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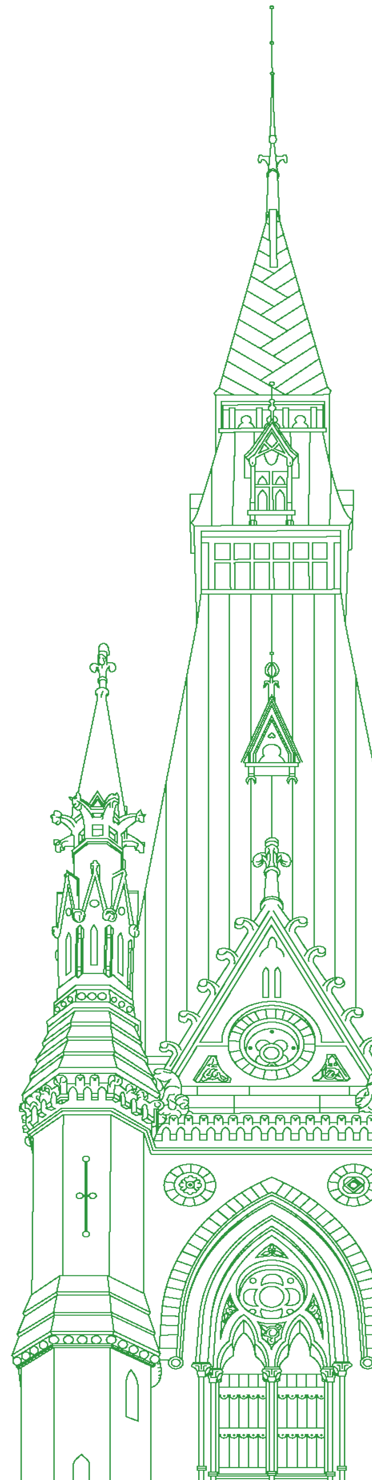

Chair: Judy A. Sgro

Standing Committee on International Trade

Tuesday, April 21, 2026

● (1105)

[*English*]

The Chair (Hon. Judy A. Sgro (Humber River—Black Creek, Lib.)): I call the meeting to order.

Welcome to meeting 32 of the Standing Committee on International Trade. Welcome to our witnesses.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Thursday, February 12, 2026, the committee is resuming its study of Canada's trade with North and West Africa.

We have with us today, as an individual, Thierry Warin, full professor, HEC Montréal. From the African Union Sixth Region Global, we have Macaulay Kalu, Secretary General. From the International Development Research Centre, we have Marie-Gloriose Ingabire, regional director, Central and West Africa, by video conference, and Erin Tansey, program director, sustainable inclusive economies.

Welcome to all of you for this very important study.

We will open the floor for our speakers.

Mr. Warin, I invite you to make an opening statement of up to five minutes, please.

[*Translation*]

Thierry Warin (Full Professor, HEC Montréal, As an Individual): Madam Chair and members of the committee, thank you for the invitation to contribute to your work on an important issue for Canada: Canada's trade with North and West Africa.

My name is Thierry Warin. I'm a data science professor for international affairs at HEC Montréal and a fellow at CIRANO.

Canada is an open economy, but it is also an economy that operates in close proximity to the largest market in the world, the United States. Talking about trade with other regions today also means talking about trade with the United States.

If you draw on theoretical frameworks, you might be tempted to pit two classic explanatory models against each other. On the one hand, what is known as the Heckscher-Ohlin-Samuelson model—I'm sorry, I am a professor—which emphasizes factor endowments and specialization. On the other, the gravity model, which explains trade flows by the size of economies and, above all, by distance.

In Canada's case, it is quite clear that the gravity model is empirically dominant, but this dominance does not imply the optimal allocation of trade flows. It also reflects frictions, notably information asymmetries.

This is where we need to take a step back and consider data science. Countries do not trade; companies do. Decisions to export or import are not taken at the aggregate level, but at the company level, subject to very concrete constraints: imperfect information, prospecting costs, uncertainty regarding partners and difficulty in identifying the right inputs and the right markets.

In this context, the geographical focus on the United States is partly the result of rational trade-offs in the face of uncertainty. However, it may also mask untapped opportunities.

The real question is no longer simply who to trade with, but which products, which inputs and within which value chains. It is from this perspective that diversification towards Africa must be understood. Diversification does not simply consist of adding partners; it consists of precisely identifying the final products or inputs for which there is genuine complementarity. When we examine the figures now, four key elements emerge.

Firstly, in terms of volume, trade between Canada and Africa remains modest, and its dynamics vary across sub-regions. With North Africa, total trade rose from around \$3.8 billion in 2015 to \$4.7 billion in 2024. In West Africa, the dynamic is different. Total trade rose significantly from \$2.5 billion to just over \$5.8 billion in 2024. That growth is entirely driven by Canadian imports.

Secondly, geographical concentration is particularly pronounced. In North Africa, three countries—Algeria, Morocco and Egypt—account for the bulk of Canadian exports, with combined shares exceeding 90% depending on the year. In West Africa, the concentration is even greater on the import side. In 2024, Nigeria, Mauritania and Côte d'Ivoire accounted for over 90% of Canadian imports from the region. We are therefore dealing with trade structures dominated by a very limited number of partners, which potentially creates significant dependencies.

Thirdly, concentration by product is extremely high for Canadian imports from West Africa. In 2024, the top three product categories accounted for over 93% of these imports, dominated by mineral fuels, precious metals and cocoa. Conversely, Canadian exports are slightly more diversified, but remain concentrated. In North Africa, the top three products still account for around 63% of Canadian exports and the top five for nearly 78%. We are therefore dealing with situations where a few products currently account for the bulk of trade flows.

Fourthly, in terms of specialization, Canada mainly exports plant products, particularly grains, as well as inputs such as fertilizers and, in some cases, equipment. Conversely, Canadian imports are dominated by primary products: energy, minerals, specific agricultural products or inputs. This asymmetry is robust, even if its precise form varies by country. It reflects a vertical organization of trade, rather than intra-sectoral trade.

Finally, if these elements are combined, several trade patterns can be identified. An agri-food corridor with North Africa, which is relatively diversified and based on agricultural complementarities; an energy corridor with West Africa, heavily concentrated around Nigeria and characterized by a dependence on fuels; and industrial input corridors, notably with Morocco or certain West African partners.

What this essentially means is that diversification towards Africa cannot be considered solely in geographical terms. It must be considered in terms of flow structures, products and value chains. This is precisely where data science becomes crucial. It enables us to identify, at a granular level, the relevant complementarities—those that are not visible when viewed at an aggregate level.

Thank you for your attention. I will be pleased to answer your questions.

[*English*]

The Chair: Thank you very much.

Mr. Kalu, please go ahead.

Kalu Macaulay (Secretary General, Africa Union Sixth Region Global): Chair and honourable members of the Standing Committee on International Trade, thank you for this opportunity.

I stand before you on behalf of the African Union Sixth Region Global, the constitutional voice of over 300 million Africans in the diaspora, formally recognized within the African Union system. We are not an external stakeholder. We are an institutional bridge linking Canada directly to one of the most consequential economic transformations of our time: the African continental free trade area.

This is not a future opportunity. It is a present reality. It is a single market of 1.4 billion people, has a combined GDP of $3.4 trillion and is a continent integrating faster than many anticipated, yet Canada remains on the margins. While competitors like China, the European Union, the United States and Turkey move with speed, structure and strategic intent, Canada continues to hesitate. In global trade, hesitation is not neutrality. It is absence.

Let me be a bit direct in my presentation. The greatest risk for Canada in Africa is not competition. It is irrelevance. A lesson within Canada, the Quebec example, is what makes this particularly compelling. Canada already holds the answer within itself. Let's consider Quebec. Quebec did not wait for perfect conditions. It acted through its Africa strategy.

It deployed a focused, well-funded, whole-of-government approach anchored in economic diplomacy, education and cultural and institutional partnerships. It established permanent offices in Dakar, Abidjan and Rabat. It executed targeted trade missions across western North Africa. It built structured partnerships with institutions like Morocco's private sector federation. The result is this: access, influence, trust and deals. Quebec demonstrates a simple but powerful truth that strategy is not what you announce; it is what you execute.

Let's look at the global benchmark here. What does winning look like around the world's successful actors in Africa? It follows these three consistent principles: presence, partnership and pace.

The European Union invests through structured Global Gateway initiatives, China deploys capital through coordinated infrastructure diplomacy and Turkey builds trade corridors through agile SME engagement. They are not waiting for certainty. They are building influence through actions. As the proverb reminds us, the best time to plant a tree was 20 years ago; the second-best time is now.

With regard to the strategic reality, let me offer a case in point. The Simandou project in Guinea is one of the largest iron ore developments in the world. Despite linguistic, legal and historical alignment, Canada secured only a minor role, not because of lack of capacity, but because of a lack of coordinated strategy. This is not an isolated case. It is a pattern.

Let's look at the opportunity and at a smarter approach. Canada does not need to outspend global competitors. It needs to out-strategize them, and that begins with leveraging its most underutilized asset: the African diaspora, or the sixth region. We are not observers. We are investors. We are connectors and we are cultural translators. We reduce risk, accelerate entry and unlock trust. As one leadership principle reminds us, speed is the new currency of trust. In Africa today, trust is earned through presence, partnership and performance.

As a practical pathway forward, this path is not complicated. It is focused. Rather than spreading resources thinly across 55 countries, Canada must adopt a hub-and-spoke strategy. Anchor in key markets like Nigeria, South Africa and Morocco, and use these hubs to expand into regional blocs like ECOWAS and SADC. Deliver measurable results within 12 to 24 months, not in 10 years. This is not theory. It is execution.

Let's look at the closing charge.

Honourable members, Africa is not asking for charity. It is offering partnership.

Canada is not lacking capacity. It is lacking coordinated urgency, and history is clear. Nations that move early shape the rules. Nations that delay follow them. The window is open, but it's closing. The African Union Sixth Region Global is ready. The diaspora is ready. The opportunities are real, and now Canada must decide: Will it observe this transformation or will it help to change it?

The strategy we have is to deploy a focused, well-funded, whole-of-government approach anchored in economic diplomacy, education, culture and institutional partnerships. Establish a permanent office based on what Quebec did, and build structures around the whole area.

Once again, I want to say thank you for the opportunity. I'm looking forward to your questions.

● (1110)

The Chair: Thank you very much.

Before we go on to our next presenter, we need to do a sound check. I'll suspend for a moment.

● (1110)

_____________________(Pause)_____________________

● (1110)

The Chair: Ms. Ingabire, since we have you on the line now, please go ahead.

[*Translation*]

Marie-Gloriose Ingabire (Regional Director, Central and West Africa, International Development Research Centre): Thank you very much, Madam Chair and committee members, for giving us the opportunity to appear before you today.

Our institution—the International Development Research Centre—invests in practical, locally led research to identify problems, develop solutions and inform sound public policy across a range of disciplines.

As a Crown corporation, IDRC is a unique and strategic element of Canada's international engagement with more than 50 years of experience supporting innovation partnerships globally, including across the African continent and in francophonie countries where Canada has deep engagement with knowledge leaders.

As you know, Africa's trade landscape is evolving rapidly. Countries are navigating global trade fragmentation, geopolitical competition, climate pressures and technological change. These forces are reshaping how African economies participate in global markets—and who benefits from trade.

In response, continental and regional integration has become a central strategy. The African Continental Free Trade Area—also known as AfCFTA—reflects the trend toward more coherent, rules-based markets. [*Technical difficulty—Editor*]

● (1115)

[*English*]

The Chair: Ms. Ingabire, we're having problems with your connection. Can I turn the floor over to Ms. Tansey? Maybe we can come back to you at a later time. I'm sorry about that, but that's what happens.

Ms. Tansey.

Erin Tansey (Program Director, Sustainable Inclusive Economies, International Development Research Centre): Thank you very much, Madam Chair.

I can continue with Marie-Gloriose's words, because they're right in front of me.

[*Translation*]

To better understand where trade opportunities exist, and why they are often not realized, IDRC undertook region-specific scoping research. Authored by local experts, including northern, southern, and pan-African perspectives, the papers examine the structural and institutional factors shaping trade outcomes between Canada and Africa. They propose key knowledge gaps that must be filled to ensure trade is mutually beneficial and supports inclusive and sustainable development. They also highlight emerging opportunities that could be capitalized on—provided enabling conditions are in place.

[*English*]

I will now carry on with what I was going to say.

Hopefully, I did you well there, Marie-Gloriose.

In West Africa, the opportunities identified include strengthening regional value chains in energy, agri-food processing, logistics, and digitally enabled services, where market demand is growing but coordination and standards remain uneven. In North Africa, economic diversification, decarbonization of carbon-intensive industries and expansion of services beyond traditional sectors are opening potential avenues for partnerships in renewable energy, green infrastructure, clean technology, education, and financial services. Across both regions, digital trade, interoperable payment systems and skills development have emerged as cross-cutting priorities that can reduce costs, broaden participation and support deeper integration into regional and global markets.

The research shows that fully realizing these trade opportunities depends on system-level collaboration rather than on isolated or firm-level solutions. In short, we need to build an ecosystem and business environment conducive to Canadian companies' investment and engagement. Effective regional markets require coordination among many actors—governments, regulators, chambers of commerce and professional associations, to name a few—to align rules, reduce fragmentation and create operating environments in which firms can scale and integrate. These conditions shape who can participate in trade, and on what terms, while directly affecting how easily Canadian firms can enter or expand in African markets.

This is where research for development becomes a practical trade tool. IDRC convenes regional actors and connects policy ambition with locally grounded evidence to inform implementation and investment decisions. For example, IDRC-supported research and researchers are testing AfCFTA operational instruments to assess how provisions function in practice.

The trade law centre, which is actually based in South Africa, is conducting legal and regulatory analysis of the AfCFTA protocol on women and youth in trade, building evidence to strengthen customs, standards and trade facilitation institutions through the collection of trade-, firm- and gender-disaggregated data. IDRC also invests in strategic alliance building, in technical assistance and in piloting innovative financing mechanisms that can boost international trade readiness for small and medium-sized enterprises in Africa. This lays the groundwork for institutions like FinDev and others investing in the region.

I'll leave you with three takeaways. Locally led research is integral to unlocking opportunities for Canada's strategic trade diversification. Inclusive trade implementation supports stronger market performance, more reliable supply chains and more durable and mutually beneficial trade outcomes. Investments in evidence, institutions and regulatory co-operation complement traditional trade promotion tools.

● (1120)

In short, strengthening mutually beneficial trade with North and West Africa will require mobilizing evidence and partnerships to reinforce market systems and reduce tariff and non-tariff barriers to participation. Institutions like IDRC—

The Chair: Thank you very much, Ms. Tansey. I'm sorry. We have to close it off.

Erin Tansey: That's no problem.

The Chair: Mr. Groleau, you have six minutes. Go ahead, please.

[*Translation*]

Jason Groleau (Beauce, CPC): Good morning, Madam Chair.

Dear guests, good morning.

Mr. Warin, I congratulate you on your impressive track record. I am pleased to have you here.

In your opinion, what are the greatest economic opportunities between Canada and Africa? Does Africa have the necessary port infrastructure to increase its capacity to do business with Canada?

Thierry Warin: You raise several points.

Today's trade is well established: We mainly export plant products to certain countries in North and West Africa.

Trade and transportation infrastructure are interconnected. International trade experts often forget that trade needs to be transported. We must ensure that the infrastructure—both ours and that of the receiving countries—is in place.

Morocco is investing in a new port, for example. Here at home, we need to know which products will see increased demand. As mentioned, the African continent has a population of 1.4 billion. That population will double in the coming decades, likely by 2050; in any case, it will reach a significant number. This is likely a market that needs new resources, such as infrastructure. That will need to be transported if we are partners in this development.

In short, we need to compile a list of what is worth sending to the African continent. I will speak for Quebec, my home: this may require upgrades to Mirabel's capacity for air-freighted goods or improvements to port capacity—including in Contrecœur, to mention just one project.

Jason Groleau: That is very interesting.

You said, “transporting trade”. As far as I know, the United States is still right next door, even though we’re waging a tariff war. Geographically, it hasn’t moved; it's in the same location.

Over the weekend, the Prime Minister said something that somewhat shook me. He said that our relationship with the United States was a weakness. The United States remains our largest economic partner, and in my view, it always will be.

What is your stance on our relationship with the United States? Do you believe the U.S. will continue to be our main partner?

Thierry Warin: Those are thorny questions, so I will approach them from a researcher's perspective.

In fact, 30% of Canada’s gross domestic product comes from exports, which means that 70% stays here. Of that 30%, 75% or 76% goes to the U.S. economy.

I mentioned the gravity model because we tend to think of international trade as flowing from one country to another. In reality, take Quebec, Ontario and the eight U.S. states surrounding the Great Lakes and the St. Lawrence River—the St. Lawrence is a trade corridor. If this region were a country, it would be the world’s third-largest economy. This helps us understand to what extent it is not just trade, but also an integrated economy.

As I was saying, not everything we do together is optimal. Just because we do business together doesn’t mean it’s optimal across all sectors and for all products.

There is a project at CIRANO called “GVCdtLab.” It’s a digital twin project that provides us with this data in real time. That means we’re roughly able to tell you which products require us to find partners other than the friend we once high-fived in Chicago, in the United States. Thanks to the comparative cost advantage, we can identify other spots around the world where we might find partners willing to pay a higher price for the product we currently sell to a partner in the United States.

We can map this out, we can diversify effectively, and we can optimize our partnerships with U.S. companies and with other companies around the world. Strangely enough, this also means that we are in the process of optimizing our relationship with the United States.

To come back to your first question—namely, whether Canada’s relationship with the United States is a weakness and whether we can leave this partnership—the scientific answer would be no. As to whether it is a weakness, I would say that we can, in fact, turn it into a strength and make our relationship better than it is today.

● (1125)

Jason Groleau: Thank you for your answers.

Mr. Kalu, let me ask you the same question I asked at the beginning: What are the greatest opportunities for developing trade between Africa and Canada?

[*English*]

Kalu Macaulay: First of all, I want to focus on the fact that when we use the word Africa when we talk about trading, it is a continent. Instead of trying to spread ourselves thin, we should really form a strategy with the aspect of trade. That's why in my presentation I presented key opportunities on how to do that by looking at the major entry markets.

You already have a relationship with Nigeria. You have Morocco, to enter the Maghrib region. You have Nigeria to go through the West Africa region. You have South Africa, which is already a great, number one partner with Canada, to get into the SADC and COMESA regions. That strategy helps us to stay focused and not to be spread so thin. It increases what is already working. You don't want to reinvent the wheel.

We just launched a digital trade portal today, based on what we've been doing for the past nine years in intra-Africa trade. Now, it's one thing to talk about trade policy in Africa, which is where I believe Canada can do a little more work in supporting the infrastructure needed, based on our interests, to make sure that infrastructure will support trade corridors—

The Chair: Mr. Kalu, I'm so sorry. I'm very interested in what you're saying, but I have to share the time equally. I've managed to give Mr. Groleau an extra minute while we were listening to you.

Go ahead, Madame Lapointe.

[*Translation*]

Linda Lapointe (Rivière-des-Mille-Îles, Lib.): Thank you very much, Madam Chair.

I would like to welcome the witnesses. Everything you have brought to light is very interesting, and we thank you very much.

Mr. Warin, earlier you mentioned various business opportunities we are not taking full advantage of, such as integration opportunities. Which ones would you highlight?

Thierry Warin: In our current trade exchanges, there are markets we turn to, such as the United States, which is our natural partner. Take the example of automotive parts, which are produced in Ontario. They could be sold more profitably in other countries. It’s not necessarily negative to think that if we no longer have as much access to U.S. markets—which isn’t entirely true either—we should turn to other countries. In fact, that’s not the right reason, because we could even profit by turning to African markets.

I’m a data science professor in the International Business Department. As you can see, I have all my notes with all my numbers.

I would say that today, we are capable of mapping out the products—among those 76% and even across all our exports—that would find better markets around the world, and then we need to find the companies to do business with. Obviously, it’s always more complicated, but we are up to the task, as I mentioned in the automotive parts example.

● (1130)

Linda Lapointe: Thank you very much.

In my riding, Rivière-des-Mille-Îles, which is located in the northern outskirts of Montreal, we were home to General Motors back in the day. We still have Nova Bus, Paccar, and several suppliers in the transportation sector, but we also host the aerospace industry.

Earlier, you also mentioned Montreal-Mirabel International Airport. You seemed to suggest that it could help the region in terms of imports and exports, as well as port operations. Could you tell us more about that?

Thierry Warin: In fact, we have a table with indicators. I mentioned the principle of comparative advantages, which is an indicator we’re working on in our research with an entire team. By factoring in transportation costs, we’re able to identify the products currently flowing between Canada and the United States and determine whether it might be best to export them to another part of the world.

We realized that, for many pharmaceutical products, there are actually other places in the world that would be willing to pay more than what our American partner currently pays.

Pharmaceutical products are transported by air rather than by container, which means that by conducting this mapping, we can determine the extent to which we need to increase our port and airport capacity. I would argue that this type of study allows us to make a more scientifically informed decision about what we need to diversify. You could call it intelligent diversification.

That brings me back to Mr. Groleau’s first question regarding the infrastructure capacity required to achieve this.

Linda Lapointe: Thank you.

Mr. Kalu, I have a question for you. Earlier, you highlighted the fact that Quebec didn't wait for perfect conditions, and you said that Canada had a lack of coordination or strategy. Do trade commissioners have any influence in that environment?

[*English*]

Kalu Macaulay: Once again, based on my presentation, when you talk about strategy, the diaspora is an asset that Canada is not really utilizing at this point. The fact is that the diaspora understands everything, from culture to every other thing you can think of concerning the continent itself. Leveraging the diaspora is part of what Quebec did. They used the diaspora to launch within the Dakar region, and it was very successful.

There are places where diplomacy cannot work. Look at the private sector. It's business to business. You want to talk to the people who understand the language. The strategy here would be to use boots on the ground, which is the diaspora. Through our office, we have people on the ground in all five member states, but we also have regional representation, which makes it easier for us to function.

The biggest asset is using the diaspora to make the world much easier. That's why even before Canada's Africa strategy document was out—as consultation showed—business was still going on and Canada was benefiting from diasporans who did not stop dealing with Africa or doing whatever it took to still do business and make an increase.

Leverage the diaspora. It is a key asset to make the trade process happen.

● (1135)

[*Translation*]

Linda Lapointe: Thank you very much.

[*English*]

I have a question for Ms. Tansey.

[*Translation*]

At the International Development Research Centre, do you have an opinion on improving sustainable agricultural productivity to establish food security that we could share on both sides? You talk a lot about partnerships between African countries and Canada.

Erin Tansey: Thank you, madam.

[*English*]

The Chair: Give a brief answer, Ms. Tansey.

Erin Tansey: We have some examples of how Canadian and African universities, researchers and technologies have worked together. I can go into more detail, but we have those examples, absolutely.

The Chair: Thank you very much.

Mr. Savard-Tremblay, please go ahead for six minutes.

[*Translation*]

Simon-Pierre Savard-Tremblay (Saint-Hyacinthe—Bagot—Acton, BQ): Thank you, Madam Chair.

I'd like to thank all the witnesses for being here and for their remarks today.

I'll start with you, Mr. Warin. Correct me if I'm wrong; I don't want to misinterpret what you said. You talked about optimizing the relationship with the Americans. That goes a bit against the flow, as I'm sure you're aware. That isn't quite what we have been hearing these days, and for several months now. Could you elaborate on that? I imagine that you have the means to prove it to us as a data expert, but let us just say that it comes as a bit of a surprise to hear you say that.

Thierry Warin: Thank you for the question.

In fact, businesses are the ones that conduct trade, and we, in universities, and government agencies are the ones that collect the data and aggregate it for a country. As a professor, I teach you that trade is between Canada and the United States, in particular. In reality, trade is first done by businesses. Businesses are the ones that decide to send products or use resources elsewhere on the planet to improve their productivity. Overall, this boosts a country's productivity.

How does a business decide to go abroad to get resources or export finished products? Up until now, that has been decided by humans. People go to trade shows, use the services of delegations or embassies, in particular, to get information. That reduces what is called information asymmetries. People are ultimately optimizing, but they're still subject to statistical biases, because they don't have perfect, complete information. Is this person I'm signing a contract with really the best person? Is the agreement I have signed really the best? Is this the highest price I can get?

Today, thanks to artificial intelligence techniques and data science, we're able to know, for instance—I was talking about auto parts; I meant buses—whether it would be better to sell them to Norway instead, taking into account the transport costs. However, is the port of Montreal able to do that? This raises other questions.

Today, we're indeed able to reduce that noise, that fog of trade wars. We can reduce all of that thanks to artificial intelligence techniques and data collection. That means that, today, we can also know which of our products can be sold at a better price elsewhere than the United States, not just because we think it's negative or because there's a political risk. No, it's because we can make more money if that product goes somewhere else on the planet. We can also know that we may not be the best partners for the United States when it comes to certain products either. Those are things that will be interesting to watch this year in July.

Simon-Pierre Savard-Tremblay: In your opening remarks, I think you mentioned the Heckscher-Ohlin-Samuelson model, which is sort of a follow-up to Ricardo's model. Your demonstration seems to lean somewhat toward that model. However, we have recently had the impression that the trend was more toward short supply chains, toward bringing the various development and processing centres closer together, and so on.

Is that what you're seeing? It also seems to be at odds with what you just said.

Thierry Warin: In fact, what's happening is that there was a lot of discussion about short supply chains when it came to sustainable development considerations. That narrative changed a bit following the last election in the United States, in particular. Now, it's important not to abandon it.

We can now also take into account transportation costs and find out whether there are other markets—I gave you the example of Norway—but it's also important to internalize negative externalities. It would be interesting to know whether this would enable us to put a price on our supply chains, and so on. Could it also enable our trade to be even more optimal from this perspective of sustainable development, which is quite natural?

I'm a methodology professor, and I'd say that we can now answer questions that previously relied on implicit assumptions: The market will adapt; if ever my partner in the United States isn't the best, I'll find another one that will be better. No. There's a lot of resilience, a lot of resistance, actually, and inelasticity in that.

Today, the government, the government agencies—I also heard representatives of Quebec delegations saying so—and the agencies in Canada's embassies are there, and they have and will have increasingly effective tools to optimize our trade.

● (1140)

Simon-Pierre Savard-Tremblay: On that note, where are we with university research right now?

We know all the limits of the GDP indicator. There can often be real cases of communities becoming poorer because of an increase in GDP. There are all sorts of cases that attest to that.

What data do we have now? What do we have as alternative indicators?

Thierry Warin: Where does the research stand today, including research on international trade? We can collect data on businesses, products, sectors and, as a result, countries. On top of that, if I can collect data on businesses and the products they sell, I can model supply chains, look at the markets in which they operate, and look at the best markets and the opportunities that they haven't exploited. Again, the role of governments is to provide that information as well, to be a platform, in fact.

When I have information on businesses, I can find out their life cycles, I can regroup those businesses into industrial sectors, which are sometimes new. As a result, I can see the new life cycles of industrial sectors. Many of them are industrial clusters. In this way, I can measure the life cycles of industrial clusters from birth to death.

Today, thanks to the tools we have and by taking a geographic unit that's the most—

[*English*]

The Chair: Thank you very much, Mr. Warin. I'm sorry to cut you off.

If you could supply to the clerk for the committee some of the data that you're referencing, committee members would very much appreciate it.

Mr. Chambers, you have the floor for five minutes, please.

Adam Chambers (Simcoe North, CPC): Thank you, Madam Chair.

Welcome to our witnesses. Thank you for your testimony so far.

I have a question I'll pose to all three panellists. I'll start with Mr. Warin, so others have a bit more time to think about the answer.

What would you say, in your estimation, would be the top one or two opportunities for Canada in expanding trade? What is the biggest risk that you think the government should consider when expanding and diversifying trade?

[*Translation*]

Thierry Warin: We need resources and institutions. I think the biggest risk in this diversification strategy is finding the right partners, including strong institutions that respect and properly enforce contracts. Doing business means signing contracts. Really, it's about having countries in which the legal system is actually going to ensure compliance with those contracts, compliance for the parties.

[*English*]

Adam Chambers: Thank you.

Mr. Kalu.

Kalu Macaulay: Regarding the aspect of areas of interest, first of all, there are a few things happening concerning Canada's relationship with Africa. One thing is that Canada doesn't have a FIPA with any African country, but it has over 51 agreements outside of Africa. I think that would help, because when you have an agreement, you have the terms and conditions for doing trade. We don't have that kind of agreement.

Even Canada's Africa strategy is just directional. It's not operational. Of course, there needs to be a process to support infrastructure. FIPAs and FTAs would really help us support that. If the House can move that recommendation and support this, we'd move faster on the aspect of foreign trade. There are a few key things, like the coal price, for example. That's a major opportunity for Canadian markets in Africa, for preservation and things like agro-processing products. These are some important areas to look into.

● (1145)

Erin Tansey: The biggest opportunity, for Canada in particular, is in really investing in knowledge and innovation systems in Canada and Africa that link high-quality trade, trade-oriented evidence, policy collaboration and policy learning. This is going to allow trade barriers constraining entrepreneurship to be tackled.

Similarly, some may say that the greatest risk is political instability in these parts of the world, but we know, as pointed out by my two colleagues here, that the knowledge we have right here in Canada—in the Canadian diaspora and organizations like IDRC, which has an office on the ground in Senegal and other parts of Africa—can be used to dissuade or lessen the perceived risk of working in this region.

The Chair: You have one minute left.

Adam Chambers: Perhaps I'll ask a quick yes-or-no question and go through the panel again.

Do you think a trade agreement should include clauses with respect to human rights, gender and climate change, or do you think they should just be economic documents?

[*Translation*]

Thierry Warin: I'll refrain from answering that question, since I'm not an expert on the subject.

[*English*]

Kalu Macaulay: Once again, I think everything depends on the interests of the country that wants to do trade. You can define your conditions and look at the economic importance in the policy framework around what you want to achieve. Sometimes, when it comes to the aspect of human rights and all that, policy can be a support system.

That's where a collaborative policy framework can help those countries. It's not based on detecting the process but on supporting it through what I call love, intentionality and balance. Once you have a care model in your approach to supporting the country you want to do business with and you have your intention in what you want to achieve through that process.... I think Canada is always fair, compared with any country that wants to go into the market. With the aspects of love, care, intentionality and balance, I think based on what you're asking for, we can achieve that.

The Chair: Thank you very much.

Next is Mr. Naqvi for five minutes.

Yasir Naqvi (Ottawa Centre, Lib.): Thank you very much, Chair.

Thank you to all the panellists for attending in person and virtually.

Mr. Kalu, there are two points you made that caught my interest, and I want you to expand on them. You spoke about a hub-and-spoke model, and you referenced South Africa, Morocco and Nigeria. Can you elaborate on what you mean by that hub-and-spoke model? How do you see that in operation, and how can Canada enable it?

Kalu Macaulay: The hub-and-spoke model is something that I believe will really help us in the aspect of always mentioning Africa as a country. It helps you narrow down your process.

For example, South Africa is already our number one trade partner. Using the process of looking at what is working and expanding it within the region is very helpful. When it comes to South Africa, you have the SADC and now the COMESA. That even includes eastern and southern Africa. Now you also have Nigeria, which is our second-biggest trade partner. Using that, you have an opportunity to enter other regions—Nigeria and its neighbouring countries. Then, of course, you have Morocco, which is a migrant region that already has the systems, infrastructure and things like that to support the aspect of trade.

I believe there is a big opportunity for Canada to have a starting point and reduce the long process of conversation and bureaucracy. This would make us move faster and reduce to a 10-year plan what was maybe a 12- to 24-year plan for achieving that goal.

Yasir Naqvi: Speaking in response to one of the questions from my colleagues on the role of the diaspora, I very strongly believe that the diaspora can play a very important role in opening trade channels not only in Africa but across the world. Canada is very fortunate to be one of the most multicultural countries. People come from all over the world with strong family and commercial ties. As a country, we can do a better job in taking advantage of diaspora connections.

I'll start with Professor Kalu, and then I'd love to hear from Professor Warin and Ms. Tansey as well.

In the context of Africa, what role do you see for diaspora communities based in Canada that are successful professionally and commercially in enhancing trade opportunities between Canada and the African continent?

● (1150)

Kalu Macaulay: You just put it very well. It's based on the diversity that we enjoy in Canada and the opportunity that it gives us. In this context, the diaspora is the biggest asset that Canada can have in achieving that goal. To navigate countries, languages and systems, you need a system. The diaspora already understands that. They understand what Canada wants. They understand the culture. They understand the whole diversity framework within Canada. They also understand where they come from. It's a natural playground for them to be able to do what needs to be done to understand and then do the matchmaking that is required.

We already have the packaging. We have everything from Canada, and Canada has the biggest opportunity because of English and French. Products in this context are already made in English and French. In Africa, those are the major two languages we have.

Once again, the diaspora is the perfect fit and is the biggest asset Canada can leverage in growing a trade relationship.

Yasir Naqvi: I have one minute remaining, and I'm looking at both Professor Warin and Ms. Tansey, if you have thoughts on the role of the diaspora when it comes to enhancing trade. I don't know if IDRC has done research in that area.

Erin Tansey: I'll answer. Thank you so much.

At IDRC, we don't specifically target the diaspora communities in Canada. However, it's a community that we inevitably end up partnering with and relying on because we are often trying to make relationships among think tanks, universities and academics in emerging economies throughout North Africa, West Africa and across Africa...and universities here in Canada across the board, like Carleton and HEC. I think we could take more advantage of it.

The Chair: Thank you very much, Ms. Tansey.

I would like to complete round two for everybody.

Mr. Savard-Tremblay, you have a very tight two minutes. Then there will be four minutes for Mr. Mantle and four minutes for Mr. Lavoie.

You have the floor, Mr. Savard-Tremblay.

[*Translation*]

Simon-Pierre Savard-Tremblay: Mr. Kalu, you talked about the fact that Quebec didn't wait for permission or the signal to start its diplomatic and trade efforts. Can you expand on that?

[*English*]

Kalu Macaulay: In 2021, Quebec came out with an Africa strategy as a region, as a province. They also mapped out some funds, about $54 million, to engage in supporting that process and the document itself. It's a beautiful model.

Canada, as a country, can now scale up with what is already working and has been proven since 2021. The model is there. They sent the Canadian diaspora, who understand the culture and the language, to be on the ground with their views and to penetrate the region. It's been working very well for Quebec.

I feel that's a beautiful model that Canada could scale, and it's something that is already working. You can't beat the diaspora opportunity.

[*Translation*]

Simon-Pierre Savard-Tremblay: Thank you.

[*English*]

The Chair: Mr. Mantle, you have four minutes.

Jacob Mantle (York—Durham, CPC): Thank you, Madam Chair.

Thank you to our witnesses for appearing and providing their valuable testimony.

Professor Warin, I have a couple questions directed to you. You brought up the gravity model of trade. Thank you for doing that. We don't talk about that enough. You mentioned geography as the primary driver of that model.

Are there a couple of other key factors that this model would consider, sometimes referred to as the augmented model? Some that come to mind are a shared language and the length of a shared border. Are there other factors other than those key ones?

● (1155)

[*Translation*]

Thierry Warin: Yes, there's the augmented model and issues of geographic distance, but today I'd also like to come back to information distances. Again, trade is essentially done by entrepreneurs. They receive information over the Internet, from friends, from members of diasporas, from their entire networks, and they decide to do business with someone else in another part of the world. Today, 76% of the time, this happens with partners who share a language or a strong legal system, for example. It has happened naturally.

Canada is in a unique position, because we're neighbours with the world's leading economic power. Naturally, that means our trade has moved in that direction. That doesn't mean it's optimal, as I was saying. There are plenty of other places, and, in fact, we should expand that model and refine it with the data we have available.

That's why, today, I no longer talk about gravity in my research. I talk about data science, which enables us to know which businesses are of more interest to us than the current state of our trade, and where they are. Today, in 2026, we're using artificial intelligence techniques. This has really changed our outlook on trade and transportation.

[*English*]

Jacob Mantle: I think in your comments you said that we happen to be beside the greatest economic power in the world—and that's just a fact. The gravity model of trade predicts that we will trade extensively with the United States. Is the fact that we sit beside the greatest economic power in the world a weakness for Canada?

[*Translation*]

Thierry Warin: From an economic perspective, it's a strength, but there are more than economic, or, I should say, business prospects. There are also risks, and you have experienced them. There's the renegotiation of agreements, for example, when we thought we were in a stable relationship. Those risks exist, and they also exist with other partners around the world. However, to go back to Mr. Groleau's question and his comment about the Prime Minister, Mark Carney, maybe that's where the word “weakness” comes in.

Now, I'm going to share a quote: To start is to take risks; to succeed is to know how to manage them. That also applies to international trade. We're in relationships of opportunity. Natural and economic dynamics are taking shape. We also have to know how to manage the risks associated with that. Again, we're now able to do that a little better than before.

[*English*]

The Chair: Thank you very much.

Mr. Lavoie, you have four minutes, please.

[*Translation*]

Steeve Lavoie (Beauport—Limoilou, Lib.): Thank you, Madam Chair.

Thank you to the witnesses for being here today.

Let us continue on that path, Mr. Warin. You talked about gravity, firms, inputs and value. I made a note of those words. Basically, firms will definitely look for the easy way out. Why cover 2,000 kilometres when it's possible to do 200? They reduce risks, costs and so on. That's normal.

There's a lot of talk about businesses. When a business wants to diversify its activities, it often diversifies its suppliers or clients. That way, if it loses a supplier or a client, the impact is less significant.

Don't you think everything going on with our neighbours to the south—I'm thinking of tariffs, among other things—has highlighted a need to diversify the countries we do business with? We didn't really talk about it before; it wasn't covered in the risk assessment, but it's now becoming an issue for firms and businesses.

Thierry Warin: Yes, we took it for granted that the relationship would be stable. Again, we're in a unique situation in the world. We're next door to the world's largest economy. We took it for granted that American democracy and Canadian democracy would be aligned on all topics, as had been the case, particularly over the last 30 years.

Now, democracies are electing different governments, and there are often disagreements that we'll resolve together in institutional frameworks such as CUSMA, where we're able to talk to each other and address disagreements.

It seems a little more complicated today. The level of risk has increased, and this has alerted entrepreneurs. The Canadian government and the governments of the various provinces have alerted entrepreneurs and encouraged them to also pay attention to this somewhat special relationship, to examine it, to do an audit, to take advantage of this excellent opportunity to find out whether the relationships we have with our partners today are still the right ones.

Again, we can do that now. Canada is equipped to do that with its research centres. We can do that, look at the data and realize that, yes, some relationships may not be the best and that we could go elsewhere in the world. It's a matter of doing trade that's smart and looking elsewhere in the world to find better partners. We may have been a bit asleep, and this has woken us up.

Personally, the day after President Trump's first announcements in January, I was a little less worried than many of the people I spoke to. By having access to data and having access to relationships, if we can map the weak points, as I was saying, we know how to manage risks, and we can talk about supply chains and determine which ones are in danger. It becomes interesting.

● (1200)

[*English*]

The Chair: Thank you very much.

Thank you to our witnesses for that very valuable information as we move forward on this study.

I will suspend while our other witnesses come forward.

● (1202)

(Pause)

● (1205)

The Chair: I call the meeting back to order.

For the second panel, we have with us, from the AfriCanada Economic Summit Group, Jackson Igbinosun, president and chief executive officer. From Export Development Canada, we have Joanne Tognarelli, managing director, head of Europe, Middle East and Africa, and Todd Winterhalt, senior vice-president, international markets, and head of communications and public affairs. From the Canada Mali Chamber of Commerce - Association, we have Fatima Meite, vice-president.

Welcome to you all.

Mr. Igbinosun, I will ask you if you have something to add to your testimony today.

Jackson Igbinosun (President and Chief Executive Officer, AfriCanada Economic Summit Group): Thank you, Madam Chair.

Good morning, everyone.

Honourable members of the committee, I thank you all for the opportunity to appear today. It's truly an honour to be with you in our nation's capital.

My name is Jackson Igbinosun, president and CEO of the AfriCanada Economic Summit Group, based in Toronto, Canada. Established in 2016, the AfriCanada Economic Summit Group convenes the annual AfriCanada summit that is held over a two-day period in the last week in March at the Ontario Investment and Trade Centre. In addition, we advance Canada-Africa co-operation through targeted initiatives designed to facilitate collaboration and partnerships across key sectors and industries.

As an African Canadian, I'm deeply aware of the structural and systemic challenges that can arise when doing business in African markets. In this context, there is often a need for more deliberate government intervention and engagement through targeted support grounded in market intelligence and realities, de-risking mechanisms, and technical assistance to enable scalable, sustainable and mutually beneficial investments and business relations between Canadian and African partners.

Under the African continental free trade area, Africa represents a rapidly integrated market of approximately 1.4 billion people across 55 African countries. This continent has a median age of about 20 years, making it the youngest population in the world. This represents a dynamic, talented and increasingly entrepreneurial workforce, with significant potential to drive global innovation and economic growth. With the right investment in capacity building, enabling policy framework, infrastructure and access to capital, Africa is best positioned to unlock transformative economic development and emerge as a major force in the global economy of the 21st century.

The continent's significant infrastructure and development needs—particularly in energy, health care, transportation, agriculture, food systems, mining and value addition, and industrial development—present substantial opportunities for inclusive economic growth and long-term partnerships, specifically with our Canadian counterparts.

As I was preparing for this testimony, I came across recent media reports indicating that Prime Minister Mark Carney and his cabinet will be hosting a Canada investment summit this fall in Toronto, with the goal of attracting up to $1 trillion in investment over the next five years to advance nation-building projects. In the same context, the Honourable François-Philippe Champagne, the Minister of Finance, noted during a media conference in Washington, D.C., recently that Canada is well positioned to attract international investment, particularly in the energy sector, amid global supply uncertainties. The honourable minister further emphasized, “Investors are looking for places to invest which offer that stability, predictability, and [respect for] the rule of law.”

In my respectful view, this is precisely the moment for Canada to increase and strengthen its engagement with Africa. If we as Canadians wait for the perfect conditions to engage, we risk being left out in a rapidly evolving global economic landscape, where other countries are already strategically positioning themselves across the African continent.

To illustrate the scale of opportunity in Africa's energy sector alone, such institutions as the World Bank and the African Development Bank estimate that approximately 600 million people in Africa still lack access to electricity. In response, the World Bank has launched an initiative, known as Mission 300, that aims to provide electricity access to 300 million Africans by 2030 through a coordinated country-driven financing approach involving member-country borrowers.

This gap in electricity access represents not only a profound development challenge, with implications for productivity, health care, education and quality of life; it's also a significant opportunity to engage on the continent.

● (1210)

The Chair: Jackson, you have one minute remaining, please.

Jackson Igbinosun: Okay.

It presents a clear pathway for Canadian leadership, particularly in clean technology, renewable energy and infrastructure innovation to support scalable electrification solutions.

Due to the time, I will just highlight certain points. As president and CEO of the AfriCanada Economic Summit Group, I lead the planning and delivery of the annual summit, where we engage on a daily basis to learn about realistic and actionable business opportunities across African markets; to identify key stakeholders and partners within specific sectors; to understand available government and institutional support mechanisms to engage; to explore strategies and tools for de-risking operations in the various African markets; to better understand contextual realities, risks, mitigation mechanisms and regulatory environments; and to connect directly with decision-makers and ecosystem leaders.

Hopefully, I have the opportunity to provide a few recommendations with respect to this study. Thank you so much for listening.

The Chair: Thank you very much.

Mr. Winterhalt, please give your opening statement.

Todd Winterhalt (Senior Vice-President, International Markets, and Head of Communications and Public Affairs, Export Development Canada): Good afternoon, Madam Chair, and members of the committee. I'm delighted to be back with you today.

[*Translation*]

I'm joined by my colleague from Export Development Canada, or EDC, Joanne Tognarelli, managing director responsible for business development in Europe, the Middle East and Africa. We are honoured to be able to contribute to the committee's study on Canada's engagement and interests in North and West Africa.

If I may, I would like to summarize EDC's mandate for those who are less familiar with us. We are part of Canada's international trade ecosystem. Our mission is to support and grow Canada's international trade.

● (1215)

[*English*]

We support companies with insurance, direct lending, and working capital to manage risk, find new partners, participate in larger projects and even establish overseas operations. We also provide market insights and connections to exporters to find new partners. Together, this helps exporters and investors lower their risk and access the capital they need to enter new markets.

In 2025, EDC served almost 24,000 Canadian companies and supported over $135 billion in exports, foreign investment and trade development. That includes 532 Canadian companies doing business in all 54 African countries. Last year, we supported about $1.3 billion in Canadian exports to the continent.

Over the past 80-plus years, EDC has supported more than $1.5 trillion in total Canadian exports and has consistently been profitable and has regularly paid a dividend back to the Government of Canada.

We operate on commercial terms, complementing private sector banks and insurers, and we do not provide grants or subsidies. We're very much focused on customer needs, and part of our role is to help identify international opportunities and help mitigate the risks that come with some of those opportunities.

Africa indeed offers important opportunities for Canadian trade. It's a vast market with rapid population growth, resource wealth and deeper regional integration. The 21 countries of North and West Africa, for example, represent today just under 1.5% of global GDP and only about 0.7% of Canadian exports, but from this low base, we expect growth to accelerate. Africa is forecast to have the world's second-highest GDP growth this year, at above 4%, with significant upside.

In West Africa, population growth and urbanization are driving major infrastructure demand. That includes electricity, transportation, clean water and digital networks. Rising energy demand, renewable potential and expanding resource extraction also create strong investment opportunities for Canadian companies.

In addition, population growth in this region is increasing demand for food. Canada is very well known as a reliable food exporter, and Africa presents a significant opportunity for our companies, especially as other traditional suppliers face disruptions. Last year, for example, EDC's credit insurance volumes in Algeria, Morocco and Egypt rose more than 22% alongside a material increase in food exports. This example shows Canadian strengths aligning with the region's development priorities and sustainability goals.

That said, persistent challenges across the continent serve to limit trade growth. In West Africa, fiscal pressures, currency risk and political instability can slow due diligence, timelines and commercial engagement. Competition is also intense in this region, including for Canadian engineering, consulting and clean energy firms. Chinese state-backed contractors, gulf-area logistics groups and Turkish builders often complete with scale, speed and a strong local network. North Africa faces similar constraints: complex regulations, payment risks, customs delays and local content requirements.

That said, recognizing Africa's importance to Canadian trade, EDC opened a representation in Johannesburg in 2015 and has made a presence there through economic and political cycles. In addition, we augment our coverage through our offices in London, Istanbul and Dubai.

[*Translation*]

As I just mentioned, EDC is part of Canada's international trade ecosystem. To develop trade with North and West Africa, as well as the African continent more broadly, we will need to mobilize team Canada.

Co-operation at the federal level, including with EDC, the Trade Commissioner Service, the Canadian Commercial Corporation and Global Affairs Canada, and coordination among provincial partners such as Investissement Québec will be critical to unlocking real business opportunities for Canadian businesses in North and West Africa.

[*English*]

Joanne and I look forward to addressing some of your questions. Thank you.

The Chair: Thank you very much.

Ms. Meite, I'll leave the floor to you for up to five minutes for your presentation.

[*Translation*]

Fatima Meite (Vice-President, Mali Canada Chamber of Commerce Association): Madam Chair, members of the committee, on behalf of the Mali Canada Chamber of Commerce Association, we thank you for giving us the opportunity to contribute to this important study. Your initiative comes at a pivotal moment for Canada's economic future and its relations with Africa in a global context marked by profound geopolitical, economic, social and environmental changes.

My name is Fatima Meite and I am the vice-president of the Mali Canada Chamber of Commerce, a Canadian non-profit organization founded in 2020. Our organization includes about a dozen Canadian companies from the diaspora. Since its creation, it has led several economic missions in the mining, energy, agri-food, training and services sectors. Our ambition is clear: to build sustainable economic bridges between Canada, Mali and the entire African continent.

Our message is rooted in a simple belief: Canada has a historic opportunity to transform its comparative advantages in the mining, agriculture, education, clean technology, innovation and financial services sectors into sustainable trade partnerships with North and West Africa. This opportunity is real, but it exists within a highly competitive environment where several powers are already strengthening their positions on the African continent.

A few figures illustrate what's at stake.

Canadian mining assets in Mali were valued at over $6.5 billion Canadian in 2024. Bilateral trade between Canada and Africa exceeded $15 billion, and the African Continental Free Trade Area opens access to a market of 1.4 billion consumers with a combined GDP of over $3.4 trillion. These figures demonstrate that Africa is no longer a market of the future, but a market of the present.

For trade relations between Canada and North and West Africa to reach their full potential, three conditions must be met: a stable policy framework, appropriate trade instruments and a mutually beneficial long-term strategic vision. These three conditions must be solidified starting now.

To this end, we submit seven priority recommendations.

First, adopt a Canada–Africa 2030 trade strategy, with a particular focus on West and North Africa. Include international trade, economic diplomacy and development co-operation, as well as measurable objectives and an annual reporting mechanism to Parliament.

Second, establish instruments with products better suited to the African market by strengthening and mobilizing existing structures, such as Export Development Canada, the Business Development Bank of Canada and the Canadian Commercial Corporation, as well as Employment and Social Development Canada and Global Affairs Canada, as Mr. Winterhalt just mentioned. I admire his organization, but unfortunately it doesn't offer a mechanism for us. In addition, strengthen partnerships with financial institutions and the private sector.

Third, create a Canada–Africa SME Fund, with a budget of $250 million to $500 million over five years, hosted by Export Development Canada. This fund would support joint ventures and offer export guarantees, political risk insurance and blended finance, as well as an information and regulatory support hub.

Fourth, establish an annual Canada–Africa economic summit for governments, provinces, businesses, universities, investors and business diaspora communities.

Fifth, facilitate talent mobility through expedited business visas, professional internships and targeted skills recognition.

Sixth, reduce non-tariff barriers, particularly relating to standards, certification, customs procedures and trade digitization.

Seventh and last, promote a partnership-based approach founded on co-creation, with innovation and incubation pathways, joint applied research programs, and pilot zones for industrial co-production.

Madam Chair, members of the committee, Canada has demonstrated that it knows how to build strong economic partnerships when it acts with vision and consistency.

● (1220)

In the 21st century, trade will be multipolar. Canada must take its rightful place therein and Africa must occupy a central place in Canada's trade strategy.

The Mali Canada Chamber of Commerce Association stands ready to support this initiative and to mobilize economic stakeholders on both sides.

Thank you for your kind attention and I will be happy to answer your questions.

● (1225)

[*English*]

The Chair: Thank you very much.

Mr. McKenzie, you have six minutes.

David McKenzie (Calgary Signal Hill, CPC): Thank you, Madam Chair.

The poor members of this committee will know that I'm the only one here from western Canada. They hear this from me from time to time, but I will make this point again. I come from the province of Alberta, which is well known as Canada's leading petroleum producer. What is less known is that Alberta is also a Canadian leader in installed electrical generation from wind and solar.

Mr. Igbinosun—

Jackson Igbinosun: Just call me Jackson.

David McKenzie: Thank you, Jackson. I appreciate that.

I'm just reflecting on your mention of energy, green energy and so on, and the need for the same in Africa. I am well aware that energy consumption and energy availability for a population are a major contributor to increasing standards of living.

I wonder what opportunities you might see for a province like Alberta to trade with countries in Africa, Nigeria in particular.

Jackson Igbinosun: As I said in my presentation, based on World Bank and African Development Bank records, 600 million Africans as of today still lack access to electricity—complete lack of access to electricity.

In the last few months, we decided to constitute a Canada Energy Alliance for Africa, an ecosystem of Canadian industrial practitioners, to see how we can strategically engage with key stakeholders on the continent of Africa with a view to.... The first thing is to provide a certain level of technical study, because this is key to engaging a long-term sustainable project. The Ontario Sustainable Energy Association is a key partner, and through our platform they've been engaging with key stakeholders across government and industry to provide the initial technical studies that will lead to definite project development and implementation.

As for Alberta, we welcome on board companies with industry capability to deal on the continent. It's an inclusive association. They would begin to identify specific opportunities, risk mitigation strategy and how we can move projects ahead.

David McKenzie: Thank you.

I think both of you are so fortunate to be sitting beside all of the money today, which is always critical in any trade development.

Mr. Winterhalt, you stated to the committee back in the fall that "Africa probably still rests as the last region of interest...within Canada." I wonder if you've seen change in that. There is such great potential in Africa. Are you seeing that reflected at the EDC, which I think generally responds to demand in the marketplace for financial support and products, as you mentioned? Are you seeing some growth in interest in Africa?

Todd Winterhalt: The short answer is yes. Last year, we saw about 15% growth in total support for the continent to roughly $1.3 billion. It does tend to be fairly cyclical, though, and driven very much by exporter interest and need. It's normally largely constituted in agriculture, energy, mining or other resource extraction, and transportation. Those are the areas where we see the greatest growth.

Maybe encouragingly, in the last survey that EDC did of our population of customers, fully two-thirds are looking at export markets other than the United States. My colleague, Joanne, just showed me that about 16% of Canadian companies are looking to either export to or invest in Africa in the next two years. That would be a high-water mark in terms of interest.

Interestingly, at the same time, we're down from about the $4 billion annual level back in 2017. Some of that is driven by market economics, but in general it is definitely trending to the positive.

David McKenzie: Following up on that, Export Development Canada's mission is to “support and develop, directly and indirectly”. I know that our trade commissioner service does a great deal domestically as well as internationally in our embassies and consulates around the world. Our trade commissioner service works hard to support Canadian companies at home to make sure they're export-ready and capable.

Is EDC doing the same thing? Are you engaged now in that purpose domestically, educating our corporate base in our capabilities so that we can be more successful internationally in diversifying trade?

● (1230)

Todd Winterhalt: I'll turn that one over to my colleague, Joanne Tognarelli, who heads our Africa division.

Joanne Tognarelli (Managing Director, Head of Europe, Middle East and Africa, Export Development Canada): Thank you for the question.

Currently, our chief representative for the Middle East and Africa is in Canada and meeting with Canadian companies operating in the region. Given the breadth of geography and the number of countries we're looking to engage and trade with, one of our approaches is to engage with Canadian companies to get to know the companies that are active and to try to propel their success. He is really looking to get to know those companies.

Beyond that, we look to develop a network and to partner closely with the team Canada ecosystem, as well as the African Development Bank and other partners that also know the Canadian companies that may be engaging in trade there and can refer them to us.

The Chair: Thank you very much.

Madame Lapointe, go ahead.

[*Translation*]

Linda Lapointe: Thank you very much.

I would like to thank the witnesses. All of the testimony they've provided so far has been very interesting.

Ms. Joanne Tognarelli, I’d like to follow up a bit on Mr. McKenzie’s questions. You mentioned the organization. Export Development Canada exists to help businesses and give them the tools they need to engage in export. Have the resources that EDC deploys to assist Canadian businesses changed in recent years, knowing that the United States is one of our markets and that we are trying to diversify?

Joanne Tognarelli: Thank you for the question.

On the continent itself, we certainly have resources on the ground. We’ve also transferred three people from the banking sector in London to Dubai to cover Africa. One of them had just been stationed in Senegal and Turkey. So yes, absolutely, we have allocated more resources to market coverage to increase our presence.

We're also trying to establish more international partnerships. As I said earlier, the African Development Bank is a good partner. We have a growing pipeline of transactions in partnership with them.

Linda Lapointe: Thank you very much.

This next question is for all of you. We’ve talked a lot about the diaspora as a resource we can make better use of. Do you see ways to leverage the francophonie—whether in Mali or in North and West Africa—to explore and make even more progress?

Fatima Meite: The advantage of the diaspora is that it has knowledge of Canada, Quebec, and Africa—the countries of origin. It shares the same Canadian values. As a result, there is potential. No major investment is required to engage this diaspora. Above all, it is generally made up of people who went to university here in Canada and who are already working in companies.

So, we need to look within this ecosystem because, here, no major investment is required. It is through partnerships between people from Africa and those here that this collaboration can take place.

Now, for this to happen, for us to be supported by Export Development Canada and other organizations such as the Canadian Commercial Corporation or the Trade Commissioner Service, or TCS, we really need products specifically tailored for Africa. The big problem is that these organizations do not have specific products designed to penetrate the African market in depth.

Linda Lapointe: Can you give some examples?

Fatima Meite: When we want to do business, I believe it would be very pragmatic to have a dedicated office—just as there is representation for Africa at EDC—with specific products and resources tailored to our needs, to listen to us, guide us, and provide us with financial and technical support so that we can enter African markets and vice versa.

Today, we need an integrated framework for these existing mechanisms. There is EDC, the CCC, the BDC, and the TCS, but to have leverage and be effective, their communication and integration must have the necessary resources, of course. If we have a strategy and resources allocated to that strategy, with clear, coherent and integrated actions, it will have a leverage effect.

● (1235)

[*English*]

Todd Winterhalt: Thank you very much for the question. I'll be brief.

I completely agree with my colleague, Madame Fatima. I would add that the power in the diaspora is to help combat the lack of knowledge, understanding and awareness of a target market in Africa. For many Canadian exporters or investors, that's the critical piece.

The commercial opportunity is fairly evident. I think it's growing, to the earlier question, but often it's just about understanding the market, the conditions in the market, the risks and how to mitigate them. When you have folks from the market themselves and have a strong diaspora, they can really help change the storyline and raise the knowledge that's essential to do business in Africa.

[*Translation*]

Linda Lapointe: Thank you.

Mr. Igbinosun, specifically, 600 million Africans are said to be without access to electricity. How could we, as Canadians and Quebeckers, address this lack of electricity? How could we share our expertise and, at the same time, help Africa benefit from it?

[*English*]

Jackson Igbinosun: I'd like to reiterate that engaging in Africa or any other market requires a strategy, an approach. In the case of Africa, an enhanced understanding of that market will be critical to developing strategies and solutions for engaging a specific market.

As I said when I responded to the previous question, we need more engagement with decision-makers and key stakeholders—for example, in the electricity sector of the continent of Africa—to understand realistically where the opportunities are, where the challenges are and what we can do differently to unlock these opportunities.

One strategy, which the Ontario Sustainable Energy Association came forward with, was to provide the preliminary technical studies for specific electricity projects in specific regions of the continent of Africa. We just completed our 2026 summit, and there was a whole lot of engagement at that forum. On March 26 and 27, they did a one-hour panel. The initial technical studies will inform the strategy for proper engagement with difficult markets. We're talking about 55 African countries—

The Chair: I'm sorry, Jackson, but I have to interrupt. Maybe you can complete that answer with another member.

Mr. Savard-Tremblay, please go ahead for six minutes.

[*Translation*]

Simon-Pierre Savard-Tremblay: Thank you, Madam Chair.

I would like to thank our witnesses for their presence and their presentations.

Ms. Tognarelli and Mr. Winterhalt, you mentioned a 15% increase last year. Just to be clear, are we talking about an increase in support?

According to the most recent data, how many Canadian companies supported by EDC are currently operating in Africa?

[*English*]

Todd Winterhalt: Yes. Specifically, that 15% growth is annual, year over year. Last year, that was in support of 530-plus Canadian companies to each of the 54 markets in Africa, which is the first time in quite some time that EDC has had that broad coverage. That tends to be, again, in the agriculture space. In particular, we saw greater than 20% growth to Egypt, Morocco and Algeria in terms of food supply.

[*Translation*]

Simon-Pierre Savard-Tremblay: In 2014, there were between 450 and 500 companies. Over a period of more than 10 years, that's not exactly a huge increase.

● (1240)

[*English*]

Todd Winterhalt: Yes, that's a fair comment over the longer term.

Going back to my earlier comment—I'll turn to Joanne here in a second—it is quite cyclical. Depending on the demands of the Canadian exporter base, often predicated by the larger projects that are taking place in Africa, that number can fluctuate. Over the last number of years postpandemic, that is seeing some significant growth.

Joanne, I don't know whether you want to add anything.

[*Translation*]

Simon-Pierre Savard-Tremblay: Ms. Tognarelli, regarding these companies, I assume you are familiar with their industries. What percentage of them are in the extractive sector?

Joanne Tognarelli: As for the percentage, it's not exactly huge. Usually, it's SMEs that make up the largest number of companies we support.

The extractive sector is a bit less common, but accounts for significant amounts of Canadian investment in the mining sector.

Sometimes, there are also exports to international companies operating, say, in the Gulf of Guinea, where there is a concentration of gold and bauxite mines, among others. So Canadian equipment is exported, via Europe, to Africa.

Simon-Pierre Savard-Tremblay: In fact, the mining sector often makes headlines for the wrong reasons. That doesn't mean the vast majority of the sector doesn't operate ethically, but even one company acting improperly is one too many—which is why it's so important to have safeguards in place.

I know this isn't within your purview, but there's a debate about whether to give the ombud more power, and people are wondering if we should fill that position as a matter of urgency. That's a different matter.

On your end, given that you fund these companies, is there an accountability mechanism in place?

[*English*]

Todd Winterhalt: Yes, there certainly is. We abide by our environmental and social review directive, which guides all of our activities in every sector—not only in extractive, but in particular to that sector. It's a very rigorous set of criteria we follow. We align with international standards and make sure we have a full risk assessment and a due diligence process before engaging with any financial support of companies in that sector.

As to the broader question, I will leave it for my colleagues at Global Affairs Canada to note a policy decision on the level of support there.

[*Translation*]

Simon-Pierre Savard-Tremblay: Is this due diligence and monitoring mechanism triggered beforehand—that is, before financial support is offered? Is there follow-up afterward? Is there an audit? If so, how is it conducted?

[*English*]

Todd Winterhalt: Yes, certainly. It is actually both. Even before engaging with a project or a company, we would do what we call a full onboarding to ensure that they adhere to the standards that we hold important. Once the transaction begins, we have a full environmental and social governance team at EDC, which, along with the business teams, will review all of the criteria against the international standards, as well as EDC's ESRD.

Joanne, do you want to add anything on that?

[*Translation*]

Joanne Tognarelli: As for the second part of the question, action plans are often in place, especially for large projects. There are quarterly and annual reports on progress regarding environmental and governance issues, among other things.

Simon-Pierre Savard-Tremblay: Does that include human rights?

Joanne Tognarelli: Yes, that includes human rights. In addition, these mechanisms are often tied to loan default conditions. So, it's built into the loan itself.

Simon-Pierre Savard-Tremblay: Is this verification based solely on self-reporting by companies?

Joanne Tognarelli: Typically, especially in the mining sector, when it comes to large-scale projects, there are independent advisors and consultants who adhere to international certifications and standards and conduct frequent audits. So, it's not just a matter of self-reporting.

[*English*]

The Chair: Thank you very much.

Mr. Mantle, go ahead, please.

Jacob Mantle: Thank you to our witnesses for appearing and for providing their testimony this morning and this afternoon.

My questions will be for Mr. Winterhalt and Ms. Tognarelli from EDC.

What is the number one destination for Canadian exports?

Todd Winterhalt: Do you mean globally?

Jacob Mantle: Yes.

Todd Winterhalt: It's the United States.

Jacob Mantle: It's still the United States.

In your most recent economic forecast, you made the comment that "Uncertainty around the upcoming [CUSMA] review is also creating baseline uncertainty for businesses." What do you mean by "baseline uncertainty"?

● (1245)

Todd Winterhalt: From an EDC perspective, as people execute on a business plan or an international trade plan, they're looking for certainty for liability in the environment in which they're exporting or investing. It's fair to say that over the last number of years, that's been called into question in terms of the operations and investments in the United States, so we also encourage a number of Canadian companies to adapt a strategy whereby they're not looking only at the U.S.

It's not a replacement strategy. It's in addition to the United States. It's to diversify their target markets.

Jacob Mantle: That's fair enough. Thank you.

Given that two-way trade between Canada and the U.S. is approaching $1 trillion—I think it's just north of $900 million—is that a weakness, in your view?

Todd Winterhalt: From an EDC perspective, we go where the companies go, essentially, so we have, for probably 82 years, counselled Canadians that to put all of their eggs in one basket may not be the best long-term strategy. We've always encouraged diversification for our exporters and investors, and on our own balance sheet, we have seen a slightly more diversified portfolio. Roughly 63% of EDC support is towards U.S.-bound exports.

Further to the earlier question, what we're seeing is that change over the last two or three years has really indicated a desire and willingness to diversify markets to help mitigate some of the risk of focusing all exports on a single market.

Jacob Mantle: Would getting a deal or a resolution to some of our disputes with the United States provide an antidote to that baseline uncertainty?

Todd Winterhalt: I would go to what we hear from our customers, and certainly back to the thought of predictability and consistency. Certainty is a key element in any successful business plan, so to the extent that was removed as a moment of uncertainty, I think it would be helpful.

Jacob Mantle: In the economic forecast you put out, your projections show that out to 2029, Canada will have lower growth than both of our peers in North America—the United States and Mexico. Why is Canada the laggard here in North America?

Todd Winterhalt: When our economics team looks at the forecast and does its baseline research, Canada being such a trade-reliant economy—fully 63% of our GDP is derived from either exports or imports—sometimes it is about the ability to scale up or ramp up, in particular our mid-market-sized companies, to take advantage of the opportunities globally. To really unlock that potential, to see growth that comes from exporting to additional or new markets, it's about getting the products and services to those markets. Trade-enabling infrastructure, with the growth we're seeing there, and the ability to invest in productive capacity for our Canadian companies would really unlock additional growth for Canada.

Jacob Mantle: The last item I wanted to explore from your outlook was oil, which you covered extensively. You noted that the U.S. is better positioned than most, because they are a significant exporter now of oil and gas resources, and that countries with import dependence will be worse off. Does that hold true for Canada? We are a significant importer of foreign oil, especially in Atlantic Canada and eastern Canada, so are we in a worse position because of that import dependence?

Todd Winterhalt: If I was channelling my economics team back at head office, they would say the flip side of that coin is the increasing export volumes of oil and gas to a variety of markets—not only the United States—and in particular the growth we've seen in the export of traditional energy to Asia. That is a bit of a buttress against that, so we would likely see that moderate over time.

Jacob Mantle: We're not the worst, but not the best. We're somewhere in the middle.

The Chair: Thank you very much.

We'll go to Mr. Lavoie, please, for five minutes.

[*Translation*]

Steeve Lavoie: Thank you, Madam Chair.

Good morning, witnesses. It is always a pleasure to have you here and to have you take the time to join us.

Ms. Tognarelli and Mr. Winterhalt, how many years has Export Development Canada been in existence?

Joanne Tognarelli: EDC has existed for 80 years.

● (1250)

Steeve Lavoie: It's been 80 years.

Earlier, Ms. Tognarelli, I was startled when you said you wanted to get to know Canadian companies in order to support them. Perhaps it was just a matter of phrasing. I jumped because after 82 years, we don't get to know them anymore—we already know them and help them open up markets.

So, was it just a poor choice of words?

Joanne Tognarelli: Yes. I was trying to respond in French.

The goal is to introduce our chief representative, who has just joined us, to Canadian companies in the region. We rotate assignments.

Steeve Lavoie: So you know the companies.

Joanne Tognarelli: Yes. We have an internal market for relationship management. So our internal managers will let the international representatives on my team know which markets they should focus on.

Steeve Lavoie: I'm going to ask my second question.

You said you had one point of contact on the ground in Africa. That surprised me, too. There are 54 countries, but there's only one point of contact. We know the differences that exist between African countries in terms of culture and law, among other things. We've heard witnesses here ask for more support, more adaptability and more flexibility. I think Ms. Meite did the same earlier. So, I'm a bit surprised that there's only one point of contact, especially since we're told we're lagging behind other countries, like China and the United States, and that we want to speed things up. Even if there are people in London and other places, isn't one point of contact simply too few?

Excuse me, I might make my colleagues laugh, because I always say that I worked in banking for 20 years—and I really did work in banking for 20 years. That includes 10 years in the commercial sector financing companies that worked with EDC to do business abroad. However, every company that has come here since the beginning of the year has talked to us about predictability. You are one of the most important players in improving predictability for businesses.

So, if we want to develop a market like Africa, shouldn't there be more than one representative on the ground?

Joanne Tognarelli: We still have choices to make regarding our resources. Let’s consider the economic scale: for Canada, we’re talking about 0.5% of global gross domestic product, compared to 25% for Europe and 30% for Asia.

We need to set priorities. We do have coverage through our Team Canada partners. We’re trying to understand the entire network and establish pan-African partners, such as Afreximbank, or other partners depending on the situation. We also need to understand that the financial network covering Africa is based in London. We have an African representative on the ground who covers the financial network. We’re trying to cover the logistics network. A comment was made about the gravity model. Partnering with Europeans, who have a greater presence in Africa, is also a strategy.

Steeve Lavoie: I have a basic understanding of how things work in London and all that.

There's one representative on the ground for 54 countries. We're talking about on-the-ground support and market realities, so that people can benefit from it. I understand that we're doing less business there and that we want to do more. At first, we'll invest, but it'll take a few years before we see a return on our investment. However, if we want to see a return within three to five years, we need more people on the ground to offer assistance and support.

How will you position yourselves to offer greater predictability to our companies and accelerate access to African markets?

[*English*]

The Chair: Give a brief answer, please.

[*Translation*]

Joanne Tognarelli: Our strategy is to focus on credit insurance. This is particularly important for small and medium-sized businesses. Here in Canada, we support businesses by extending payment terms. Working capital is important.

We work closely with Investissement Québec. We are here because of the francophone community. There are several Quebec-based companies, and we're working together to find solutions.

● (1255)

[*English*]

The Chair: Mr. Savard-Tremblay, you have one minute.

[*Translation*]

Simon-Pierre Savard-Tremblay: Ms. Tognarelli, I just wanted to learn more about the review mechanism. You mentioned that there are inspectors. Is an inspector sent out when a complaint is filed, or is it done on a random basis? I'd like to know more about your process.

Joanne Tognarelli: We are signatories to a global financial framework, the Equator Principles, and we adhere to the International Finance Corporation's performance standards. There are therefore several well-defined mechanisms. Several pages are devoted to definitions and aspects of the action plan. This is not arbitrary; these are established mechanisms. There are also mechanisms in place in the event of an incident that leads to a request for an investigation.

Simon-Pierre Savard-Tremblay: Do you also take into account complaints received by the ombud? If a company is the subject of a complaint, do you send someone to investigate?

Joanne Tognarelli: That could be a possibility, but we usually monitor the situation closely. It's rare for us to receive a complaint from the ombud before we've seen something in the media or onsite.

[*English*]

The Chair: Thank you very much.

Mr. Chambers, you have three minutes.

Adam Chambers: Thank you, Madam Chair. I'll be rather quick.

You mentioned some of your customers at EDC and that you go where they go. I assume that you have clients, many of whom sell into the United States today.

Are you currently tracking clients who have relocated outside of Canada in the last 24 months?

Todd Winterhalt: We do track our Canadian direct investment abroad, as well as any shift in manufacturing, plant or head office type of activity.

Adam Chambers: That's wonderful. If you could provide that to the committee, that would be helpful for us, not just in this study but also in a couple of our other open studies. We'd appreciate seeing what you have on that.

Thank you, Madam Chair.

The Chair: Mr. Naqvi, please go ahead for three minutes.

Yasir Naqvi: Thank you very much.

I'm going to turn to Jackson.

It's really strange to call you by your first name, so thank you for permitting us to do that.

In your opening remarks, you ran out of time when you were talking about wanting to make some recommendations. Have you had the chance to do that today? Why don't you make those recommendations for our benefit?

Jackson Igbinosun: Thank you.

While recognizing the important work of the trade commissioner service, Export Development Canada, the Canadian Commercial Corporation and a number of bilateral chambers of commerce in Canada, I want to make the following recommendations.

The first is to establish a coordinated Canada-African market access platform. Create a centralized, government-supported trade-facilitation ecosystem that provides Canadian firms with end-to-end support for entering the African market. That should include market intelligence, regulatory guidance, financial tools, partner matchmaking and integrated advisory services through a dedicated navigation hub.

The second is to strengthen the risk-sharing and investment mobilization mechanism. Enhance Canada's financial tools, particularly through Export Development Canada, by expanding guarantees, insurance, blended finance and, importantly, co-investment platforms with institutions such as the African Development Bank and the World Bank. This would provide bankability and unlock the private sector capital.

The third is to develop a structured sector-specific market entry pathway. Design a clear, coordinated entry strategy across priority sectors, including energy and infrastructure, at EDC. This pathway should integrate legal, regulatory and financing, enabling Canadian firms to compete effectively.

These are the last two.

Leverage the diasporan and institutional trade network. Formalize the role of African diaspora business leaders, bilateral chambers and business councils as strategy partners within Canada's trade ecosystem. A nationally coordinated framework will enhance market intelligence and strengthen relationships with key stakeholders and trust-building deal execution.

Before I get to the last point, there is a need for more diaspora engagement at the table. Over the years, we have established very cordial long-standing relationships with our Canadian partners and created a route back home. There is a need for more engagement in bringing the diaspora here, because they understand the needs and challenges, and if we help build capacity specifically in the diaspora, it will unlock a lot of Canada-Africa trade relations.

Lastly, position Canadian firms in early-stage project development. I can't highlight this enough. Support Canadian companies in engaging at the concept and design stages through project preparation facilities, technical advisory teams and a structured pipeline-to-contract framework. This would ensure long-term participation from feasibility through to implementation and delivery.

I thank you for the opportunity.

● (1300)

Yasir Naqvi: Thank you.

I saw Mr. Winterhalt taking some notes, so I hope the two of you will be able to connect.

The Chair: To our witnesses and to committee members, thank you all for your attention. It has been a fascinating meeting today.

Did I see your hand up there, Mr. Mantle? Be quick.

Jacob Mantle: I would like to return briefly to one matter respecting a draft motion that I had put on notice on March 24. We discussed it and then adjourned debate so that members could confer.

I think we've reached a consensus, so I'd like to return to the motion for debate. I think my colleagues across the way have an amendment they would like to move to the motion. This is with respect to the large tariff—

The Chair: It's the large enterprise tariff loan facility.

Jacob Mantle: That's correct. Thank you.

The Chair: Mr. Naqvi, go ahead.

Yasir Naqvi: Thank you.

The clerk has a translated copy with the amendment, and both Mr. Mantle and Mr. Chambers have seen it as well.

I'll go through the amendment.

It says “108(1)” right now, and we're changing it to “108(2)”.

There are two times that the motion mentions “30 calendar days”, and we are reducing that to 15 calendar days. That's also reflected in the version the clerk has.

We are also adding a paragraph, which reads as follows:

> And that the list and documents be reviewed in committee during a one hour in-camera meeting and that during the meeting, only committee members and support staff required for the meeting be permitted to attend and that no personal mobile, electronic or recording devices of any kind be permitted in the room during the meeting; that, during the meeting, numbered paper copies of the documents be given to committee members who are present in person by the clerk at the beginning of the said meeting and that these copies be returned to the clerk at the end of the meeting and that the clerk be instructed to destroy the said copies; and that no notes be taken out of the room.

That's the amendment.

The Chair: Is there any discussion on the amendment?

Is there agreement to the amendment?

(Amendment agreed to)

(Motion as amended agreed to [*See Minutes of Proceedings*])

The Chair: We look forward to that extremely important meeting.

I move adjournment.