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## TRADE AND INVESTMENT



# ***Canadian Trade and Investment Activity: Canada–Netherlands***

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***Canadian Trade and Investment Activity:  
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## Merchandise Trade

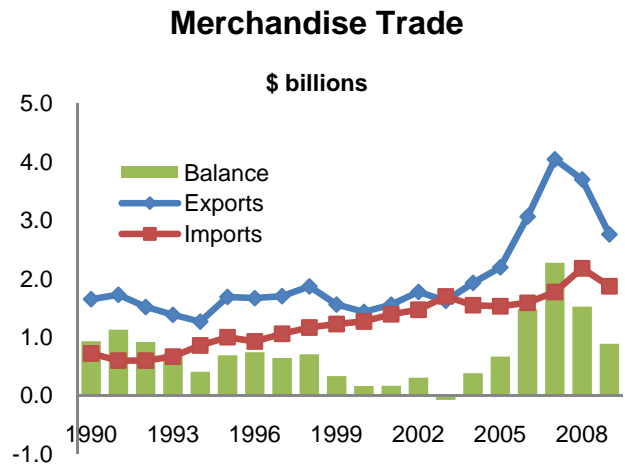
A major entry point for goods shipped into the European Union (EU), the Netherlands is an important trading partner for Canada, especially in respect of exports. In 2009, the Netherlands was Canada's third-largest export destination in the EU and the eighth-largest in the world. It was Canada's 20<sup>th</sup>-largest source of imports in the world and sixth-largest in the EU.

In 2009, Canada-Netherlands bilateral merchandise trade totalled about \$4.7 billion, consisting of \$2.8 billion in Canadian exports to, and \$1.9 billion in imports from, the Netherlands.

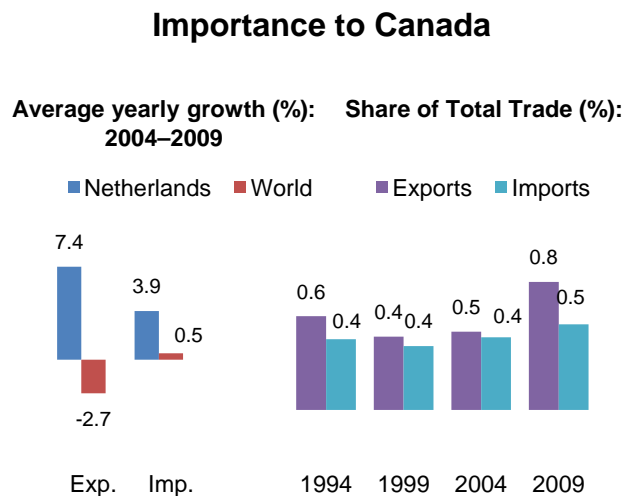
Exports to the Netherlands grew rapidly from the late 1990s through 2007, peaking at \$4.0 billion in that year. In 2009, exports fell by 25% compared to a year earlier. However, this drop was in line with Canada's overall decline in exports in that year. Compared to one year earlier, the decrease in imports from the Netherlands in 2009 (14%) was also comparable to the decline in Canada's overall imports that year.

At the provincial level, exports to the Netherlands are widely distributed across Canada. Quebec and Ontario are the largest provincial exporters, however, with total exports in 2009 valued at \$798 million, and \$717 million, respectively. BC and Atlantic Canada also accounted for a significant share of exports that year.

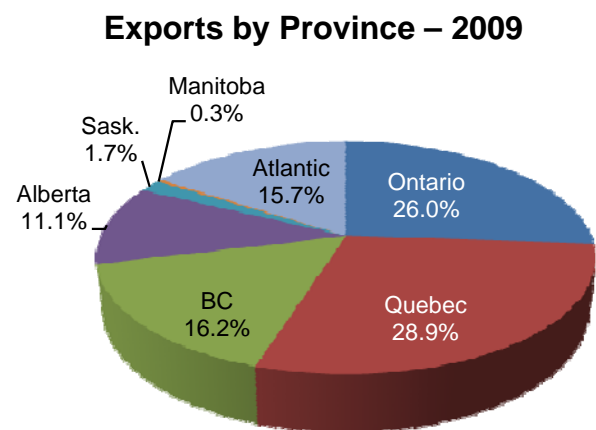
## Figure 1



## Figure 2



## Figure 3



## Products

About two-thirds of Canada’s exports to the Netherlands are made up of resource-based goods, particularly minerals and fossil fuels. Refined petroleum was Canada’s largest export to the Netherlands in 2009, with a value of \$533 million. Coal was Canada’s next largest export product that year, followed by aluminum, nickel and uranium.

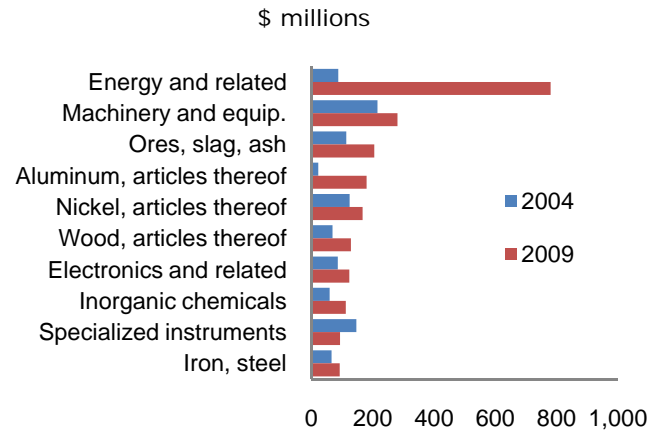
A decline in the value of metals exports is a major factor behind the drop in overall exports to the Netherlands since 2007. This drop has been offset somewhat by petroleum exports, which have risen by a factor of five since 2007.

Canada’s imports from the Netherlands are evenly divided between manufactured and resource-based goods (51% and 49% of imports in 2009, respectively). As with exports, Canada’s largest import product from the Netherlands in 2009 was refined petroleum. Other major import products included blood fractions, beer, furs, yarn, medications and tulip bulbs.

Because of the relatively high value of imports of plant bulbs and seeds from the Netherlands, Canada is a net importer of agricultural and food products from that country. It is a net exporter of most other product types.

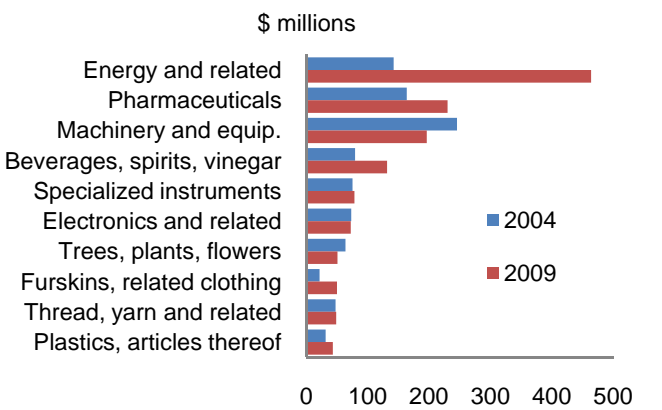
## Figure 4

**Major Export Products**



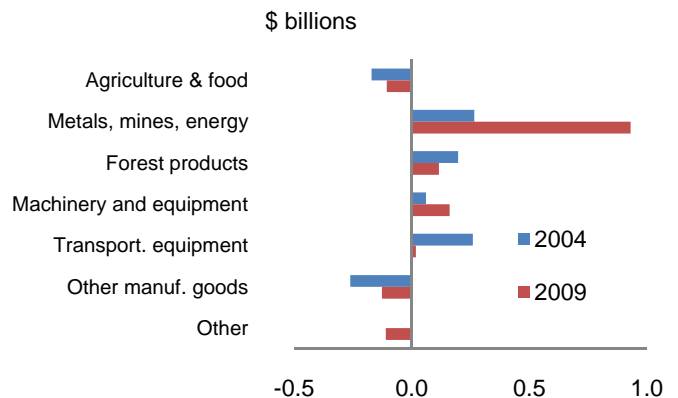
## Figure 5

**Major Import Products**



## Figure 6

**Balance by Category**



All figures were prepared by the author using annual data from Statistics Canada. The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

## Services and Investment

Canada's services exports to the Netherlands totalled \$656 million in 2007, the most recent year for which data are available, while services imports were \$1.3 billion. Both services exports and services imports have grown since the late 1990s, although the rate of increase has been higher for services imports.

Transportation services, including container shipping, is the largest category of Canadian services imports from the Netherlands. Transportation services and commercial services have also been responsible for the strong growth in services imports from the Netherlands since the late 1990s.

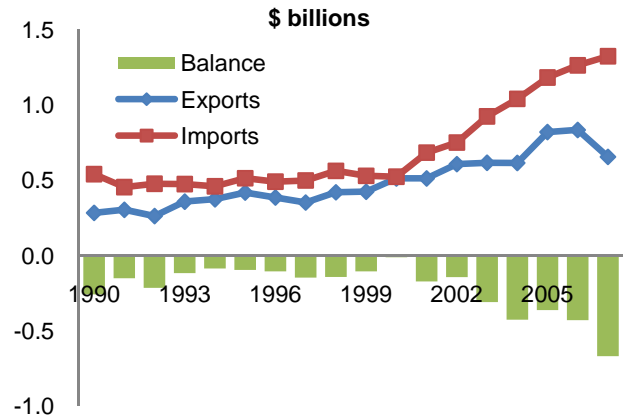
Commercial services are Canada's largest category of services exports to the Netherlands, accounting for about one-half of all services exports in 2007.

The Netherlands is a major source of foreign direct investment (FDI) into Canada. The stock of Dutch FDI in Canada was \$46.5 billion in 2009, making the Netherlands Canada's third-largest source of FDI in the world.

The Netherlands is also an important destination for Canadian direct investment, although the total stock of Canadian investment in that country is small relative to Dutch FDI in Canada. In 2009, the stock of Canadian investment in the Netherlands was \$9.8 billion.

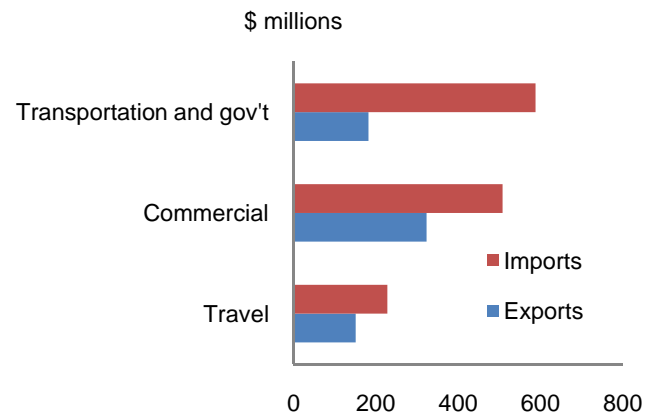
## Figure 7

Services Trade



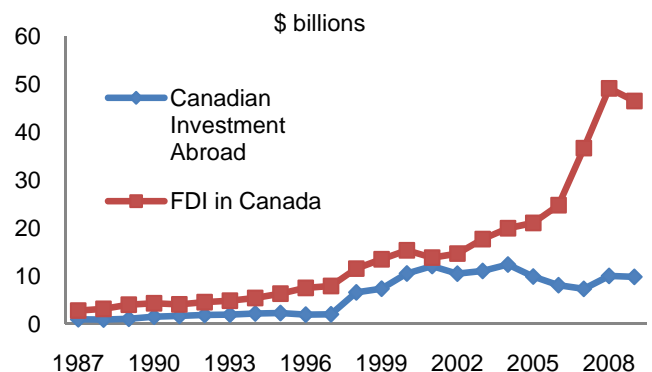
## Figure 8

Services Trade by Type – 2007



## Figure 9

Foreign Direct Investment



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