

CANADA'S INDO-PACIFIC STRATEGY: IS THERE A PATHWAY FORWARD FOR TRADE, INVESTMENT AND ACADEMIC COOPERATION, BETWEEN THE "UN-LIKE-MINDED"?

Posted on March 13, 2023

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Webinar Synopsis:

Contextualizing the Indo-Pacific Strategy

Canada released its long-awaited Indo-Pacific Strategy ("IPS") on November 28, 2022. The new strategy is important for Canadian businesses because the region encompasses 40 economies, over 4 billion people, and \$47 trillion in economic activity. The IPS includes trade negotiations with the Association of Southeast Asian Nations states as well as Indonesia and India, and announces Canada's application for membership in the Indo-Pacific Economic Framework for Prosperity.

China figures prominently in the IPS, described as "an increasingly disruptive global power". In connection with investment from China the IPS states that Canada will continue to strengthen the defence of our Canadian infrastructure, democracy and Canadian citizens against foreign interference. This includes reviewing, modernizing and adding new provisions to the Investment Canada Act that protect Canadian national interests, as well as acting decisively when investments from state-owned enterprises and other foreign entities threaten Canada's national security, including Canada's critical minerals supply chains. The Government of Canada states that it wishes to continue to work with like-minded partners in the region to counter economic coercion and nonmarket practices.

Critical Minerals Implications, Undue Influence and Cooperation Expectations

On November 2, 2022, the Minister of Innovation, Science and Industry of Canada issued a brief statement announcing that the Government has conducted national security reviews of a "number of Canadian companies engaged in the critical minerals sector, including lithium" and, as a result, the Government made final orders that three Chinese-controlled investors divest their interests in three Canadian TSX Venture listed public companies with interests in lithium.

Concerns have been expressed that Chinese companies are subject to China's national security and intelligence laws, which form the basis for exerting undue influence even in Canada.

According to the IPS, there are areas where cooperation is expected, including with respect to climate.

Academic Implications

At the same time, with the deterioration of the Sino-Canadian relationship, we have seen introduction of a National Security lens with respect to Natural Sciences and Engineering Research Council of Canada grants. We have also seen the Government of Alberta put a pause on research partnerships with companies from China. Research partnerships with the private sector are of significant importance to the university community. The IPS contains a pivot towards broader engagement with East Asia (ex-China), Southeast Asia and South Asia, which will no doubt affect trade and investment flows, flows of students and research cooperation.

Webinar panelists will provide insights on:

- The state of the Canada-China bilateral relationship and whether there should be a comprehensive delineation of where cooperation should be restricted due to national security concerns;
- Navigating the tensions between investment attraction and national security interests - how FDI agencies must balance the needs of security with economic growth, climate goals and ESG;
- Whether an industry specific approach relating to FDI should be employed;
- Whether robust corporate governance measures can be usefully employed as a mitigation strategy when national security issues have been raised;
- What is the possible response against non-commercial directives by a foreign Government;
- Does the Foreign Extra-Territorial Measures Act legal framework, which is designed to block the extraterritorial application of foreign laws that are considered contrary to the interests of Canadian trade and commerce, provide a basis to develop an appropriate response to protect Canadian interests;
- Is there a role for public international law or treaties to play in dealing with geo-political tensions;
- The current state of research partnerships in Canada; and
- How our universities are adapting to Canadian government's pivot away from China and addressing the new geopolitical environment.

Date and Time

Wednesday, March 29, 2023

8:00am - 9:30am (Pacific Time)

Panelists

Natasha Affolder

Professor

Peter A. Allard School of Law
University of British Columbia

Rick Christiaanse

Chief Executive Officer

Invest Alberta

Aysha Mawani

Director General, External and Trade Policy

Innovation, Science and Economic Development
Canada

Opening Remarks

Carol Liao

Associate Professor

Director of the Centre for Business Law
University of British Columbia

Philip Calvert

Senior Research Associate

Centre for Asia-Pacific Initiatives
University of Victoria

Paul Evans

HSBC Chair in Asian Research

School of Public Policy and Global Affairs
University of British Columbia

Moderator

Stephen Wortley

Chair, Hong Kong Office

Partner

Capital Markets & Securities
McMillan LLP

Webinar

Log-in details will be e-mailed after registration



Please RSVP by Monday, March 27, 2023.

For legal practitioners, this program qualifies for 90 minutes of Substantive CPD in Ontario, 90 minutes of CPD in BC and 90 minutes of CLE in Quebec.

If you have any questions, please reach out to events@mcmillan.ca.