

SUMMARY REPORT

ASIA BUSINESS LEADERS
ADVISORY COUNCIL

CONSEIL CONSULTATIF DES
CHEFS D'ENTREPRISE SUR L'ASIE

2023



2023

Sponsors of the 2023 ABLAC Meeting



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Executive Summary

The Asia Business Leaders Advisory Council (ABLAC) held its sixth annual meeting in Singapore from February 20-21, 2023, just as the city-state ended most of its COVID-19 restrictions. It was the first time in four years, since the 2019 annual meeting held in Hong Kong, that the Council met in person. The meeting was timely as it followed the release of Canada's long-awaited Indo-Pacific Strategy (IPS) in November 2022, a foreign policy priority advocated by ABLAC Members in previous meetings. The role of ABLAC and Canadian businesses in implementing Canada's strategy in Asia is more important than ever. Canada is not alone in wanting to expand and enhance economic ties with key markets in Asia; it is imperative for business leaders to lead the charge in building stronger and more durable economic ties in the broader Indo-Pacific region.

Singapore was a fitting location for ABLAC 2023. Not only is it a leading hub within ASEAN and the Indo-Pacific region, but also an increasingly important city for global trade and finance and a key partner for Canada. After years of COVID-related restrictions that spurred a new wave of protectionism, Russia's invasion of Ukraine presents significant global economic consequences and is pushing the world toward a new era of realignment. In this context, the theme for this year's Council meeting was *Mutual Interests & Collective Solutions: New Business Partnerships in a Changing World*.

ABLAC Members and special guests were invited to engage in various panel discussions addressing the risks and opportunities for Canada's engagement in the region, given the strategic challenges it faces. As the world, and the Indo-Pacific region more specifically, is undergoing a significant transformation, the discussion was anchored in three thematic sessions: 1-New Partnerships & National Responses in a Changing Asia, which focused on Southeast Asia as a particular region of interest for Canadian business engagement and diversification in Asia; 2-New Partnerships for Business in an Era of Digital Innovation, which explored how Canada can capitalize on and contribute to Asia's digital boom; and, 3-New Partnerships for a Sustainable Energy Transition, which examined how Canada can best work with its partners in Asia to address the region's energy security needs while tackling the significant but crucial challenge of the green energy transition. These sessions helped generate recommendations discussed at the Closing Plenary Session and detailed in this summary report.

A key takeaway echoed throughout the meeting, held under Chatham House Rule, is that economic diversification is taking place in Asia, but China remains an important business partner for Canada in the region. Canada's strategy should focus on developing a clear brand in Southeast Asia and leveraging its strengths in energy, technology, and people-to-people ties.



ASIA BUSINESS LEADERS
ADVISORY COUNCIL
CONSEIL CONSULTATIF DES
HEFS D'ENTREPRISE SUR L'ASIE
2023

Members of the Asia Business Leaders Advisory Council pose for a 'family photo' in Singapore on February 21, 2023.

The Opening Plenary Session included an address from The Hon. Mary Ng, Canada's Minister of International Trade, Export Promotion, Small Business and Economic Development, and special welcoming remarks from Brenda Wills, Chargée d'affaires of the High Commission of Canada in Singapore. Wills highlighted the growing importance of the Canada-Singapore trade and investment relationship, as well as Singapore's importance in Canada's IPS. Minister Ng followed with an enthusiastic address to the Council, emphasizing the region's importance for Canada's future prosperity. She reminded the audience that by 2030, the Indo-Pacific will be home to two-thirds of the global middle class and that by 2040 it will account for half of global GDP. She emphasized that the Government of Canada is "here to stay" in the region and will seek to capitalize on opportunities to deepen existing and develop new relationships in Asia. The Minister also reminded the audience about the importance of collaboration and partnerships between businesses and governments. She added that the federal government can negotiate trade agreements, but it falls to the business community to utilize them, take advantage of the opportunities in the region, and create economic growth for Canadians.

ABLAC Members and guests were invited to a luncheon conversation between Dominic Barton, ABLAC Honorary Chair Emeritus and Chair of Rio Tinto, and Piyush Gupta, CEO of the DBS, Southeast Asia's largest bank, with SG\$686 billion in assets, over 33,000 employees, and operations in 19 markets. Before the third and final session of ABLAC 2023 commenced, His Excellency Dr. Anies Rasyid Baswedan, former governor of Jakarta and a leading candidate for Indonesia's 2024 presidential election, joined the group virtually to discuss Indonesia's opportunities and challenges in the coming years — and the potential for expanded ties between Indonesia and Canada. This timely address came as Canada and Indonesia recently embarked on formal negotiations toward a comprehensive economic partnership agreement. Canada looks to expand its engagement with key partners in Asia, including Indonesia, under Canada's new IPS.

ABLAC 2023 took place just prior to, and in the same venue as, the inaugural [Canada-in-Asia Conference](#) (CIAC2023) hosted by the Asia Pacific Foundation, in partnership with Universities Canada, from February 21-23. With more than 500 participants from Canada and Asia, CIAC2023 provided valuable opportunities for networking and engagement among attendees of both events.

ABLAC 2023 was supported in part by funding from the following organizations: Business Council of Canada, Canadian Commercial Corporation, CPP Investments, Caisse de dépôt et placement du Québec, Export Development Canada, Invest Alberta, Invest in Canada, and Sun Life Financial.

Key Recommendations

1 Diversification requires support

Canada's IPS informed the discussion on economic diversification at ABLAC 2023. ABLAC's participants reaffirmed the importance of expanding trade and investment partnerships with Southeast Asian economies but also cautioned that China will remain an important partner for Canadian business in the region, with decoupling from China likely being less pronounced than generally expected. However, the emergence of "China+1" strategies suggests that Canadian companies are starting to explore opportunities within the Asia Pacific beyond the regional superpower. Economic diversification will help businesses reduce the uncertainty and risks that emerged in global supply chains after the COVID-19 pandemic and Russia's invasion of Ukraine. Accordingly, the Canadian government and businesses should continue expanding trade and investment partnerships within the Indo-Pacific to capitalize on emerging market opportunities across various industries, including energy, technology, and natural resources. Supporting trade diversification will require significant investments to help Canadian businesses understand regulatory and cultural differences across the region's economies. Fortunately, Canada's large and well-connected diaspora communities offer a natural link to the economies of the Asia Pacific and present a substantive advantage in fostering deeper economic relations. The Government of Canada's role should thus be to help "build a bridge" to local economies by signing free trade agreements, aligning regulatory frameworks, participating in international organizations, and advancing domestic initiatives that increase support to business.

2 Branding

ABLAC Members identified the importance of "being Canadian" in the region as the region looks for Canada to do more. As a team effort supported by government, corporate, non-governmental, and civil society actors, a united and unified 'Brand Canada' approach will help Canada leverage the region's investment and export opportunities and attract Indo-Pacific economies' investments and exports into Canada. Canada should step up its game in developing its brand as a country, while businesses should continue to promote their unique brands, but under the banner of a cohesive national brand. ABLAC Members noted that as part of 'Brand Canada,' we not only need to think about the Canadian value proposition (i.e., what we can bring to the region) but also the region's needs and how we can meet them. A well-developed value proposition and the ability to meet regional needs will help Canadian companies increase their market share and expand their integration into regional supply chains. Our ability to integrate into the region will further shape the Canadian brand, add value to the local economy and society, and help build partnerships with local government and business actors. As part of this branding exercise, we must identify leading industries that will be part of Canada's national brand.

3

People-to-people ties

Individuals are at the centre of economic activity, which makes people-to-people ties between Canada and the Indo-Pacific region crucial. The COVID-19 pandemic has disrupted these ties and redefined connectivity as people switched to technology, such as online teleconferencing, to continue building partnerships. Despite technological advances, interpersonal connections in the physical realm are a priority for business leaders. As pandemic restrictions begin to lift, Canadian companies must continue building their physical presence in Asia and collaborate with local companies if they want to enter the region successfully. Canadian companies must be ready to exchange knowledge and resources with local partners as part of their entry strategies. Ultimately, and aligned with the theme of CIAC2023, establishing networks of like-minded people will facilitate close economic collaboration between Canada and Indo-Pacific economies. Canada must also capitalize on its Asian diaspora communities and ex-pats living in the region to better facilitate transpacific economic linkages.

4

Developing a new narrative on LNG to help Canada contribute to Asia's energy transition

The transition from fossil fuel-based energy sources to cleaner and more sustainable sources will be critical in Asia, where the energy demand is rapidly rising. If realized successfully, this transition will help the region mitigate the impacts of climate change while contributing to Asia's energy security and sustainable development. Countries in the region have made much progress in their energy transitions, although at different paces. As forecasts indicate, energy demand in the region will continue to grow for both fossil fuels and renewables. Natural gas is vital to the energy mix in the region, and Canada, as the fifth-largest global producer of natural gas, is well-positioned to contribute to the short-term needs of Asian economies through this vital 'transitional' energy source. Despite Canada's abundant natural gas reserves, it cannot meet the rising demand as it currently has a limited export capacity to deliver liquefied natural gas (LNG) to Asian markets due to domestic considerations, including inadequate infrastructure and social licence challenges, that impede exports.

ABLAC Members recommended Canada move away from its "all-or-nothing" approach to climate change and adopt a more balanced strategy that will provide a secure supply of energy to the region in the short term while developing long-term approaches to support energy decarbonization. In this vein, Canada must develop a new narrative on the importance of LNG as a viable transitional energy source for one of the world's most vulnerable regions – Asia. The role of businesses in driving this narrative was also highlighted at this year's Council meeting. Members recognized that the domestic political situation across Canada complicates the LNG situation but emphasized the important role that LNG exports could play in Canada's future engagement in Asia.

Ultimately, the Council agreed that the energy transition underway in Asia creates a significant opportunity for Canada not only to provide innovation and expertise on cleantech but also to supply energy while helping countries in the region meet their carbon reduction targets and address the impact of climate change.

Contributing to setting standards for digital technologies

With Asia having become an innovation powerhouse across various sectors, it is more important than ever for Canada to deepen its engagement with countries in the region and contribute to the many new debates already underway. These debates have local and global implications and centre around various issues, including data privacy, cybersecurity, the digital economy, artificial intelligence (AI), and internet censorship. For Canada to have a say in shaping future standards and policies and to ensure they align with Canadian values and interests, the Council recommended that the federal government take an active role in these issues and add value to current debates with an informed presence. By being actively engaged, Canada will be part of the decision-making process regarding digital trade rules and be better informed about emerging trends, issues, and technologies. The Council further recommended that the government avoid an “us versus them mentality” and an “over-securitization” in technology debates. The Council agreed it would also be best to focus on long-term versus short-term gains with a variety of countries in Asia by emphasizing collaboration rather than competition in technology. Reflecting on the rapid growth in Asia’s technology sectors and their key role in the global economy, the Council advised the Canadian government and businesses to be active players in this space to better position Canada to drive domestic economic growth and innovation.



Annex

Overview of Thematic Sessions



Dominic Barton, Chairman of Rio Tinto and Chair Emeritus of ABLAC, leads a discussion with Piyush Gupta, CEO of the DBS.

● Session 1: New Partnerships & National Responses in a Changing Asia

The Government of Canada's 2022 IPS highlighted Southeast Asia as a priority region for Canadian public and private sector engagement. Discussing Canada's role in the region, the session opened with speakers exploring regional opportunities and risks. The participants grappled with the dynamics of great power competition in the region and its impact on businesses. They also discussed the main challenges to Canada's involvement in Southeast Asia, outlined the opportunities for collaboration and engagement, and identified the role that Canadian government agencies can play in supporting businesses.

THE ROLE OF CHINA

The Council Members commented on the role of China in Southeast Asia. They acknowledged points of contention in the U.S.-China relationship and its impact on broader trade relations. However, they noted that China remains an important economic player in Southeast Asia, and that many Asian states disagree with their Western counterparts on the magnitude of security risks posed by China. Nevertheless, the region must adjust to China's domestic challenges. One of the Members noted that China is still struggling with various internal issues, such as exposure to too much credit, a burst housing bubble, and a slow post-COVID reopening.

Doing business with China will remain important for Southeast Asia and beyond. One ABLAC Member argued that China and Western countries will remain economically interdependent. Still, national security regulations may limit trade and investment, possibly leading to fragmented trade in some sectors. The Council agreed that China and the West are unlikely to decouple, but that economic cooperation will differ between sectors, with the high-tech sector coming close to decoupling. Several Council Members acknowledged that the Southeast Asian region could play the role of mediator in

helping to stabilize the relationship between the U.S. and China as it will continue to have strong linkages with both. Furthermore, they noted that the region is connected with Canada through a large and long-established Chinese diaspora community, and knowledge about culture and business practices is important.

OPPORTUNITIES AND RISKS

With a population of 662 million people, a combined GDP of US\$3.2 trillion, foreign direct investment (FDI) inflows of US\$174 billion in 2021, and projected growth rate of 5.2 per cent for 2023, Southeast Asia is a region of enormous potential for Canadian businesses. The region's growth is correlated with the inflow of FDI, growth in manufacturing, and the increasing integration of Southeast Asia into global supply chains as part of the "China+1" approach to global procurement, whereby businesses diversify from China to other countries. Foreign investment in the region's manufacturing grew to US\$45 billion (expanding by 134 per cent) in 2021. Other sectors, such as tourism, retail, and the digital economy, play an important role in Southeast Asian economies and have substantial economic potential. For example, from 2016 to 2021, the total value of e-commerce sales grew fivefold, or 40 per cent annually, and e-commerce's share of all retail sales surged to 20 per cent from five per cent during the same period. Southeast Asia, with its median population age of 30.2 years, is the natural frontier market in the Asian region for Canadian companies adopting a "China+1" risk mitigation and procurement strategy.

Supporting trade diversification will require significant investments to help Canadian businesses understand regulatory and cultural differences across the region's economies and expand on-the-ground assistance where necessary. Members noted that government-affiliated entities, like EDC and the Trade Commissioner Service, are providing Canadian companies with resources at home and on-the-ground to support their activities in the region.

Council Members agreed that geopolitical and economic uncertainty will shape Canada's regional approach. They highlighted a series of risks expected to shape Canada's presence in the region, including Russia's invasion of Ukraine, COVID-19 impacts on the workplace, slower global growth, inflation, China-U.S. competition, global supply chain shifts, cyber risks, and regulatory differences. Members reiterated that Russia's invasion of Ukraine has implications for energy, food, and critical minerals security, while waves of COVID-19 impact production and the workforce, with 'stop-start' challenges affecting workplace dynamics. Russia's aggression in Ukraine and COVID-19 will ultimately contribute



Dominic Barton, Chairman of Rio Tinto and Chair Emeritus of ABLAC, and Piyush Gupta, CEO of the DBS take questions from the ABLAC membership.

to a slowdown in global growth, with inflation impacting labour, food, and other commodities. Furthermore, the increasing emphasis placed on national security when assessing economic matters, industrial policies, and shifting supply chains is expected to impact trade flows between Canada and Southeast Asian economies. As countries diversify beyond China, production distortions triggered by political incentives to produce certain goods may occur, which may be amplified by the different standards promoted across countries.

The World Bank, the International Monetary Fund, and the Asian Development Bank have downgraded their growth forecasts for Southeast Asia in anticipation of slower regional growth due to falling demand for exports and tighter monetary conditions. Illustratively, Southeast Asia's manufacturing exports face headwinds in 2023 due to the threat of recession in the U.S. and the EU and weak domestic demand in China. At the same time, Southeast Asian central banks have raised policy rates in response to rising global interest rates, capital outflows, currency depreciation, and accelerating inflation. These negative pressures of falling global demand and rising interest rates will have an impact across a variety of economic sectors. Another challenge is the difficulty of negotiating trade agreements with the region that incorporate clauses on labour, environment, gender equality, LGBTQ+, and Indigenous rights.

TAKING ACTION

Advising a degree of caution, one Council Member noted that Canadians interested in Southeast Asia should “hope for the best but plan for the worst” by developing ambitious engagement strategies. Short-term strategies must support long-term goals and build on local partnerships. To seize on future opportunities in Southeast Asia, Canadian stakeholders must work on resolving the following set of challenges:

1. Canada should develop an ambitious strategy for the region to capitalize on economic diversification and seize opportunities in Southeast Asia while maintaining relations with China. In pursuit of economic partnerships in the region, Canada should leverage its diverse and multicultural population, including Asian diaspora communities.
2. Canada should capitalize on its competitive advantages in natural resources and technology to meet local needs and resolve local challenges, including in cybersecurity and food/energy/mineral insecurity.
3. The Canadian government should continue supporting domestic companies entering the region by having a seat at the regulatory table, and “building a roadmap” for businesses by setting up free trade agreements. As regulatory differences make it difficult for companies to engage in cross-border trade and investment, Canada should work on streamlining standards and regulations on issues such as labour, climate, and governance. Government-affiliated agencies should continue increasing business support services domestically and in the region, helping companies enter the region and scale up.

● Session 2: New Partnerships for Business in an Era of Digital Innovation

Asia has risen to become an innovation powerhouse. From advances in AI and automation to the creation of online platforms in areas such as e-commerce, fintech, and telehealth, digital innovation has been booming in Asia in recent years. Driven by the region's large population, rapid urbanization, and increasing internet penetration, digital innovation will continue to grow, creating both challenges and opportunities for Canada. In this session, Council Members addressed the opportunities and implications of Asia's digital boom as well as the risks it poses for Canada. They also discussed the steps Canadian businesses and the Canadian government should take to accelerate Canada's success in the region.

IMPLICATIONS OF THE DIGITAL FUTURE

Members highlighted the importance of technology for Canadian businesses in all sectors, insisting that it will be even more important in the future. Technology is “the oxygen of businesses,” and is closely linked with Canada's industrial policy. As one Member noted, technology “cuts across everything,” and it is as much related to e-commerce and the digital economy as it is linked to resources in managing agritech/agrifood and climate change. Technology drives competitiveness, which in turn drives economic growth. To remain competitive, Canada needs to consider and learn from best practices globally, including Asia, and apply them at home.

OPPORTUNITIES AND RISKS

Members argued that the best growth prospects come from bringing Canadian cutting-edge solutions to Asia. They highlighted several sectors, including agrifood, healthtech, fintech, and climate technologies, that are experiencing rapid development in Canada that could be applied in the region. To benefit from these opportunities, specific subsectors in which Canada thrives must be identified and prioritized to establish Canada as “a powerhouse in Asia.” For example, with Asia's need to tackle environmental issues, cleantech, which is expected to drive half of the climate transition, is of particular value. One ABLAC Member noted that Asian countries are also looking for Canada to provide “thought leadership” on the adoption and governance of certain technologies, such as AI.



Jeff Nankivell, President and CEO of the Asia Pacific Foundation of Canada, delivers welcome remarks at ABLAC 2023 in Singapore.

In addition, as Asia digitizes, it creates a potential first-mover digital advantage for countries such as Canada. In Southeast Asia, especially, there are significant opportunities due to the region's large and rapidly growing digital economy. Some of the key digital opportunities in Southeast Asia are in e-commerce, digital payments, and fintech. Over the past three years, the region has added 100 million new internet users, and 67 per cent of small and medium enterprises have digitalized. Several Members noted that the region is ready to absorb Canadian technologies in areas such as AI, fintech, and digital

health, due to demographic factors, such as a young and growing population, increased wealth, and rising higher education levels. Canadian businesses can take advantage of those opportunities by moving fast, partnering with local firms, and taking calculated risks. Digital supply chains present another opportunity to expand Canada-Asia collaboration and expedite business connectivity to support Canadian job growth. The expansion of the digital economy also brings with it an increased focus on cyber security. As more businesses rely on technology to conduct transactions and store sensitive data, the potential for cyberattacks and data breaches also increases. Cyber security is a significant concern to the business sector, and there continues to be risk among some states in the Asia Pacific of becoming safe havens for cybercrime due to weak legal and enforcement regimes. In addition, real and perceived concerns about data sharing and privacy must be resolved.

Members also acknowledged gaps in digital governance and the bifurcation of models and forms of communication and payments. These issues are exacerbated by rapid technological change that outpaces the modernization of regulatory frameworks, including trade agreements. As one of the Members noted, “digital fragmentation,” arising from conflicting and overlapping digital rules in Asia, may become a “key friction point” that restricts digital trade.

TAKING ACTION

The Members noted that Canada has an important role to play in Asia’s technological development and digitalization. To capitalize on this opportunity, Canada’s initial strategy should focus on supporting regulatory development, selecting “winning” industries and encouraging their growth, and championing collaboration when it does not come at the expense of our national security. The Members suggested the following actions:

1. To prevent the fragmentation of digital trade and reduce cyber-security risks in the region, Canada must engage and work toward shaping and aligning practices for digital governance. Having “a seat at the [regulatory] table” will increase the likelihood of creating “a home-court advantage” for Canadian firms in the region. As unilateral responses are inadequate, Canada must be proactive in shaping international agendas and regulations at international forums.

To do so, Canada must identify and support a set of “winning” industries – such as agritech and energy-tech – where our comparative advantages and expertise can be matched to clearly defined market needs in Asia.
2. Canada must scale targeted domestic technologies and make them competitive globally through specialization and branding.
3. Canada must avoid an “us versus them mentality” and focus on building long-term partnerships with a variety of countries in Asia. In doing so, it must continue to maintain a “delicate balance” between the open movement of technology and data and the protection of intellectual property rights and information.

● Session 3: New Partnerships for a Sustainable Energy Transition

Highlighting the importance of sustainable regional development that lowers carbon emissions and protects the environment, this session focused on the energy transition unfolding in Asia and the opportunities it presents for Canada.

ENERGY NEEDS IN THE REGION

The transition from polluting fuel-based energy sources to cleaner and more sustainable sources is a critical step in mitigating the impacts of climate change. This transition will also contribute to Asia's energy security and sustainable development. Countries in Asia have been making progress on their energy transitions, although at different paces due to myriad factors. But a lot remains to be done, and the task ahead is significant. Asia, for example, accounts for about 75 per cent of the world's coal consumption, and demand for this energy source continues to grow. In Southeast Asia, due to rapid population growth, the rise of the middle class, and an increase in industrial activities, energy demand is expected to increase by 60 per cent by 2040. Oil continues to be an important source of energy despite Southeast Asia's decarbonization efforts. Although rising energy usage creates challenges for the planet, it also brings opportunities for collaboration. Despite large and laudable investments in renewable energy, the region's demand for oil and gas remains strong.

Considering Canada's abundance of natural resources, expertise, technology, and years of experience working in Asia, this session specifically considered how Canada can improve its engagement in Asia generally. It also considered how Canada can best diversify its partnerships and efforts to help address Asia's energy security needs while tackling the significant but crucial challenge of energy transition.

Session speakers first discussed the elements needed to fuel Asia's energy transition. They highlighted that the region's reliance on fossil fuels, especially coal, as its prime energy source, is an important variable. As transitioning from one energy source to another takes time and requires significant investment, ABLAC Members highlighted that the full transition to renewable energy sources will take decades to achieve. Considering this, the priority should be helping Asian countries transition from coal.

LNG is a key energy source that could significantly help Asian countries' energy transitions and contribute to meeting their emissions reduction targets. British Columbia's LNG holds three advantages for Asian markets – no chokepoints that can delay shipment, short shipment distance, and low-carbon-intensity production. Other fuels, such as blue ammonia and hydrogen, have been identified as fuels of the future and can be better utilized. Members recognized that the domestic political situation across Canada complicates the LNG situation, but emphasized the important role it could play in Canada's engagement in Asia. The role of businesses in driving this narrative was also highlighted.

OPPORTUNITIES AND RISKS

There is a significant opportunity for Canada to meet Asia's energy needs. Countries in Asia need energy now as much as they need to decarbonize and transition to renewable sources to ensure their future long-term energy security. This creates an opportunity for Canada not only to provide innovation and expertise on cleantech but also to supply energy (oil and gas) to fuel the transition from coal. ABLAC Members asked Canada to move away from its "all-or-nothing" approach to climate change and

advocated for a better balance between addressing the need to decarbonize and providing the region with a secure energy supply. By providing the region with LNG and cleaner energy sources, Canada can help countries get closer to their emission reduction targets by facilitating a transition away from coal as the primary energy source in Asia.

As one speaker noted, “Canada is one of the only places in the world where diverse energy sources, infrastructure, and expertise exist in one place.” It can do much more to respond to Asia’s demand for clean fuel and help local economies achieve their carbon neutrality pledge. But for this, the Member argued that it needs to “find innovative ways to un-landlock our energy resources and address transportation issues and the regulatory frameworks that slow down certain projects.”

Canada also has a role to play in financing Asia’s energy transition. Canadian pension funds have been increasingly investing in Asia over the past few years and are bound to increase their investment soon. Members detailed how these investments play a crucial role in the fight against climate change by supporting the transition to a low-carbon economy at the local level. Investment in support of green infrastructure and the promotion of sustainable agriculture and forestry are examples of the Canadian contribution to fighting Asia’s environmental issues. Some infrastructure projects in the region will benefit from the use of blended finance to ensure that investment goes into projects where the risk-return equation may not fully meet the obligations of Canada’s institutional investors. By using blended finance, Canada can take on projects with large financial gaps, such as the closures of coal plants, to help the region transition to renewable energy. There are also opportunities to decarbonize other industries, such as steel and construction.

TAKING ACTION

Canada has experience with a variety of energy resources — solar, nuclear, lithium mining, ammonia, oil and gas — that will help Asia meet its energy needs and support its energy security. To help the region respond to climate change, Canada can share its emission-reduction technology, including carbon capture, utilization, and storage (CCUS) systems, nuclear reactor technology, geothermal technology, and waste-to-power conversion technology. In this way, Canada can play a key role in delivering energy, supporting the renewable energy transition, and developing a clean technology market. Balancing Canada’s role in promoting energy transition, while providing secure supplies of energy, ABLAC Members suggested the following actions:

1. The Canadian government must help Asia to decarbonize its energy supply and share sustainably produced energy to reduce the region’s carbon footprint. The government should continue to support the development of LNG infrastructure in Canada and ensure it is delivered to the Asian market, as it will help local countries to achieve their emission reduction pledges and transition from coal.
2. Canada must collaborate with ASEAN countries as a “neutral player” in the region by helping develop local energy grids while supporting decarbonization through technology, including carbon sequestering (use and storage). Canada can also support regional decarbonization efforts in other industries, including the construction and manufacturing industries.

3. As countries in the region are not monolithic, Canada should be ready to cater to different energy needs across the region. To successfully enter these markets, the Canadian government and businesses should listen to the needs of the countries in the

region. In doing so, Canadian companies should be ready to invest in and support a diversity of local infrastructure projects and collaborate with a variety of governments, non-profit organizations, and private-sector companies operating in the region.

Meeting Program

📍 Singapore, February 20-21, 2023

MEETING VENUE

Olivia Room & Sophia Room
(Stamford Ballroom), Fairmont
Singapore's Raffles City
Convention Centre, 80 Bras
Basah Rd, Singapore

DRESS CODE

Feb. 20th – Business Casual,
Feb. 21st – Business Attire

CHATHAM HOUSE RULE

Participants are free to use
the information received, but
neither the identity nor the
affiliation of the speaker(s), nor
that of any other participant,
may be revealed.

📍 Mutual Interests & Collective Solutions: New Business Partnerships in a Changing World

Sixth Annual Meeting of the Asia Business Leaders Advisory Council (ABLAC 2023)

February 20th, 2023 – Welcome Day

12:00PM DEPARTURE	<p>Transportation from Swissôtel The Stamford to Bombardier Aerospace Facility</p> <p>Pickup Location:</p> <p>Swissôtel The Stamford 2 Stamford Rd, Singapore (Hotel located above the Fairmont Singapore's Raffles City Convention Centre)</p>
12:30PM – 2:00PM	<p>Site Visit: Bombardier Aerospace Facility</p> <p>A light lunch will be served.</p> <p>Venue:</p> <p>10 Seletar Aerospace Heights, Aerospace Park, Singapore</p>
2:00PM DEPARTURE	<p>Transportation from Bombardier Site Visit to the Swissôtel The Stamford</p>

3:00PM – 4:30PM	<p><i>(Invitation to ABLAC members and guests)</i></p> <p>Team Canada Trade Mission Kick-Off Event</p> <p><i>The Honourable Mary Ng, Canada’s Minister of International Trade, Export Promotion, Small Business and Economic Development, is pleased to invite you to attend the official Team Canada Trade Mission Kick-Off in Singapore. The event will bring together Canadian and local businesses, stakeholders, and partners in the Indo-Pacific region. Following the kick-off, there will be refreshments and networking opportunities.</i></p> <p>Venue:</p> <p><i>Swissôtel The Stamford – Skai Suite (Level 69)</i></p> <p><i>2 Stamford Rd, Singapore</i></p> <p><i>(Hotel located above the Fairmont Singapore’s Raffles City Convention Centre)</i></p>
4:30PM DEPARTURE	Transportation from Swissôtel The Stamford to Welcome Cocktail Reception at Residence of the High Commissioner of Canada to Singapore
5:00PM – 7:00PM	<p>Welcome Cocktail Reception for ABLAC Members and Guests</p> <p><i>Hosted by the High Commissioner of Canada in Singapore</i></p> <p>Venue:</p> <p>Residence of the High Commissioner of Canada to Singapore</p> <p>9 Swettenham Road, Singapore</p> <p>Dress Code:</p> <p>Business Casual</p>
7:00PM DEPARTURE	Transportation from Welcome Cocktail Reception to Welcome Dinner
7:15PM – 9:30PM	<p>Welcome Dinner for ABLAC Members and Guests</p> <p>Venue:</p> <p>Quentin’s Bar & Restaurant in Sentosa</p> <p>02 Gunner Lane, Block 14, #01-08, Singapore</p> <p>Dress Code:</p> <p>Business Casual</p>
9:30PM DEPARTURE	Transportation from Welcome Dinner back to the Swissôtel The Stamford

February 21st, 2023 – ABLAC Meeting Day

Olivia Room & Sophia Room (Stamford Ballroom), Fairmont Singapore's Raffles City Convention Centre, 80 Bras Basah Rd, Singapore

Dress Code: Business Attire

Registration and Continental Breakfast at the Swissôtel The Stamford

FROM 8:00AM	Continental breakfast available at the Stamford Foyer upon arrival.
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Opening Session

9:00AM – 9:05AM	ABLAC 2023 Welcome Remarks Jeff Nankivell , President & CEO of the Asia Pacific Foundation of Canada
9:05AM – 9:10AM	Welcome to Singapore Jean-Dominique Ieraci , Canadian High Commissioner to Singapore
9:10AM – 9:20AM	Opening Remarks Goldy Hyder , ABLAC 2022 Chair and President & CEO of the Business Council of Canada
9:20AM – 9:30AM	Ministerial Remarks The Honourable Mary Ng , Minister of International Trade, Export Promotion, Small Business and Economic Development, Government of Canada
9:30AM – 9:35AM	Transition to Thematic Sessions Hafimi Abdul Haadii , ABLAC 2022 Vice-Chair and Executive Director of LVK Group of Companies

Session 1: New Partnerships & National Responses in a Changing Asia

9:40AM – 11:00AM

Description:

The Government of Canada's 2022 Indo-Pacific Strategy highlighted Southeast Asia as a priority region for Canadian public and private sector engagement. With a population of 662 million people, a combined gross domestic product (GDP) of US\$3.2 trillion, and projected growth of 5.2% for 2023, Southeast Asia is a region of enormous potential for Canadian businesses. As more Canadian companies are adopting a 'China+1' risk mitigation and procurement strategy, Southeast Asia, with its median population age of 30.2 years, is the natural frontier market in the Asian region.

Each Southeast Asian state presents its own set of opportunities and challenges. To realize its objective of deeper regional engagement, Canada must understand the regional forces at play to develop specific strategies and partnerships necessary to manage them. This session will provide an overview of the strategic challenges Canada faces in Southeast Asia and offer insights into the possibilities for Canadian engagement and co-ordination with regional partners.

Session Chair:

Hafimi Abdul Haadii, ABLAC 2022 Vice-Chair & Executive Director of LVK Group of Companies

Speakers:

Dr. Jeff Reeves, Vice-President of Research & Strategy, Asia Pacific Foundation of Canada

Lead Discussants:

Chin Hwee Tan, Chief Executive Officer, Asia-Pacific & Middle East, Trafigura; Chairman, SGTRADEX

Jonathan Fried, Senior Advisor, Bennet Jones & Former Personal Representative of the Prime Minister for the G20, Ambassador to Japan, and to the WTO

Suggested Discussion Questions:

Where are the main challenges and obstacles for deeper Canadian involvement in Southeast Asia?

What are the best opportunities for engagement in Southeast Asia and where can Canadian businesses and the Government of Canada pursue new partnerships?

What are the politics inherent to great power competition in the region and how can the Canadian government best help businesses navigate those dynamics?

11:00AM – 11:15AM	Networking Coffee Break & Family Photo
Session 2: New Partnerships for Business in an Era of Digital Innovation	
11:15AM – 12:30PM	<p>Description:</p> <p><i>Asia has risen to become an innovation powerhouse, contributing to two-thirds of global patent filings over the past decade, jumping from 54.6% in 2011 to 67.5% in 2021. From advances in AI and automation and their usage in manufacturing, to the creation of online platforms in areas such as e-commerce, fintech, and telehealth that are now being used by millions of people, digital innovation has been booming in Asia in recent years. Driven by the region's large population, rapid urbanization, and increasing internet penetration, digital innovation will continue to grow in the region. This will drive economic growth by creating new industries while improving productivity and efficiency in traditional ones. The new digital economy in Asia will also generate challenges that Canada will need to be mindful of – from governance and competitiveness issues to privacy and security. In this session, speakers will address the opportunities and implications of Asia's digital boom, and discuss the steps Canadian businesses and the Canadian government should be taking in order to accelerate Canada's success in the region.</i></p> <p>Session Chair:</p> <p>Goldy Hyder, ABLAC 2022 Chair & President and CEO, Business Council of Canada</p> <p>Speaker:</p> <p>Jan De Silva, President and CEO, Toronto Region Board of Trade</p> <p>Lead Discussants:</p> <p>Shirley Crystal Chua, Founder and Group CEO, Golden Equator</p> <p>Kevin Strain, President and CEO, Sun Life</p> <p>Songyee Yoon, President, NCSOFT & CEO, NCWEST</p> <p>Suggested Discussion Questions:</p> <p>Where are the main challenges and opportunities in Asia's booming digital economy for Canadian businesses?</p> <p>How is the current digital transformation in Asia reshaping supply chains and corporate strategies?</p> <p>How can governments incentivize businesses to utilize existing and future trade and investment agreements in the region in support of Canadian innovation in the digital era?</p>

Luncheon

12:30PM – 2:00PM

A Conversation with Piyush Gupta, CEO of DBS Group

DBS is a leading financial services group in Asia, headquartered in Singapore. Recognised for its global leadership, DBS has been named “World’s Best Bank” by several global publications like Euromoney and Global Finance. The bank is at the forefront of leveraging digital technology to shape the future of banking, and was also named “World’s Best Digital Bank” by Euromoney. In addition, in 2019, DBS was listed among the top ten most transformative organisations of the decade by Harvard Business Review.

Speaker:

Piyush Gupta, Chief Executive Officer of DBS Group

Moderated by:

Dominic Barton, Chairman of Rio Tinto & ABLAC Honorary Chair Emeritus

A Spotlight on Indonesia with His Excellency Dr. Anies Rasyid Baswedan, Former Governor of Jakarta

2:00PM – 2:45PM

Description:

Canada and Indonesia have recently embarked on formal negotiations towards a bilateral free trade agreement. This comes at a time when the Government of Canada has launched an ambitious strategy for expanded engagement with key partners in Asia, including Indonesia, under Canada’s new Indo-Pacific Strategy. His Excellency Dr. Anies Rasyid Baswedan, former Governor of Jakarta, will join ABLAC members and guests virtually for a conversation on Indonesia’s opportunities and challenges in the coming years and on the potential for expanded ties between Indonesia and Canada.

Speaker:

His Excellency Dr. Anies Rasyid Baswedan, Former Governor of Jakarta

Moderated by:

Chin Hwee Tan, Chief Executive Officer, Asia-Pacific & Middle East, Trafigura;
Chairman, SGTRADEX

Session 3: New Partnerships for a Sustainable Energy Transition

<p>2:45PM – 4:00PM</p>	<p>Description:</p> <p><i>Ensuring sustainable development, protecting the environment, and fighting climate change feature prominently in Canada’s Indo-Pacific Strategy. The transition from fossil fuel-based sources of energy to cleaner and more sustainable ones will be critical in mitigating the impacts of climate change and contributing to Asia’s energy security and sustainable development. Countries in Asia have been making progress in their energy transitions, although at different paces due to their varied levels of economic development and access to resources – and because of different government policies and regulatory frameworks. In Southeast Asia, for example, due to rapid population growth, the rise of the middle class, and an increase in industrial activities, the demand for energy is expected to increase by 60% by 2040, creating both challenges and opportunities. With Canada’s abundance of natural resources, expertise, and technology, this session will discuss how Canada can best work with its partners in Asia to help address Asia’s energy security needs while tackling the significant but crucial challenge of energy transition.</i></p> <p>Session Chair:</p> <p>Martha Hall Findlay, Former Chief Climate Officer, Suncor</p> <p>Speaker:</p> <p>Rick Christiaan, CEO of Invest Alberta</p> <p>Lead Discussants:</p> <p>Marc-André Blanchard, Executive Vice-President and Head of CDPQ Global and Global Head of Sustainability</p> <p>Kaori Namiki, President and CEO, Mitsubishi Canada Ltd.</p> <p>Suggested Discussion Questions:</p> <p>What opportunities for collaboration does Asia’s energy transition bring for Canada?</p> <p>How can Canada best contribute to Asia’s decarbonization efforts?</p> <p>What are the main challenges impeding Asia’s energy security and sustainable development?</p>
<p>4:00PM – 4:15PM</p>	<p>Health Break</p>

ABLAC Governance Session (ABLAC Members Only)

4:15PM – 5:15PM

Moderated by:

Goldy Hyder, ABLAC 2022 Chair & President and CEO, Business Council of Canada

Canada-in-Asia Conference Welcome Reception – Open to All ABLAC Members & Guests

5:30PM

All ABLAC members & guests are invited to the welcome reception for the Canada-in-Asia Conference, which will take place immediately after ABLAC 2023 wraps up. This crossover reception will offer ABLAC members and guests an additional opportunity to network with a broader group of Canada-connected stakeholders.

The conference program is available separately.

About the Asia Business Leaders Advisory Council

The Asia Business Leaders Advisory Council (ABLAC) is a high-level group of Asian and Canadian business leaders established by the Asia Pacific Foundation of Canada (APF Canada) in 2016.

Convened annually to identify and articulate opportunities for improved Canada-Asia business engagement, APF Canada established the Asia Business Leaders Advisory Council for two purposes. First, the Council builds a powerful networking and business development platform that can help catalyze stronger commercial and investment opportunities between Canada and Asia. Second, it provides strategic information, counsel, and advice to a select group of Canada's high-level political representatives from the federal and provincial governments with the aim of strengthening Canada's strategic engagement with the region.

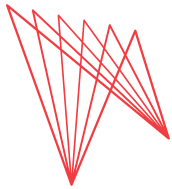
ABLAC is a critical forum to catalyze dialogue and action, with a specific focus on targeted changes to policies and laws that inhibit, or can advance, Canada-Asia engagement.

ABLAC seeks to:

- Effect change in Canadian government attitudes and actions by directly engaging officials on a Canada-Asia strategy;
- Share Canadian government policy and strategic direction with Asian government and private sector leaders, explore perspectives, and test impact;
- Support a co-ordinated and aligned 'broad diversification' approach to Canada's engagement with the region;
- Foster Canada's reputation as a progressive and stable democracy, with high-value products and services, as an attractive business destination for stakeholders in Asia; and,
- Encourage Canada to build the necessary toolkit of trade instruments and 'Asia competent' talent for better integration in Asian markets.

These objectives are more important now than ever before. By nearly all measures, both pre- and post-pandemic, the Asia Pacific is and will remain the world's most dynamic region in terms of economic growth and innovation and home to many of the world's fastest-growing economies, critical resources, capital, key supply chains, and world-leading technologies.

APF Canada has an ambitious vision for our country: to seize the moment and lead Canada to the next level of engagement with Asia. Canada stands to benefit significantly from Asia's growth and innovation, but we need to think strategically and creatively about what we need to do and how we need to do it. It is imperative that business leaders from across Canada and Asia meet collectively, debate key issues, and sit at the forefront of this discussion.



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About the Asia Pacific Foundation of Canada

The Asia Pacific Foundation of Canada (APF Canada) is an independent, not-for-profit organization focused on Canada's relations with Asia. Our mission is to be Canada's catalyst for engagement with Asia and Asia's bridge to Canada.

APF Canada is dedicated to strengthening ties between Canada and Asia through its research, networking, convening, and education activities. Our research provides high-quality, relevant, and timely information, insights, and perspectives on Canada-Asia relations. Providing policy considerations and business intelligence for stakeholders across the Asia Pacific, our research work is anchored in the Canada-Asia Sustainability Tracker (CAST), an interactive tracking and analysis tool that examines open-source materials from across Asia to provide greater situational awareness for Canadian stakeholders interested in the region's development. Our research work also includes regular Reports, Policy Briefs, Case Studies, Dispatches, Digital Media, and a weekly Asia Watch newsletter powered by CAST and its four areas of focus: Greater China, Southeast Asia, Northeast Asia, and South Asia. APF Canada also works with business, government, and academic stakeholders to provide Asia Competency training for Canadian organizations and students.

[Visit our website](#)

**ASIA BUSINESS LEADERS
ADVISORY COUNCIL**

**CONSEIL CONSULTATIF DES
HEFS D'ENTREPRISE SUR L'ASIE**

2023

