

Office of the  
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# Backgrounder

## STRENGTHENING OF CANADA-CHINA COMMERCIAL RELATIONSHIP

China is playing an increasingly important role in shaping world politics and driving global economic growth. Canada is working to renew ties with China to help grow the economy, strengthen the middle class, and develop long lasting ties between the peoples of both countries.

Today, 56 new commercial contracts and agreements were signed between Canadian and Chinese companies. These commercial signings - worth \$1.2 billion - demonstrate the breadth of the Canada-China commercial relationship that involves people and businesses from a wide diversity of sectors, and a variety of export, investment, partnerships and collaborative ventures.

These announcements illustrate growth opportunities for Canadian companies in key priority sectors reflecting an inclusive and sustainable commitment to innovation and environment, a strong role for small and medium-sized enterprises, and a focus on open trade and investment.

They also reflect success stories that highlight the quality and safety of Canadian food products, our innovative and world-class Canadian clean technologies, and our continued competitive advantage in the oil and gas sector.

They also show that Canada is open to investment, which spurs innovation and supports growth in Canadian communities.

### September 1, 2016 signings in Shanghai:

- [Alberta Ministry of Economic Development and Trade](#) and **BYD**, the world's largest green vehicle manufacturer, signed an MOU to cooperate on the research, development, and commercialization of autonomous vehicle technologies, such as cars, trucks, buses and industrial vehicles. The MOU is an important stepping stone towards further research and development, and eventual high-technology manufacturing opportunities in Alberta. The new collaboration is valued at more than \$6 million over two years.

- [B+H Architects](#) of Ontario signed a \$1.12 million contract with Golden Land Real Estate Development Co., Ltd. for the interior design of a shopping mall in Huai'an, Jiangsu Province, which is part of a mixed-use commercial complex in Huai'an. B+H is also the architect and the landscape architect of the project.
- [Ballard Power Systems](#), headquartered in British Columbia, signed a technology and license MOU with **Zhongshan Broad Ocean Motor Co., Ltd.**, (currently Ballard's largest shareholder) and **Shanghai Reinventing Fire Technology Co., Ltd.** on the development and localization of fuel cell modules for buses and commercial vehicles in select cities in China. This new agreement focuses on the production, marketing, and sales of products in new bases in Wuhan, Beijing, Chongqing/Chengdu and Shandong.
- [Bee-clean Building Maintenance Inc.](#) of Alberta signed its first services contract with **Jiaming Investment Co., Ltd.** to provide janitorial services for the first pilot site in China to fully adopt an international standards cleaning program.
- They also signed a joint venture agreement valued at \$2 million with **Shanghai Qinzemeiye Environmental Technical Services Co., Ltd.** to provide, in China, building cleaning, maintenance, janitorial, restoration consulting and facilities services, and inspection services that meet international standards.
- [British Columbia Institute of Technology](#) announced that it will provide comprehensive teacher training with a full curriculum design valued at \$30 million for the **Three Gorges Polytechnic University** in Chongqing. BCIT's International Diploma will be issued to students who meet all the requirements established by BCIT for graduation. The school is an initiative of the Zongshen Industrial Development Group that aims to provide world-class technologists to serve the automotive and aviation industries globally.
- [BUBL Technology Ltd.](#) of Ontario announced a partnership with **Sunny Optical Technology Group Ltd.**, a leading lens manufacturer, to co-develop a 360-degree camera, and to market the new product in Asia-Pacific.
- [Canada Asia Synergy Group](#) of Alberta signed a letter of intent for a joint venture with Chinese investors in collaboration with **Jiuyou Capital Co., Ltd.**, to purchase and ship \$20 million worth of residential building materials from Canada to China.
- [Canada Beef International Institute](#) signed an MOU with Bright Haibo Invested Million (Fareast) Ltd., a subsidiary of Shanghai-based Bright Food Group, the largest food and beverage company in East China, for export of Canadian beef, worth approximately \$20 million. This MOU will further strengthen the Chinese company's relationship with Alberta-based Canada Beef, and support the overall growth in exports and marketing of Canadian beef into the Chinese market.
- [Canada Beef International Institute](#) also signed a partnership agreement with **Shanghai Shangshi Vocational Skills Training Co., Ltd.** (a professional training centre for young chefs learning to prepare western and Chinese cuisine) to provide

training on the preparation of beef dishes to more than 1000 chefs per year across China.

- [Canada CleanTech Capital Inc.](#) of Ontario announced the establishment of a \$10 million-Canada-China Research Institute for Clean Tech and New Energy Commercialization to be headquartered on the **Foshan University** campus.
- [Canada CleanTech Capital Inc.](#) also signed a \$13 million agreement with **Sanjiang Town**, Xinhui District, Jiangmen City in Guangdong Province, to develop a master plan for the city that follows leading international sustainable development principles, turning it into an eco-town.
- [Canada Kryton International Inc.](#) of British Columbia signed a \$2 million contract with **Beijing Science Park Development (BSD)** and the **Tianjin Economic-Technological Development Area (TEDA)** for the use of Kryton's concrete waterproofing system.
- [Canada Kryton International Inc.](#) also signed a \$1 million agreement with **Beijing Maple Real Estate Co., Ltd** for the use of Kryton's concrete waterproofing system.
- [Cavalia](#) of Quebec signed a strategic framework agreement with Gold Finance for a joint venture to permanently bring Cavalia's new creations and performances to cities in China. Cavalia's first show has been touring China for more than a year and is currently performing in Beijing.
- [Cirque Éloize](#) of Quebec, together with Chinese promoter **Shanghai Fresh Vogur**, announced a second important tour in China. From June to September 2017, Cirque Éloize will present its most successful production ever, the critically acclaimed production, iD.
- [Clearwater Seafoods](#) of Nova Scotia announced the opening of its first flagship store on **TMall.com**, owned by Alibaba, which is expected to boost Clearwater's sales in China.
- **COWS Creamery (China)**, the exclusive partner in China of [COWS Inc.](#) of Prince Edward Island announced a strategic partnership with **Yintai Group** to introduce COWS stores into Yintai Group's high-end shopping centres. They will also co-develop e-commerce platforms and projects across China. This marks the brand's expansion into East China marks a new era for this iconic Canadian food brand.
- [D-Box Technologies](#) of Quebec signed a letter of intent for strategic cooperation in Eastern China with **Zhejiang Sight Film Company Co. Ltd** to help expand D-Box's market for its high-end theatre seats and control systems in East China.
- **Dynaco Capital Inc.** and the **Canada China Development Foundation (CCDF)**, both of Ontario, are partnering with **Beijing Ruirun Fengyi Cultural Exchange Company Ltd.**, to launch "Harmonious Diversity in Gastronomy - a 2016-2018 Canada-China Culinary Exchange" that will promote a stronger and closer relationship between Canadians and Chinese. The Exchange will allow Chinese

chefs to visit Canada, and will promote the use of Canadian agri-food products and wines in Chinese restaurants and hotels.

- [Dynamic Attractions \(Canada\) Ltd.](#) of British Columbia, a division of U.S.-based Empire Industries Ltd., and **Altair (Shanghai) Space Technology Ltd.** agreed to a strategic cooperation agreement to design, develop and supply six iconic attractions for, as well as jointly own and operate a \$787 million theme park called “Space Park” in Hangzhou. They also agreed to jointly pursue operation of other attractions and theme parks throughout China.
- [Entelegis, Inc.](#) of Ontario signed a contract with **Yongxing Special Stainless Steel Co. Ltd.** to bring Entelegis’ EMIS Energy Management Technology to Yongxing’s Huzhou factory to improve energy efficiency, reduce pollution, and increase process productivity.
- [Exact Imaging](#) of Ontario announced a \$3 million investment from **BioSciKin** to commercialize their innovative and high-resolution ultrasound technology for prostate cancer imaging.
- [Global Earth Products](#) of Ontario, facilitated by **Canada CleanTech Capital (China) Inc.**, signed a \$3 million cooperation agreement with **Liaoning Wotu Environmental Remediation Technology Co. Ltd.** to deploy Global Earth’s patented Marvel composting process to convert organic waste into organic fertilizer in various provinces throughout China.
- [H+ Technologies](#) of British Columbia signed an agreement with **Softbank China Capital for** a \$9.7 million investment into H+ Technologies. This investment will be used by H+ Technologies to hire 85 employees, and to improve its interactive holographic technologies and service delivery through increased research and development, business development, and manufacturing.
- [Harbour Air](#) of British Columbia formed a strategic partnership with **Zongshen Group** to bring seaplane commuter services to major cities throughout China. With the support and cooperation of Harbour Air, Zongshen intends to establish a new joint venture in Hefei, Anhui Province. The new entity, to be called Canada Harbour Technology Service Co, will seek to build and operate a network of water airports in Anhui and establish a fleet of 30 aircraft, aiming to serve 400,000 customers annually with an initial \$200 million investment.
- [Hatch Ltd.](#) of Ontario and **Zhongshe Baiqi Joint International Development Co Ltd** announced the creation of an environmental joint venture called Hatch (Beijing) Environment Technology Co., Ltd., which will provide global cleantech solutions and remediation services to China.
- [HEC Montréal](#) business school of Quebec signed a three-year MOU with Shanghai Caohejing Hi-Tech Park Innovation Centre to provide a supportive entry point for Canadian start-up businesses to engage with potential Chinese partners. This will

include a regular exchange of information, mutual support on themed workshops and matchmaking activities.

- [HyLife](#) of Manitoba agreed on a product proposal and contract terms with **JD.com** to market their premium Canadian pork products on the Chinese company's e-commerce platform. Revenues from the site sales are expected to reach around \$6 million until the end of 2018. HyLife also plans to invest \$90 million on the expansion of its plant and hire 165 more Canadian employees to address the growing Chinese demand.
- [JAC by Jacqueline Conoir](#) of British Columbia launched a joint business development project with the Hangzhou Linping New City Development and Construction Management Committee of the **Hangzhou Yuhang District Government** that includes new space in the Art Fashion Town in Yuhang District.
- [JNE Consulting](#) of Ontario and the **Metis N4 Construction Inc.** signed an agreement with the **Beijing Yingdong Industrial Company** for a joint project where the Chinese company will provide prefabricated steel structure-affordable housing for Metis and other First Nation communities in Canada using basalt materials from a new basalt manufacturing facility in Timmins (see investments section).
- [Kwantlen Polytechnic University](#) (KPU) of British Columbia signed an MOU with **Beijing University of Chinese Medicine (BUCM)** that will allow students from KPU's Chinese Traditional Medicine Acupuncture Diploma to transfer to BUCM. After finishing their additional studies in China, students will graduate from BUCM with a Bachelor Degree in Traditional Chinese Medicine (TCM) and will be able to start their careers as TCM practitioners.
- [Linamar Corporation](#) of Ontario announced that construction has begun on its wholly-owned, \$118 million factory in Chongqing, China. The 26,000 square meter state-of-the-art facility, expected to be fully operational in late 2017, will manufacture energy-efficient powertrain components and assemblies for original-equipment-manufacturer customers in China's southwestern region. Linamar has invested in three manufacturing facilities in China since establishing itself in the country 10 years ago.
- [Magna International](#) announced that it has opened four manufacturing facilities in Chongqing and Hangzhou as part of its joint venture with **Chongqing Xingqiaorui/StarQ** (consisting of one Magna wholly-owned foreign enterprise and three former StarQ facilities). The company is now in the process of completing two more facilities (one Magna wholly-owned foreign enterprise in Taizhou and one joint venture).
- [Natunola Health Inc.](#) of Ontario signed a \$20 million partnership agreement with **Shanghai Winnerfield Trading Co. Ltd.** for research and development, product development, and sourcing of 100 per cent Canadian products, including flaxseed, and oats, to export into the Chinese market.

- [Ocean Choice International](#) of Newfoundland and Labrador announced that its customer **Guangzhou Bester Foods Co., Ltd** placed an order for a full container (weighing one ton and valued at \$20,000) of snow crab, which will arrive in Guangzhou in September. The arrival of this shipment will mark the first time Chinese consumers will be able to purchase Canadian snow crab in a retail setting in China from Ocean Choice.
- [Pudu Investment](#), an Ontario-based business incubator, signed MOUs with the **Municipality of Lianyungang City** and the **Municipality of Jiujiang City** to deliver Canadian hydrogen power and technology to the municipalities using technology from Hydrogenics, another Ontario-based company, for both of these agreements.
- [Smrt English Ltd.](#) of British Columbia signed an agreement with **Beijing Northern Investment Group** to establish an Edu-Tech joint venture called Smrt Education China, that will see Smrt English Programs (from kindergarten to college Level) delivered in a blended format using technology across China. Training and Support for the products will happen in China. Smrt English as an Edu-Tech product was designed and developed in Vancouver.
- The Asian Business & Management Program at [Schulich Executive Education Center](#) at Ontario's York University signed an MOU with the **Beijing Institute of Education** (affiliated to the Ministry of Education) to renew and expand education training programs offered by York in China and Canada to local school teachers and administrators.
- [Sheridan College](#) of Ontario signed a co-development agreement with the **Shanghai Dramatic Arts Centre** for a new musical based on the life of Norman Bethune. The Canada-China production will premiere in 2019.
- [TRIUM Environmental Inc.](#) of Alberta signed an MOU with an estimated value of \$40 million with **BCEG Environmental Remediation Co.** to jointly pursue the soil and groundwater remediation market in China using TRIUM's world class chemical oxidation and low energy thermal remediation technologies.
- [Umbr](#) of Ontario concluded an agreement with Chinese online retailer **JD.com**, one of the largest business-to-consumer online retailers in China, to host an Umbr flagship store.
- [University of Waterloo](#) in Ontario signed an MOU with **Zenith Capital** and **CanadaTown** to establish an investment fund to support commercialization projects in an incubation centre located in CanadaTown (China). A portion of the \$97 million venture fund will be designated for Waterloo Commercialization Office spin-off companies, and the rest will support other Canadian and Chinese Universities' spin-off companies.
- [University of Windsor](#) in Ontario signed an MOU with **Sichuan Bohong Group** to establish a joint automotive engineering research lab and to develop management training programs at the University of Windsor.

- [University of Windsor](#) of Ontario signed an MOU with **Yunnan University** for the creation of an International Institute for Plateau Lakes Research to focus on water quality issues in Yunnan's Plateau Lakes. Yunnan University plans to contribute \$2 million to support this initiative. Canadian scientists participating in this lab will include Canada Excellence Research Chairs, Canada Tier 1 Research Chairs, as well as professors and researchers from the Great Lakes Institute for Environmental Research at the University of Windsor, [University of Waterloo](#), and the "Vale Living with the Lakes Centre" at [Laurentian University](#). Canadian scientists will contribute expertise from Canada's Great Lakes environmental conservation experience to apply solutions to environmental problems affecting Yunnan's Plateau Lakes.
- [Vancouver Airport Authority](#) (YVR) of British Columbia signed an airport use license with **Beijing Capital Airlines** (BCA), a subsidiary of the HNA Group. On December 30, 2016, BCA will launch a new Hangzhou-Qingdao-Vancouver passenger flight that will operate three times per week, marking BCA's first entry into North America. BCA will be the sixth Chinese airline to operate direct passenger flights between YVR and mainland China.

#### Chinese investments in Canada:

- **Beijing Yingdong Industrial Company** signed a letter of intent with the city of Timmins, Ontario for a joint project on a basalt manufacturing facility that will provide fireproof building materials.
- [Canada Shandong General Business Council](#) and the **China Fangzheng Rice Association** entered into an agreement of cooperation to invest in a rice cultivation project in Ontario..
- **China Gold Fortune** signed a Memorandum of Intent with the City of Summerside to invest in a manufacturing facility for LED street lights and smart meters that will create 26 new jobs.
- [David Bromley Engineering Ltd.](#) (DBE) of British Columbia signed a \$5 million agreement with **Qingdao Haiyan Environmental Technology Engineering CO Ltd.** to invest into DBE's water treatment technology for a demonstration and commercialization project in Northern Alberta worth \$17 million. Qingdao Haiyan has previously used DBE's technology in China in Sinopec refineries and petrochemical facilities.
- [Fort Capital Partners](#) of British Columbia signed a letter of intent with **Zhonguancun Private Equity and Venture Capital Association** for up to \$656 million of investment in North American (primarily Canadian) companies in the health sciences, cleantech, technology, media and telecommunications, foods and agriculture, and energy sectors.
- [JusNova Agriculture Ltd](#) of Nova Scotia and [Shenzhen Weicky Biotech Co](#) announced the creation of a joint venture worth up to \$5 million to invest into

manufacturing infrastructure in Nova Scotia, new product research and development, as well as the marketing and sales of JusNova's wild blueberry and other related products in China and around the world.

- **Niutech Environment Technology Corporation** signed an MOU with the Municipality of Chatham-Kent to invest \$15 million to establish a Canadian manufacturing base, research and development centre, and demonstration projects to showcase the advanced features of the company's tire/plastic waste recycling system. This investment will also create 50 jobs.
- [Swan Hills SynFuels](#) of Alberta and **Haicheng Petroleum Machinery Manufacturing Co. Ltd.** announced the creation of a joint venture, valued at \$100 million, that will invest in Swan Hills' in-situ coal gasification (ISCG) demonstration facility in the Province of Alberta to restart it and fund its operations. This will allow Swan Hills Synfuels to familiarize Haicheng with this clean energy technology and develop it further toward commercial scale in Canada. In parallel, the technology will be applied to a resource-development project in Liaoning Province, China.
- [Whistler Water Inc.](#) of British Columbia signed an investment agreement with a group of China-based investors led by **Zhen Partners Fund IV, L.P.** The investment will help the company market and sell its premium-quality Canadian bottled spring water to China, and help promote/raise awareness of Canadian water more broadly.