & strong CEO
2. APF Canada's **significant challenge**:

Mission and Role

- a) Regarded as a 'think tank' with no clear mission - need to define value proposition/ relevance, articulate clearly/consistently
- b) Research is interesting, not necessarily 'actionable' for industry, so industry looks elsewhere (i.e., other consulting firms)
- c) Is there sufficient experience and resources to fundraise at these levels?

Branding and Visibility

- d) Lack of visibility and profile amongst business leaders and decreasing brand awareness
- e) Operates in a competitive space (inc. universities, trade commissions, private sector consultants) - What is APF Canada's competitive advantage?

Private Sector Perception

- f) Confusion whether APF Canada is 'quasi-government' agency/heavily government supported; impact on ability to fundraise in the private sector: *'What has changed in the last 20 years? The organization is still sitting on a huge endowment'*
- g) 'Light touch' and must strengthen its approach. Should **be the 'bulls eye' for outreach, programming and research impact; positioned as indispensable**
- h) Does the Board understand and accept the need to play an elevated role?
- i) Some questioned whether APF Canada would/could compete in the philanthropic sector



Findings

3. **Case Statement:** Well written, clear and a good brief. Questioned the fundraising priorities:
 - a) Several making reference: while all are important, nothing is new to warrant launching a \$25 million initiative
 - b) Most compelling: Building Canada's Asia-Ready Talent Pool
4. **Sense of urgency:** 4/10 (external); while internal was 7.8/10
5. **Target achievable?:** 70% (external) said not achievable, while 78% of Board/staff, said \$25 million was achievable
6. **Consider making a gift?:** 65% said yes, with collective potential identified as \$250,000-\$285,000
7. **Gift recognition:** Not that important; ROI for sponsors would be most important for events. Focus on demonstrating value and worth to partners and results/impact will be the main driver
8. **Priority level:** 2.9/10 (external) and Board 5.4/10
9. **Who** (from APF Canada) should **approach potential donors** for support?: Stewart Beck. Concern and inquiries re: succession planning
10. **8** participants said they would volunteer (not inc. staff), such as opening doors, introducing contacts, calling to say 'thank you'; only 1 Board member expressed an interest in making 'asks'

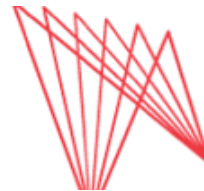


Recommendations

1. Compton does not recommend formal campaign with a \$25 million target. Does not appear to be sufficient support for the proposed Case and no lead gifts were identified
2. Should Board decide fundraising is a priority, potential to raise funds for specific projects/case-by-case basis:
 - a) Projects clearly articulated
 - b) Board willing to play a leadership role
 - c) Invest in the appropriate infrastructure to support operations
3. (Fundraising) environment is a highly competitive/sophisticated space. Initiate a direct consultation/discovery process to determine best/highest offerings to the private sector
4. Once consultation complete, define niche and concisely articulate value proposition
 - a) Followed by a clear and consistent communications strategy
5. Stewart Beck - strategically plan for 'relationship succession', such as introductions/facilitating relationship building with other APF Canada staff/Board
6. Consider enlisting sector &/or country-specific Fundraising Committee members to broaden access
7. 'People' resources required to bolster the team responsible for fundraising
 - a) Systems in place for coordination/management of prospect relationships and asks, particularly between Vancouver and Toronto offices
8. A formal letter of thanks to Study participants - outlining the next steps for APF Canada



Resources Study:
Testing Private Sector Philanthropic Opportunities for the
Asia Pacific Foundation of Canada



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DU CANADA

Prepared by: Compton Fundraising Consultants
October 23, 2018 | Vancouver, BC

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I. BACKGROUND

Based on a referral from Board member John Montalbano, the Asia Pacific Foundation of Canada (APF Canada) contacted Sarah Howard, Managing Partner and President of Compton Fundraising Consultants (Compton) to discuss the Foundation's consideration in expanding their private sector and philanthropic fundraising initiatives.

A series of meetings and calls occurred throughout October 2017 and as a result, Compton submitted a draft proposal to conduct a Resources Study for the Foundation on October 31, 2017. The Study would test the interest and potential involvement from the private sector to determine the feasibility of raising \$25 million to expand its programs in the following areas: (1) Building Canada's Asia-ready Talent Pool; (2) Accessing Asian Markets; and (3) Canada-Asia Business Networks.

The proposal did not initially include a detailed timeline for the Report delivery, as APF Canada first wanted to complete its Communications strategy. Compton subsequently submitted a two-page proposal with a revised timeframe on November 2, 2017.

A Study Steering Committee (Steering Committee) was enlisted to work with and provide guidance to Compton during the Study. The Steering Committee met on March 12 and April 10, 2018 to develop key documents for the Study and identify individuals for the Interview Panel.

Study interviews began on May 10, 2018 and the final interview was conducted on September 12, 2018. A total of 22 interviews were conducted, of which 5 interviews (23%) were face-to-face, while 17 interviews (77%) were conducted over the phone.

Of the 22 interviews conducted 15 (68%) were external participants and 7 (32%) were internal individuals (Board & staff).

II. STUDY OBJECTIVES, APPROACH & METHODOLOGY

The primary objectives of the Study were:

1. To test and determine the feasibility of raising \$25 million from the private sector as APF Canada considers expanding their private sector and philanthropic fundraising initiatives.
2. To determine the organizational readiness (preparedness), willingness, and capability of APF Canada's Board of Directors and staff to contribute to the leadership of a potential campaign of this magnitude.
3. To determine the level of support from the business/APF Canada community for a campaign for this purpose and size.
4. To recommend the strategy, target, timeline and resources, in addition to the organizational and managerial structure required to achieve the determined fundraising target.

To meet these objectives, Compton conducted the Study based on the following approach and methodology:

1. A **Study Steering Committee** was enlisted to provide insight and guidance throughout the Study process. The Steering Committee members were: John Montalbano, Sandra Pupatello, Kevin Falcon, Marie-Lucie Morin, Stewart Beck, Vilupti Lok Barrineau, Rosie Bolderston/Lauren Chang, Indira Samarasekera, Christine Nakamura and Sarah Howard.
2. The Steering Committee worked with Compton to develop the primary tools for the Study including: a **Case Statement** (Case) (see [Appendix B](#)), a \$25 million **test Scale of Giving** (see [Appendix C](#)), and **Questionnaires** for the interviews and the Board E-Survey (see [Appendices D and E](#)).
3. Compton conducted 22 **confidential one-on-one interviews** with select Board members, staff, and other key stakeholders, including qualified leadership prospects (both individual and corporate). Fifteen (15) (68%) were external, while 7 (32%) were internal participants. It should be noted that 28-32 interviews were recommended; yet only 22 were completed due to the timeline and the ability for APF Canada to secure the interviews.
4. While three (3) of the Board members were interviewed in person, the remaining 11 Board members received a **confidential Board E-Survey** on April 26, 2018 to provide their feedback on the proposed campaign; nine (82%) completed E-Surveys were received.

III. FINDINGS

1. When asked to comment on APF Canada's **greatest strength** as related to fundraising, many interviewees stated that the organization's impressive Board and strong CEO were the organization's greatest assets. Some cited APF Canada's strong credibility due to its history and linkages with government. Several interviewees commented that the organization's mandate was relevant and timely, and felt that APF Canada has great potential to contribute to the economic prosperity of Canada.
2. When interviewees were asked to provide their thoughts on APF Canada's most **significant challenge** as related to fundraising, a wide variety of responses were received:

Mission and Role

- APF Canada is regarded as a 'think tank' with no clear mission. There is a need to define the value proposition/organization's relevance, and articulate this clearly and consistently.
- While the research produced is interesting, it isn't necessarily 'actionable' for industry, so industry looks elsewhere (i.e., other consulting firms). There is a disconnect between the organization and their potential supporters/sponsors.
- Is there sufficient experience and resources at APF Canada to fundraise at these levels?

Branding and Visibility

- APF Canada does not have good visibility; there is a lack of profile amongst business leaders and decreasing brand awareness.
- APF Canada operates in a competitive space that includes universities, trade commissions, private sector consultants, etc. What is APF Canada's competitive advantage?

Private Sector Perception

- There is confusion about APF Canada being a 'quasi-government' agency and heavily government supported; this will impact the organization's ability to fundraise in the private sector. One commented, 'What has changed in 27 years? The organization is still sitting on a huge endowment'.
 - APF Canada has a 'light touch' within the business community, and must strengthen its approach. They should be in the 'bulls eye' of the business community for their outreach, programming and research impact; positioning themselves as indispensable.
 - Does the Board understand and accept the need to play an elevated role, if fundraising in the private sector?
 - Some questioned whether APF Canada would/could compete in the philanthropic sector.
3. Interviewees provided the following suggestions as to how APF Canada might **overcome some of these challenges**:

- APF Canada must be clear on how to position itself (Who are they? What do they do? Why should we care?), then invest in a strong communications plan and hone the ‘pitch’.
 - Targeted and strategic Board recruitment to bolster private sector linkages.
 - APF Canada should choose 2-3 projects to make a real impact and demonstrate success (within the private sector).
 - APF Canada must adjust its approach to serving business, focus on results/ROI and shift outreach and research to meet industry needs.
 - Could APF Canada partner with universities to achieve greater impact (especially in regard to research)?
4. When asked to provide their **initial thoughts on the proposed fundraising initiative**, comments were mixed. Some felt the Case was well written, clear and a good brief; however, many questioned the fundraising priorities. While the initiatives described were interesting, many interviewees felt they were loose on details and the impact wasn’t clear.
5. When interviewees were asked to provide their **comments on the proposed funding opportunities**, there was uncertainty about the different initiatives, with several making reference to the fact while all are important, nothing is new to warrant launching a \$25 million initiative.

Some commented that other competitors were doing more effective work in this space (universities, research agencies, private sector consulting firms, in-house resources at multi-national corporations, etc.) and questioned whether APF Canada could truly respond in a nimble and timely way to private sector needs. Comments on each funding priority specifically included the following:

A. Building Canada’s Asia-Ready Talent Pool

- This is a pressing need for the private sector; impacts all sectors; ‘we see this every day’ – yet universities/companies are already doing this directly.
- How quickly could a real benefit be achieved?
- There is a talent shortage in Canada – perhaps we should focus on bringing Asian talent to Canada as well?

B. Accessing Asian Markets

- There is a private sector need for intelligence, but others are already doing this well.
- Rather than access, should this focus on ‘being competitive’ in Asian Markets?

C. Canada-Asia Business Networks

- This is highly appealing; but APF Canada must be able to provide access to top influencers.
- What is APF Canada’s unique differentiation in this space?

6. When asked which opportunity was **most compelling**, interviewees had mixed opinions on this. Eight (8) interviewees singled out initiative A (Building Canada's Asia-Ready Talent Pool), 2 selected initiative B (Accessing Asian Markets), and 2 selected initiative C (Canada-Asia Business Networks). The others felt that all the initiatives were important to some degree, but additional work is required to define the approach and communicate the impact APF Canada is attempting to achieve in each of these areas.
7. On average, and with 10 being the highest, interviewees ranked the proposed fundraising initiative as 4/10 with respect to their perceived **sense of urgency**. Some noted the Case didn't specify particular goals or timelines, which would have enhanced the reader's perception of urgency. As expected, Board members (as answered through the Board E-Survey) felt a higher sense of urgency, ranked with an average of 7.8/10.
8. When asked if they felt the **target was achievable**, almost 70% of the interviewees felt the target was not achievable or were unsure. It is interesting to note that when the same question was asked of the Board, through the Board E-Survey, 7 of 9 (78%) felt the **target was achievable**, while 2 of 9 (22%) did not.
9. Interviewees had mixed **views on the proposed 5-year pledge period**. Some felt it was necessary to have a period of time to allow for the giving levels outlined in the Scale of Giving, but the majority indicated the pledge period should align with the deliverables associated with a specific project and the business cycle of the donor/sponsor organization.
10. When asked to provide suggestions regarding **potential sources of Transformative or Leadership Gifts**, the following names and sectors were suggested:

Sector/Community

Affluent high net worth Asians in Canada
Agrium (and other 'Ag' companies)
Asian Business Leaders in Canada
Automobile industry
Businesses with connections to upcoming Olympics
Canadian Asian Community
Canadian companies doing business in Asia
Chinese companies with Canadian partners doing business in Asia
Commodity exporters
Corporations where supply chain comes from Asia
Energy companies
Financial Institutions (RBC)
High-Tech sector
Insurance Companies (Sunlife, Manulife)
Railway Companies
Resource sector (oil/gas; mining; forestry)

Companies

Air Canada (and other airlines)
Brookfield
Cargill
Fairchild Group (Thomas Fung)
Fairfax
London Drugs
Port Authorities (Halifax & Vancouver)

Individuals

Tom Jenkins
Bob Lee
Prem Watsa

11. When asked if interviewees would consider **making a gift** to the proposed campaign, 65% said they would consider doing so, with a **collective potential** identified as \$250,000-\$285,000, including one potential six-figure gift. The remaining interviewees answered 'no' or 'maybe' in regard to making a gift.
12. When asked about the **importance of gift recognition**, the majority of interviewees felt that for the work APF Canada is doing, ROI for sponsors would be the most important for events; however, APF Canada should focus on demonstrating value and worth to their partners as results will be the main driver.
13. Interviewees provided the following suggestions as to **who should play a leading role** in the fundraising initiative:

APF Leaders/Board

APF Canada Board Chair
Murad Al-Katib
Dominic Barton
Stewart Beck
Board must get involved with fundraising & introducing contacts
Jean Charest
Kevin Falcon
Paul Lee
Kevin Lynch
John Montalbano

Private Sector Leaders

Dean Connor (Sunlife)
Thomas Fung (Fairchild)
Bob Lee
Carol Lee
Brandt Louie

“Groups”

Business Leaders
Community Leaders
Former Prime Ministers
Ministers (provincial and federal)
Representatives from Chinese & Indian Communities
Wealth Management companies in Vancouver

Other suggestions included enlisting the assistance of Former Prime Ministers, Cabinet Ministers, Premiers, retired university presidents, retired CEO’s and former civil servants. It was also noted that the Fundraising Committee should have representation from Asian communities.

14. When interviewees and Board members were asked to rank this project with respect to the **level of priority** in relation to their other philanthropic, industry and community commitments, the average response was 2.9/10. It is interesting to note that among Board E-Survey participants the average response was 5.4/10.
15. When asked **who from APF Canada should approach potential donors** for support, interviewees felt strongly that Stewart Beck would be the most effective at this work, with some expressing their concern and asking about succession planning for the organization. Board members were also viewed as strong potential askers/door openers for any potential fundraising initiative.
16. The Board E-Survey revealed that Board members have varying levels of interest in **participating in fundraising**. Overall, five (5) E-Survey participants said they would volunteer to assist with the proposed fundraising initiative, while 4 responded no. Of those 5 Board members, all expressed a willingness to call donors to thank them, while 3 were willing to also open doors and host functions and only 1 indicated they would also join a Campaign Committee. No Board member E-Survey participants expressed an interest in making asks.
17. Board E-Survey participants expressed a strong view that the organization must only accept funds from people/companies/organizations that **do not pose an ethical risk to APF Canada**. Specifically, APF Canada must not compromise its independence (perceived or in reality) and should be extremely cautious not to accept gifts that come with conditions beyond the proposed use of the funds. APF Canada must do its due diligence to ensure integrity.

IV. RECOMMENDATIONS

1. Based on the results of the interviews and Board E-Surveys, Compton does not recommend a formal campaign with a \$25 million target at this time. There does not appear to be sufficient support for the proposed Case and no lead gifts were identified.
2. That being said, should the Board decide private sector fundraising remains a priority and is prepared to invest resources (including volunteer time), there is potential to raise funds for specific projects on a case-by-case basis, providing that:
 - Projects can be clearly articulated to demonstrate relevance and impact to potential partners/sponsors/donors.
 - The Board is willing to play a leadership role in opening doors to prospects.
 - APF Canada is willing to invest in the appropriate infrastructure to support operations and to fully realize, demonstrate and leverage the value proposition of each project.
3. Compton recommends the following role for the Board vis-à-vis private sector fundraising:
 - Ensure the CEO appropriately resources the fundraising function by way of investing in the experienced people and infrastructure (as part of approving the organization's annual administrative budget).
 - As part of its ongoing evaluation of the CEO, monitor the success of the fundraising program (via pre-determined benchmarks and KPIO's).
 - Participate in prospect listing sessions and suggest names of potential prospects to the Fundraising Committee.
 - As appropriate, and with the support from the CEO and Fundraising staff, participate in fundraising tasks such as opening doors to potential prospects, soliciting gifts and stewarding key donors/relationships.
 - As keepers of the organization's vision, mission and strategic direction, engage in regular stakeholder consultation and engagement to understand APF Canada's position in the marketplace, ensure its relevance and identify how best it can serve its constituencies.
4. The marketplace for private sector support has evolved into a highly competitive and sophisticated space, with donors/funders/partners evaluating opportunities based on impact and clear deliverables. If APF Canada does intend to bolster its private sector support, management should initiate a direct consultation/discovery process to determine its best and highest offerings to the private sector, any barriers (perceived or real) to deliver value to the private sector, and seek guidance as to how best to promote its services and impact to broaden private sector support. Steps might include:
 - Compile a list of key funders/partners and potential funders/partners.
 - Develop a set of questions to acquire information that would inform APF Canada's approach to the private sector.

- Design a consultation process (may include 1:1 meetings, focus groups, E-Surveys, etc.).
 - Analyze the information gathered to inform a 'menu' of potential offerings to the private sector at various points of entry (levels of investment).
5. With this process completed, APF Canada should be able to define its niche and concisely articulate its value proposition, which can be 'packaged' as a fundraising case for support with specific projects/offerings/sponsorship opportunities in the \$10,000-\$250,000 range. This case can be used to support targeted cultivation of key funders/donors/partners for major gift asks.
 6. A majority of interviewees spoke about how important the current CEO is to APF Canada and how pivotal his relationships are to the future of the organization. There must be an immediate focus on how best to capture this knowledge and strategically plan for the succession of these relationships, in order to best position APF Canada for future fundraising. This could be addressed by way of:
 - Ensuring that all the CEO's contacts are included in APF Canada's database, as well as meeting summaries of important interactions.
 - Mapping the networks of key contacts to track their relationships and circles of influence.
 - CEO to identify top 50-100 potential funders/partners and outline suggested next steps in cultivating the relationship/making a specific 'ask'.
 - CEO to specify who within APF Canada will take over the management of the relationships in the future, and design an engagement strategy to introduce individuals now – smoothing the way for a successful and seamless handover in future.
 7. APF Canada may wish to consider enlisting sector and/or country-specific Fundraising Committee members to broaden its access to people of influence and affluence in specific industry sectors and/or cultural communities.
 8. 'People' resources will be required to bolster the team responsible for raising funds from the private sector. Systems must be put in place to ensure smooth coordination and management of prospect relationships and asks in progress, particularly between the Vancouver and Toronto offices.
 9. Compton recommends that all interviewees receive a formal letter of thanks acknowledging their involvement in the Study process and outlining the next steps for APF Canada. With select individuals, it may prove to be more desirable to share the outcome of the Study in person.

V. NEXT STEPS

Compton recommends the following next steps for APF Canada to consider over the next 6-12 months:

1. Write a formal letter of thanks to each Study Participant.
2. Plan and execute a consultation process with key private sector partners/funders/donors (both current and potential) with a view to creating a menu of relevant project/funding options/sponsorship opportunities that would appeal to funders and demonstrate value.
3. Revise the Case to illustrate:
 - Impact/ROI from past initiatives and investments.
 - Clear and concise key messages about APF Canada's unique value proposition, shaped for private sector audiences. Corporations and individuals will require tailored messaging.
 - Specific projects/funding options/sponsorship opportunities ranging from \$10,000-\$250,000 to create a menu of options for potential prospects.
4. Senior leadership team (along with the Fundraising Committee) should engage in a process to capture, document and plan the sustainability of the relationships and networks of the CEO.
5. Determine top prospect list, conduct appropriate research to hone the approach and allocate each prospect to a lead prospect manager in order to ensure a professional approach.

VI. CONCLUSION

This Resources Study is a ‘snapshot’ of APF Canada’s constituency taken at a particular moment in time, to provide insight into the feasibility of raising funds given the current conditions. As such, please consider this Report valid until May 2019 unless there are significant environment changes.

Thank you very much for the opportunity to work with the Asia Pacific Foundation of Canada on this Resources Study. We would like to extend our special thanks to Rosie Bolderston for her coordination of the interview schedule and her support throughout the Study, in addition to Vilupti Lok Barrineau.

We would also like to thank the Study Steering Committee volunteers: John Montalbano, Sandra Papatello, Kevin Falcon, Marie-Lucie Morin, Indira Samarasekera and Stewart Beck, for their leadership, feedback and insight, and finally, the individuals who gave generously of their time for personal interviews and completing the E-Survey.

Respectfully,

Compton Fundraising Consultants

VII. APPENDICES

Appendix A – Study Participants

Interview Panel

*Asterisk indicates Board and staff interviews

1. Vilupti Lok Barrineau*
2. Dominic Barton*
3. Stewart Beck*
4. Eva Busza*
5. Benoit Daignault
6. Tim Dattels
7. Kim Hallwood
8. Kevin Howlett
9. Paolo Kalaw
10. Eva Kwok
11. Kenny Lam
12. Don Lindsay, Ralph Lutes & Marcia Smith
13. Diana Liu
14. Kevin McCort
15. John Montalbano*
16. Christine Nakamura*
17. Rick Nathan
18. Sue Paish
19. John Reynolds*
20. John Ruffolo
21. John Stackhouse
22. Ratana Stephens

Board E-Survey

1. Jean Charest
2. Colin Dodds
3. Kevin Falcon
4. Peter Kruyt
5. Paul Lee
6. Marie-Lucie Morin
7. Sandra Pupatello
8. Evaleen Jaager Roy
9. Indira Samarasekera

Appendix B – Case Statement



Asia Pacific Foundation of Canada - Case for Support

Tapping Into an Unrivalled Opportunity

In an era of globalization, the strongest international relationships are built on foundations of trust, engendered by a history of collaboration and reciprocity, and a sense of fairness. Canada has been fortunate to have the added advantage of sharing a language, culture and border with its largest trading partner. These factors, coupled with close economic and political ties, have created a trade relationship with few global parallels. Today, as longstanding trade partnerships around the globe, including NAFTA, are being renegotiated, and new trade agreements such as the CPTPP are emerging, it is imperative that Canada build strong relationships with its fellow Asia Pacific nations. Canada has economic, political and cultural ties with the growing economic powerhouse that is Asia, and now is the time to reinforce and deepen these.

By 2030 Asia will account for 53 per cent of the world's population, 50 per cent of the world's GDP, 64 per cent of the global middle class, and over 40 per cent of global middle-class consumption. This growth suggests a reality that Canada has been slow to act on: Asia is rapidly emerging as a powerful global force. If we are to secure Canada's economic future, we must look beyond our traditional trading partners and build strong and diverse economic relationships globally.

Despite having a well-developed export economy, a large and growing Asian diaspora and relatively close proximity to Asia, Canada has been slow to capitalize on a market that should play a central role in our economic future. In fact, Canada lags behind its friendly trade competitors in terms of establishing trade relationships with Asia.

This must change.

Reaching the Next Level of Engagement

For three decades, the Asia Pacific Foundation of Canada (APF Canada) has played a unique and strategic role in helping Canadians engage with Asia. Its research has informed government policy and supported Canadian businesses as they venture into the Asian market. Its programs have helped prepare Canadians to interact with Asia, building a greater understanding of Asian cultures and business practices. APF Canada places an emphasis on China, India, Japan and South Korea while also developing expertise in emerging markets in the region, particularly economies within ASEAN.

Today, more than ever, the need to build the Asia competencies of Canadians and Canadian businesses is great. So, too, is the need for trade policy that is informed by a deep understanding of Asian markets and economic forces.

APF Canada has an ambitious vision for our country: **To seize the moment and lead Canada to the next level of engagement with Asia.**

APF Canada is uniquely qualified among Canadian institutions to lead Canada forward as it seeks to engage with Asia.

The Foundation has developed a comprehensive strategy to address these needs. Among its strategic objectives:

- Providing Asia skills and training to Canadian businesses, government, Indigenous communities, and youth;
- Providing information and advice to Canadian enterprises interested in exporting to Asia; and,
- Drawing on resources across Asia and Canada to build business intelligence, undertake risk analysis and inform policy.

APF Canada currently generates revenue from its operating endowment sufficient to cover the costs of its ongoing programming and research activities. However, **program growth is necessary to achieve APF Canada’s objectives, and additional funding is required to support this.** The Foundation has identified funding priorities that will enable it to best serve Canadians as Canada seeks to further solidify its position as a significant leader and relevant partner with its Pacific Rim neighbours.

SIDEBAR: APF Canada Research: Helping to Understand How Millennials Think About Asia

Millennials (born between 1980 and 2000) will be the largest and most ethnically diverse generation in history – and they are set to play a major role in Canada’s future. By 2020, millennials will constitute 50 per cent of the workforce and by 2030, 75 per cent. According to a National Opinion Poll conducted by APF Canada in 2017, millennials are showing strong interest in learning more about Asia, with more positive and diverse views about the region than older generations – which points to an optimistic outlook for Canada’s pivot east. Millennials are also more involved with Asia, with 67 per cent willing to work in Asia to advance their careers and 23 per cent of younger millennials (those aged 18-24) able to speak an Asian language.

Benefits to Canadians

- Successful expansion of APF Canada’s activities and reach will help prepare individual Canadians and Canadian businesses to engage with Asia. This will create employment opportunities in Canada and Asia for young Canadians, while providing Canadian businesses with employees who are versed in the culture of Asian business, speak Asian languages, and understand the unique requirements of doing business in and with Asia.
- Canadian businesses will gain access to the channels and resources required to establish markets for their products and services in Asia. Canadian businesses, municipalities and provinces will benefit from new or increased Asian investment.
- Federal and provincial governments and Canadian businesses will have access to research and advice that address their specific challenges, such as identifying existing and emerging trade opportunities, gaining access to Asian markets and a greater understanding of Asian business culture, and encouraging Asian investment in Canada.

Funding Opportunities

To achieve its objectives, APF Canada must build its capacity and capabilities, and aims to embark on a fundraising initiative to raise an additional \$25 million over five years to support its programs. Program expansion will focus on three main objectives:

1. Building Canada's Asia-ready Talent Pool - \$10 million

Objective: Build Canada's capacity to engage with Asia.

Goal: According to APF Canada's *Asia Challenge* report, 60 per cent of Canada's Asia-engaged professionals from the public, private and academic sectors believe it is "difficult to find Canadians with the necessary level of knowledge and awareness of Asia to help their company or organization succeed in Asia." APF Canada's goal is to develop an Asia-competent talent pool to address this challenge.

Primary Actions:

- 1.1 **ASIA-FOCUSED CURRICULA:** Develop Asia-focused high school curricula for all provinces.
- 1.2 **WORK-STUDY PROGRAMS:** Increase the number of post-secondary students participating in work, co-op or study-abroad programs in Asia by 25 per cent, to 500 students annually, and provide resources to help them broaden and strengthen their connections with Asia as their careers evolve.
- 1.3 **RESEARCH-IN-ASIA GRANTS:** Provide ten APF Canada grants to early career professionals and other young Asia Pacific practitioners to travel to undertake research in Asia (Post-Graduate Research Scholars and Junior Research Scholars).

2. Accessing Asian Markets - \$10 million

Objective: In an age of misinformation, APF Canada aims to assist Canadian businesses through the collection, market analysis and dissemination of accurate and insightful knowledge and data related to doing business with and in Asia.

Goal: In 2016, exports to Asia represented 11 per cent (\$52 billion) of Canadian merchandise exports, making the region Canada's second largest market for exports. Yet, of the approximately 1.16 million micro, small and medium enterprises (MSMEs) that make up 99 per cent of businesses in Canada, fewer than one per cent exported to Asia in 2016. APF Canada's goal is to increase this number by 100 per cent over five years, and support growth in Canada's average market share on Asia's imported goods. Overall, our goal is to end a decade of stagnation in market share growth and double Canada's average market share, which stood at 0.85 per cent in 2016.

Primary Actions:

- 2.1 **EXPERT RESEARCHERS-IN-RESIDENCE:** Create a program for three Canadian expert researchers per year to add greater depth, direction and a strategic focus to APF Canada's research and analysis around critical issues for Canadian businesses, such as trade agreements, cybersecurity and artificial intelligence; and support to our network of senior experts (Distinguished Fellows).
- 2.2 **BIG DATA SURVEYS AND POLLS:** Conduct two major big data surveys and two minor surveys annually to gauge public opinion on matters related to Canada-Asia business relations, including Asian attitudes towards Canada; establish a web portal to share this data; publish results to inform business and policy-makers' decisions; and, host Pan-Canada workshops to share results.
- 2.3 **INVESTMENT MONITOR:** Provide detailed and up-to-date information on the Asia-Canada investment landscape, including the impact of trade agreements, using APF Canada's Investment Monitor and legacy data, and nationwide events to share results.

3. Canada-Asia Business Networks- \$5 million

Objective: Convene business leaders and government partners to accelerate business connectivity on a wide range of topics including trade, fintech, cybersecurity, artificial intelligence, energy, clean tech and the environment.

Goal: Businesses in Canada and Asia share an interest in the establishment of a political and economic environment that favours two-way trade and investment, business-to-business partnerships, knowledge transfer and market access. APF Canada will build connectivity and provide a venue for collaboration, discussion and the development of policy recommendations through multiple strategic partnerships, increased training and knowledge sharing, and greater Canadian research expertise on relevant Asia Pacific topics. Through active collaboration, Asia Pacific business leaders can help shape trade policy in their respective countries to ensure the establishment of a favourable trade environment.

Primary Actions:

- 3.1 BUSINESS POLICY NETWORKS:** Generate strategic policy advice and identify opportunities for improved Canadian-Asian business engagement by maintaining an active role in and convening meetings of the Asia Business Leaders Advisory Council (ABLAC); ensure business sector concerns and priorities remain on the agenda of Asia-Pacific Economic Cooperation (APEC) leadership through active engagement in the APEC Business Advisory Council (ABAC); and, as ABAC secretariat for Canada, provide research analysis and administrative support to Canada's ABAC members.
- 3.2 WOMEN CONNECT:** Build a network that brings together Canadian and Asian women business leaders to promote policies and opportunities for women-led businesses to grow and contribute to growth in the Canada-Asia relationship.
- 3.3 BUSINESS-ASIA SPOTLIGHT SERIES:** Provide timely business intelligence and an opportunity for knowledge-sharing on a hot topic of interest to business leaders and government partners through commissioning a small number of focused working papers from leading experts, convening workshops and, where appropriate, developing a series of recommendations for stakeholders. Potential topics could include e-commerce in Asia, clean-tech opportunities in ASEAN, fintech, cybersecurity, and how to do business in China, India and other Asian markets.

Help Canada Build Closer Ties with Asia

The benefits of an investment in APF Canada will be felt at all levels, from the university graduates who gain access to new jobs that call for their specialized skills and the Canadian businesses that will generate those new jobs as they expand into new markets, to Canadian consumers—all of us—who will benefit from a robust and growing Canadian economy.

An investment in the Asia Pacific Foundation of Canada is an investment in Canada's future.

Appendix C – Test Scale of Giving \$25 million



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APF CANADA TEST SCALE OF GIVING \$25 MILLION

	ANNUAL GIFT X 5 YEARS	GIFT TOTAL OVER 5 YEARS	DONORS REQUIRED	TOTAL	PERCENT OF GOAL *
Transformative Gifts	\$500,000	\$2,500,000	1	\$2,500,000	10%
	\$200,000	\$1,000,000	4	\$4,000,000	16%
Leadership Gifts	\$100,000	\$500,000	8	\$4,000,000	16%
	\$50,000	\$250,000	18	\$4,500,000	18%
	\$20,000	\$100,000	25	\$2,500,000	10%
Major Gifts	\$15,000	\$75,000	28	\$2,100,000	8%
	\$10,000	\$50,000	50	\$2,500,000	10%
	\$5,000	\$25,000	64	\$1,600,000	6%
Community Gifts	\$2,000	\$10,000	80	\$800,000	3%
	\$1,000	\$5,000	100	\$500,000	2%
TOTALS			378	\$25,000,000	100%

* Amounts are rounded up or down to nearest dollar figure

Appendix D – Confidential Interview Questionnaire

1. What do you believe is APF Canada's greatest **strength** as it relates to fundraising?
2. What do you believe is APF Canada's **most significant challenge** as it relates to fundraising?
3. Do you have any suggestions as to how APF Canada may overcome this challenge?
4. Having read the Case Statement, what are your **initial thoughts** regarding the proposed fundraising initiative, in general?
5. What are your initial thoughts regarding the three proposed funding opportunities:
 - A) Building Canada's Asia-ready Talent Pool
 - B) Accessing Asian Markets
 - C) Canada-Asia Business Networks
6. Which opportunities or activities are the most compelling and are you able to rank/prioritize them?
7. If you agree that support for these funding opportunities is necessary, in your view **how urgent** is the need for it now (on a scale of 1 to 10 with 10 being the highest)?

Low 1 2 3 4 5 6 7 8 9 10 High

Do you think this is clear in the Case Statement?

Yes No

Comments:

8. When reviewing the Scale of Giving, do you feel the **\$25 million+ target is achievable**?

Yes No

Why or why not?

9. What are your thoughts on the proposed 5-year pledge period? Too long/too short/just right?
10. Do you have any recommendations regarding sources for **Transformative or Leadership Gifts** (See Scale of Giving)?
11. If this funding initiative moves forward, would you consider **making a gift** to APF Canada (above and beyond any contribution you are currently making to APF Canada)?

Yes No

- 12. And this is by no means an ask, but would you feel comfortable sharing with me where your gift or what range your gift might be on the Scale of Giving?
- 13. How important is **gift recognition** in your opinion? What form(s) would you like to see it take?
- 14. Who do you think should/would play a **leading role** in this fundraising initiative and what qualities would they bring?
- 15. What level of priority would you give APF Canada’s proposed fundraising initiative on a scale of 1 to 10 (with 10 being the highest) relative to your other community commitments (both volunteer and philanthropic)?

Low 1 2 3 4 5 6 7 8 9 10 High

- 16. Who from APF Canada would you recommend approach organizations for support?

- APF Canada Board member
- APF CEO and President
- APF Vice President of Operations
- Other please specify/explain _____

- 17. Would you consider becoming involved in volunteer **fundraising activities** for this proposed initiative?

- Yes No

If ‘yes’, please indicate which funding area is the most compelling to you from this perspective.

- Building Canada’s Asia-ready Talent Pool
- Accessing Asian Markets
- Canada-Asia Business Networks

And if yes, please indicate the **top two volunteer activities** that interest you most:

- Join a Campaign Executive Committee
- Call donors to thank them
- ‘Open doors’ to potential prospects
- Host donors and key prospects at events
- Conduct face-to-face ‘asks’ (with training and support)
- Other, please specify _____

- 18. Do you know of any other campaigns, either being planned or currently underway, which might affect the success of this one, or help inform how APF Canada moves forward?
- 19. Are there any other **issues** about APF Canada you would like to highlight which could affect the success of this fundraising initiative?

Appendix E – Confidential Board E-Survey

1. In your view, how urgent is the need for funding support for APF Canada *now* (on a scale of 1 to 10 with 10 being the highest)?

Low 1 2 3 4 5 6 7 8 9 10 High

2. What level of priority would you give APF Canada on a scale of 1 to 10 with 10 being the highest, relative to your other community commitments (both volunteer and philanthropic)?

Low 1 2 3 4 5 6 7 8 9 10 High

3. What do you believe is APF Canada’s **greatest strength** with regard to fundraising?
4. What do you believe is APF Canada’s **most significant challenge** with regard to fundraising and do you have any **suggestions** as to how APF Canada could overcome this challenge?
5. What are your thoughts regarding the **Case Statement for the proposed \$25 million fundraising initiative**?
6. When reviewing the Scale of Giving, do you feel the \$25 million target is achievable?

Yes No

Why or why not?

7. Do you have any recommendations as to sources for Transformative or Leadership Gifts (see Scale of Giving)?
8. Should the campaign move forward, would you consider making a **gift** to the campaign?
- Yes No
9. If ‘yes’, would you please share where your gift will likely be on the Scale of Giving?

\$ _____ or Range: \$ _____

10. Are there any corporate sectors **within Canada** that APF should (or should not) accept funds from?
11. Are there any corporate sectors or governments **outside of Canada** that APF should (or should not) accept funds from?
12. Are there any circumstances you would support (or not support) APF accepting funds from individuals outside of Canada?
13. Please describe **the role of the APF Canada Board** in relation to fundraising.

14. What do you think the role of the Board should be, vis-à-vis fundraising?

15. Would you consider becoming involved in **volunteer fundraising activities** for this fundraising initiative?

Yes No

16. If 'yes', please indicate the **top two activities** that interest you most:

- Join a Campaign Executive Committee
- Call donors to thank them
- 'Open doors' to potential prospects by utilizing personal contacts
- Host donors and key prospects at events
- Conduct face-to-face 'asks' (with training and support)
- Other, please explain _____

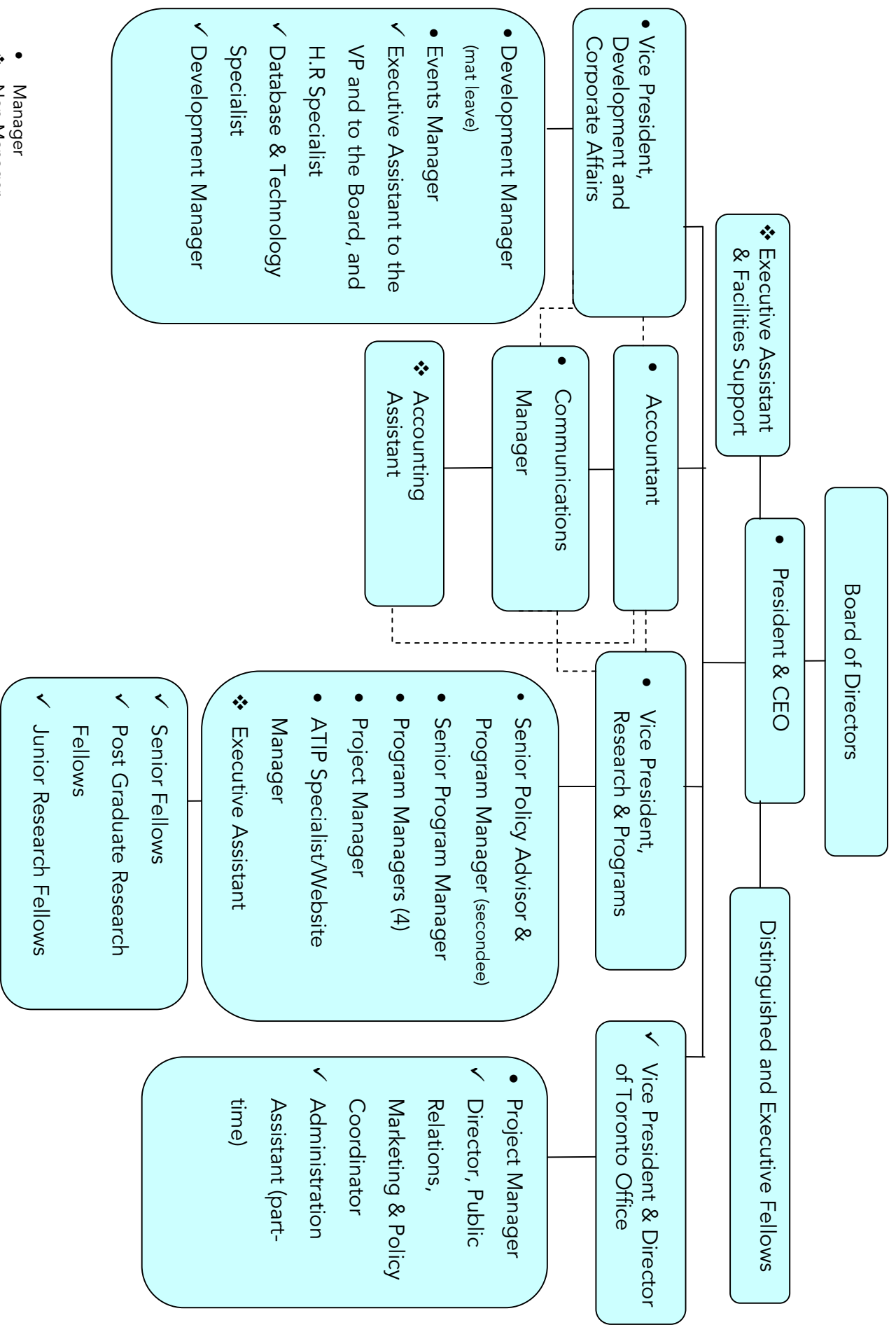
17. Is there anyone you think should/would play a **volunteer leadership role** for this fundraising initiative?

18. Is there anything further you wish to share?



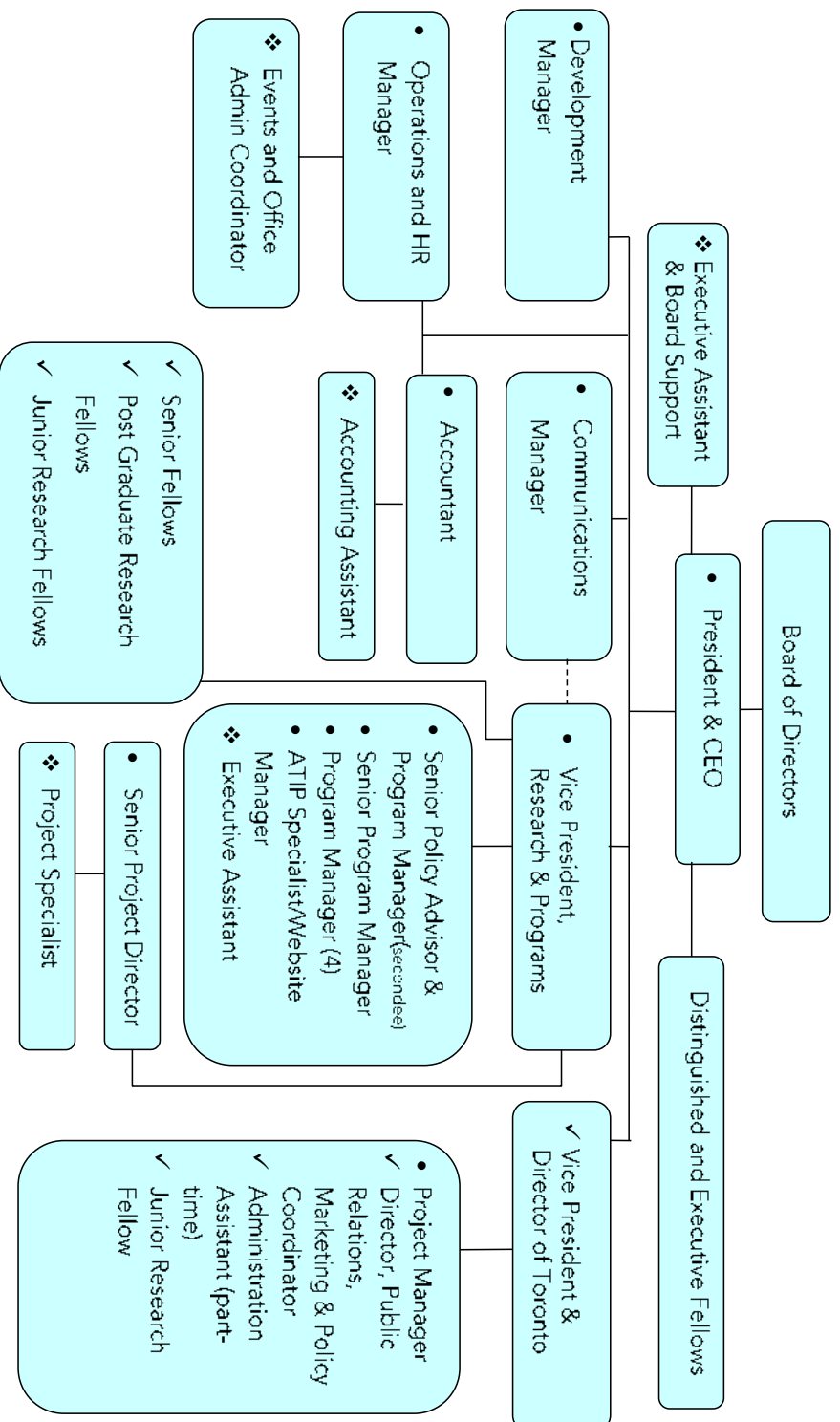
ORGANIZATIONAL CHARTS

Asia Pacific Foundation of Canada Organization Chart 2015/2016



- Manager
- ❖ Non Manager
- ✓ Contract
- Indirect Reporting
- _____ Direct Reporting

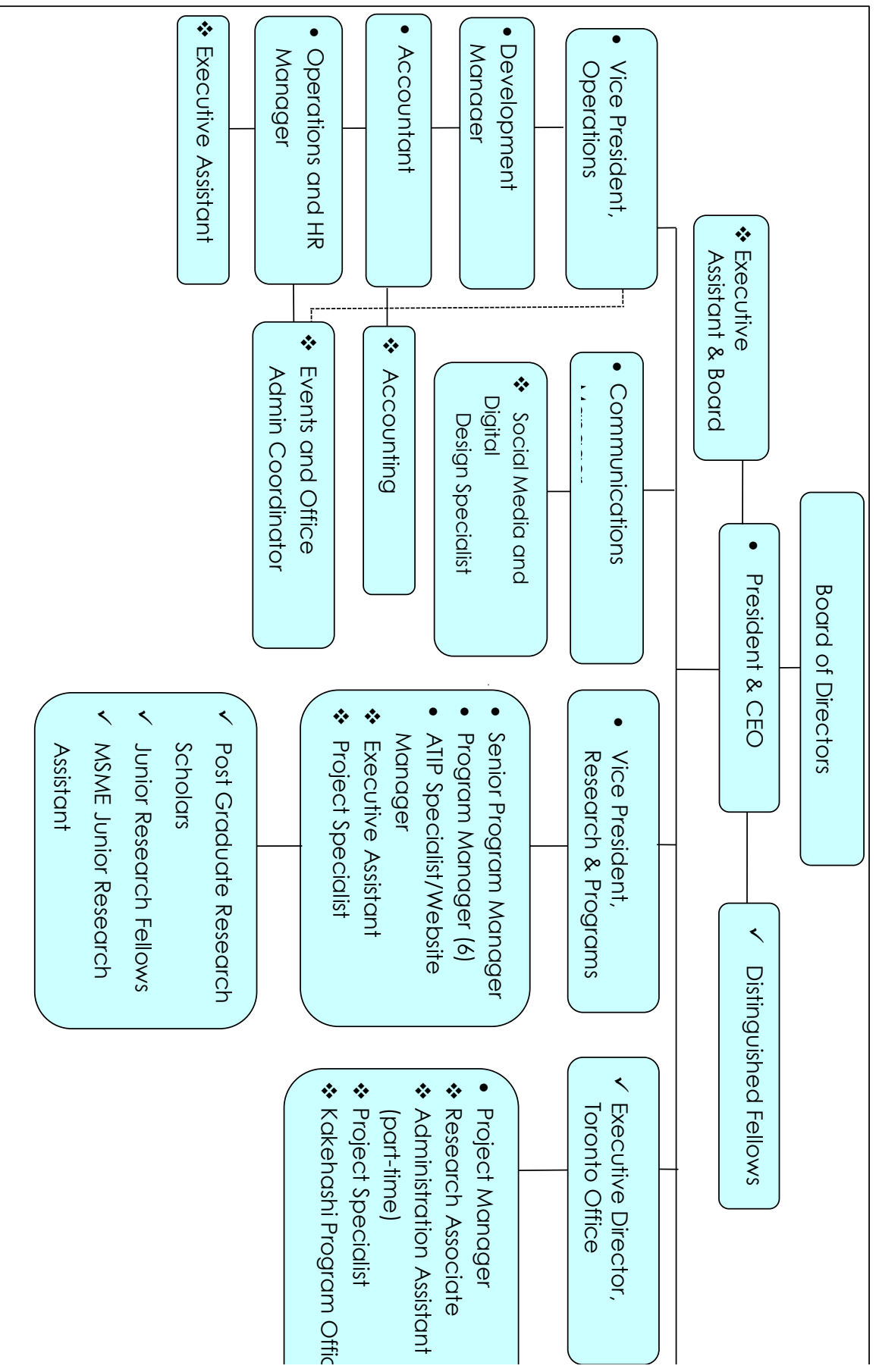
Asia Pacific Foundation of Canada Organization Chart 2016/2017

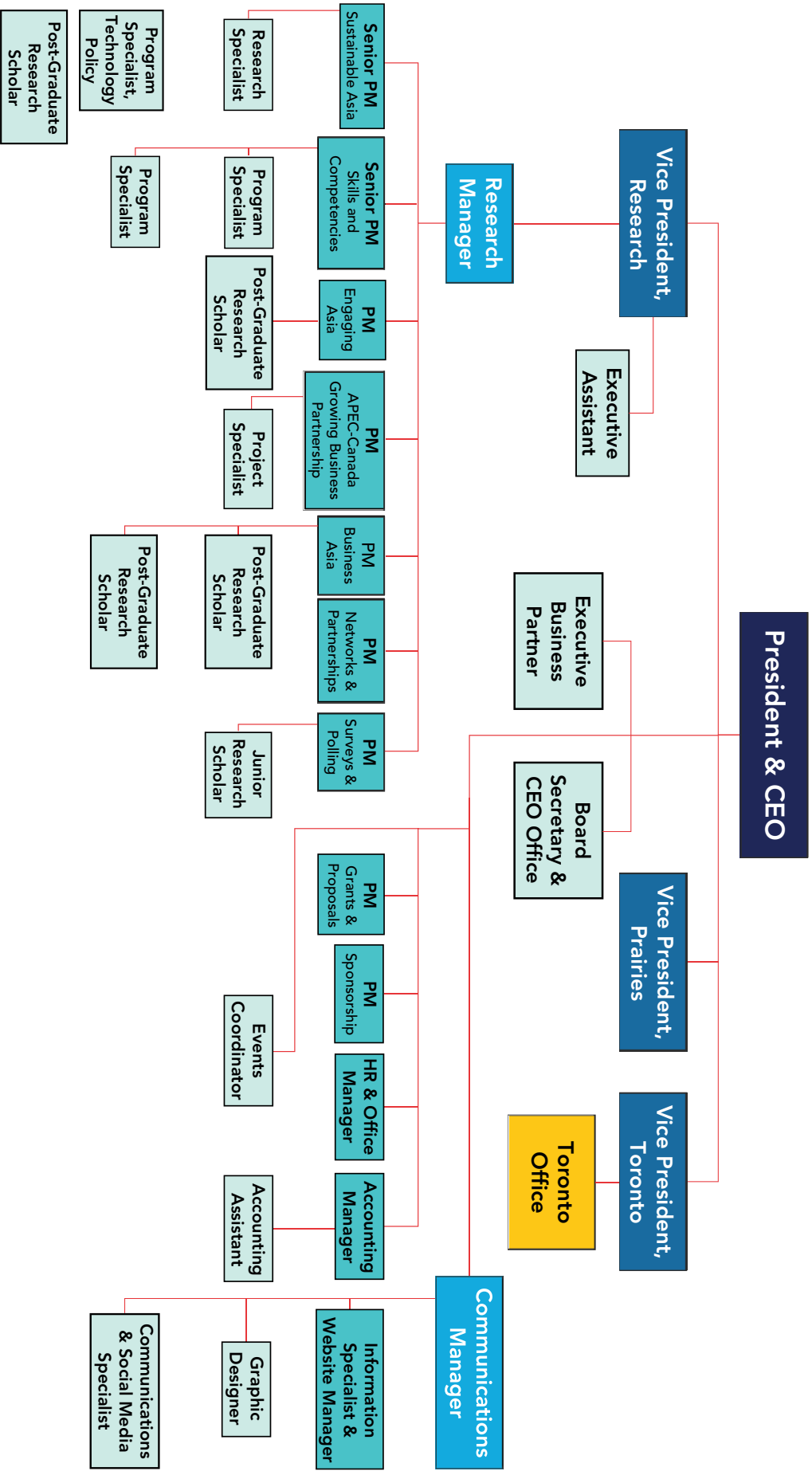


- Manager
- ❖ Non Manager
- ✓ Contract
- Indirect Reporting

Direct Reporting

Asia Pacific Foundation of Canada Organization Chart 2017/2018







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