
News Release

April 19, 1995

No. 72

ALBERTA AND THE FEDERAL GOVERNMENT SIGN AGREEMENT ON INTERNATIONAL BUSINESS DEVELOPMENT CO-OPERATION

International Trade Minister Roy MacLaren, Industry Minister John Manley and Alberta Premier and Minister for Economic Development and Tourism Ralph Klein signed today a memorandum of understanding (MOU) on international business development co-operation.

The agreement sets the course for closer co-operation between Ottawa and Alberta in services for Albertan exporters. It provides for greater collaboration in planning, information sharing, fairs and missions, education and training, representation abroad, investment promotion, and industry and technology development. It seeks to broaden the access of Alberta businesses to international markets, improve their export preparedness, strengthen their performance in foreign markets and ensure the effective promotion of Canada and Alberta for investment and business opportunities. It also establishes a process for business and government to work together on achieving their international business development objectives.

"As Canadians work toward more fiscally responsible government, services provided to our exporters by the federal and provincial governments need further co-ordination and rationalization. The agreement that we are signing today sets us squarely on this path. It commits us to work together to develop export readiness programs. It enhances our efforts to build a 'Trade Team Canada' approach to global markets," said Mr MacLaren.

"The 'Trade Team Canada' mission to China was a clear demonstration that our success in the global market grows when the federal and provincial governments join forces with the private sector," said Premier Klein. "This MOU gives Alberta businesses enhanced access to Canada's international offices and trade intelligence network, and it goes a long way to help us meet our export goals."



Government
of Canada

Gouvernement
du Canada

Alberta
ECONOMIC DEVELOPMENT
AND TOURISM

"Partnerships, whether in trade, technology, training or creating a better business climate, are increasingly important to Canada's success in the global economy," said Mr Manley. "The federal government is committed to building innovative partnerships to meet the challenges of fiscal restraint and promote the sharing of ideas that translate into new opportunities for job creation and growth."

- 30 -

A copy of the MOU is attached.

For further information, media representatives may contact:

Media Relations Office
Department of Foreign Affairs and International Trade
(613) 995-1874

Carla Campbell
Industry Canada
(403) 292-6070

Jim Dau
Office of Premier Ralph Klein
(403) 427-2251

MEMORANDUM OF UNDERSTANDING
ON
CANADA-ALBERTA COOPERATION
ON
INTERNATIONAL BUSINESS ACTIVITY

The Department of Foreign Affairs and International Trade (DFAIT);

Industry Canada (IC);

Alberta Economic Development and Tourism (AEDT); and

Alberta Agriculture, Food and Rural Development (AAFRD);

hereinafter referred to as the "Parties";

RECOGNIZING that:

- Alberta must rely on increased exports to generate wealth and create jobs. International investment and strategic alliances are also increasingly important to support economic growth, while technology ties with international partners help industry to remain competitive.
- While resource and commodity exports will continue to be important, Alberta must increase exports of value added goods and services in order to expand its economy. This requires a greater international orientation by both government and business. Improved international awareness, marketing skills and the application of new technologies are essential in order for Alberta to succeed in the global market. Significant efforts within and outside Alberta are needed to improve export performance, increase the number of exporters and expand and diversify markets.
- The business community is responsible for generating exports and investments. Government also has an important role in international export development through lowering trade barriers, securing an open trade environment, assisting companies to access international markets and assisting companies to remain competitive through acquisition and use of new technologies.
- The federal and provincial governments will continue to review their international business development programs and services, recognizing that technology and global awareness have changed the role that government plays in assisting business in the global marketplace, and that fiscal pressures are causing governments to streamline and coordinate programs and services.

ACKNOWLEDGING a need to develop and communicate effective strategies and initiatives for international business development, in consultation with the business community and focused on the needs of business;

HAVE REACHED THE FOLLOWING UNDERSTANDING

I. GOALS

1. The Parties have established the following Alberta goals for trade and investment by the year 2000:
 - a) exports of goods and services will reach a total of \$28 billion a year, from a 1994 level of \$21.5 billion;
 - b) the number of exporters will reach a total of 3500, from a 1994 level of 2500; and
 - c) private sector investment in non-energy projects from domestic and foreign sources will reach a total of \$14 billion a year, from a 1994 level of \$10 billion.
2. To achieve these goals, the Parties will work together, and in collaboration with the business community, to:
 - a) strengthen cooperation in the planning and delivery of international business development activities;
 - b) improve the linkages between business and government on trade, technology, and investment promotion activities;
 - c) ensure the timely and effective dissemination of trade, investment and technology information, intelligence and opportunities to the business community;
 - d) improve the export readiness of Alberta companies through education and training;
 - e) improve the competitiveness of Alberta companies through knowledge and diffusion of technology development, changing practices, and market information and intelligence; and,
 - f) reduce duplication through integration, streamlining and coordination of programs and resources.
 - g) support improved market access through reduction of international trade barriers and by assisting companies to resolve market access disputes and concerns.

II. PRINCIPLES

3. The Parties will be guided by the following principles in implementing this Memorandum of Understanding:
 - a) Government strategies, programs and services should focus on meeting the needs of the private sector.
 - b) Governments should provide coordinated service to clients, both in Canada and internationally. Service should be accessible to clients, coordinated in delivery, and communicated effectively.
 - c) Partnerships between governments and with the private sector should build on existing strengths and collaborative efforts.
 - d) Government resources and services for international business development should be focused on areas with greatest potential for improved export performance, job creation, and development of competitive, export-oriented industries.

III. SPECIFIC AREAS OF CONSULTATION AND COOPERATION

STRATEGIES AND PLANNING

4. The Parties will cooperate, in consultation with business, in the development of strategies and business plans for international business development, including the establishment of sector priorities and target markets, and the allocation of resources.

International Trade Business Plan

5. The Parties will use the International Trade Business Plan (ITBP) as the principal planning vehicle to coordinate international business development efforts through the following:
 - a) The federal government will provide for timely and full participation by Alberta in the development of the ITBP.
 - b) The ITBP will reflect, as fully as possible, Alberta priorities in international business development activities.
 - c) IC, in concert with other partners including AEDT and AAFRD, will provide strategies for industry sectors and DFAIT will provide the international framework within which such needs can be assessed and addressed.

- d) AEDT and AAFRD will support, participate in and provide timely input into the ITBP development and review process, including sectoral strategies and provincial priorities in international business development activities.
- e) The Parties will exchange sector strategies and initial listings of proposed activities related to the ITBP early in the planning process. Updated activity lists will be exchanged each quarter.
- f) Copies of the ITBP will be made available to the business community early in the first quarter of the year.

Alberta International Export Strategy

- 6. The Parties will coordinate the Alberta International Export Strategy (AIES) process with the ITBP. Strategies and activities will be shared in the development of the AIES, and will complement the ITBP.

Western Provinces Market Development Strategy

- 7. The Parties will participate in developing and supporting the Western Provinces Market Development Strategy, as part of the Western Canada Trade Officials (WCTO) Working Group. Efforts will be made to make the strategies and activities of the Western Strategy complementary to the ITBP and the AIES.

INFORMATION SHARING

- 8. Recognizing that information and market intelligence are essential to business development, the Parties will collaborate in collecting and disseminating business, market and sectoral information and intelligence on a timely basis.

Databases, information systems and directories

- 9. The Parties will share and exchange information on databases and information systems, such as the following, and assist in updating information including non-confidential company specific information, sectoral information, current international business capabilities and their trade, technology and investment activities and interests:
 - World Information Network (WIN), DFAIT;
 - FaxLink, DFAIT;
 - BOSS, IC;
 - International Business Information Service (IBIS), AEDT;
 - CORE company information system, AEDT.

Market intelligence and information

10. The Parties will work together to identify the information requirements of the business community for foreign markets intelligence, assessments and studies.
11. DFAIT will provide to the Parties, on a timely and consistent basis, market intelligence, trade show reports, business opportunities and sourcing requests from Canadian posts abroad.

Communications links

12. The Parties will establish internal work practices to encourage increased and timely communication and exchange of information between the various parts of their organizations.
13. The Parties will establish direct telecommunications between Canadian posts abroad and federal and Alberta offices, subject to technical and financial feasibility.

INTERNATIONAL TRADE DEVELOPMENT

14. The Parties recognize the need to encourage firms to expand and diversify their international business activities and on the need for governments and the private sector to develop effective business development and market penetration strategies.
15. The Parties recognize the benefits of a coordinated team approach essential to improve the delivery of trade development services and programs to business and therefore commit to:
 - a) strengthen existing collaborative arrangements between their respective organizations;
 - b) maximize the integration of federal and provincial planning, resources, and program delivery; and,
 - c) delineate respective roles and responsibilities in the design and delivery of international trade development programs and activities which best serve client needs and enhance export performance of Alberta firms.

Trade development programs and services

16. The Parties will:
 - a) cooperate in sharing information, including market and sector studies, and consult where possible on terms of reference and priorities for market research;

- b) share information on trade enquiries and look at developing better mechanisms for the handling of trade enquiries from Alberta companies, and handling enquiries received at trade shows and trade centers;
- c) coordinate the development and delivery of trade development programs such as New Exporters to Border States (NEBS), New Exporters to Mexico (NEWMEX), the Program for Export Market Development (PEMD) and the Cooperative Overseas Marketing Program (COMP);
- d) cooperate in the exchange of program results for PEMD and Alberta export assistance programs;
- e) examine the implications and feasibility of delivery of PEMD by Alberta; and,
- f) make efforts at home and abroad to assist Alberta companies to be better positioned to bid on projects funded by international financial institutions.

Missions and trade shows

17. The Parties will:

- a) cooperate in the planning for and participation in missions and trade shows, and incoming buyers and delegations, provided for in the ITBP;
- b) support jointly agreed-to Alberta-based events for trade and investment within existing resources, recognizing that hosting events within the province is a cost-effective way to develop trade and provides many spinoff benefits; and,
- c) develop criteria for the recruitment, qualification, and preparation of participants in export related events.

Education and training

18. Recognizing that Small and Medium Sized Enterprises are the largest group of clients and that education and training are the most effective means to increase the number of export-ready companies, the Parties will cooperate and streamline their activities in:

- a) developing, promoting and delivering export education and training programs in consultation with the private sector;
- b) supporting academic institutions and initiatives by other groups such as the Forum for International Trade Training (FITT);

- c) developing and encouraging joint staff training programs, including the use of staff secondments for training.

Delivery of programs and services

19. The Parties will examine options for improved domestic delivery and coordination of trade and investment promotion programs and services.
20. The Parties will seek to coordinate international activities to provide efficient, effective support to Alberta companies working abroad. Co-location of foreign offices will be explored, subject to available resources and where it will benefit both Canada and Alberta.
21. DFAIT will provide support, within existing resources, at Canadian posts abroad for companies participating in missions and shows sponsored by Alberta, and identified and agreed to in the ITBP and related post plans.
22. DFAIT, through its Canadian posts abroad will, where possible and appropriate, provide liaison services for communications, marketing and media relations activities of interest to Alberta and will display and distribute promotional materials. Posts will provide non-classified intelligence on political and economic activities relevant to the Parties on a regular basis. Posts will provide Alberta with mailing lists of relevant contacts in their respective territories or recommend mailing houses.
23. DFAIT will arrange for regular visits by staff from Canadian posts abroad to Alberta.
24. Opportunities for secondments of staff between the Parties will be examined.

INVESTMENT PROMOTION

25. The Parties will cooperate to maximize the effectiveness of international investment promotion and prospecting programs and to ensure that Alberta's investment strengths and opportunities are brought to the attention of potential investors. To achieve this, the Parties will:
 - a) coordinate planning to address strategies for international investment development and retention programs;
 - b) look for shared solutions and partnerships to strengthen investment promotion resources at selected Canadian missions abroad;

- c) develop procedures and criteria to share information related to potential foreign investments in Canada;
- d) support each other in soliciting, qualifying and responding to investment enquiries;
- e) jointly develop, fund and deliver cooperative programs for investment promotion, including activities such as investment prospecting kits and materials, and related studies and research;
- f) exchange information on investment trends and priorities, review planned activities and identify programs where participation will be required from Canadian posts abroad.

INDUSTRY AND TECHNOLOGY DEVELOPMENT

26. The Parties recognize that a competitive marketplace is a precondition to strong international performance and that linkages between international and domestic policy agendas are increasing. Encouraging innovation, upgrading skills, increasing technological capacity, developing linkages and networks, and building international capabilities are the key elements that drive economic renewal and create jobs. To achieve this, the Parties will cooperate in the following internationally oriented areas of industry and technology development:
- a) examine ways of developing collaborative activities and framework policies to strengthen industrial competitiveness, focusing on strengthening and working with industry associations;
 - b) exchange views on and examine ways to improve investment, technology and strategic alliance opportunities;
 - c) share results of technology assessments, consultations and research and development initiatives; and review proposed strategies and jointly plan their implementation to maximize the effective use of resources;
 - d) identify priorities with respect to research and development initiatives and possible areas of cooperation.
 - e) cooperate in promoting technology transfer initiatives.

IV. IMPLEMENTATION AND MONITORING

MANAGEMENT COMMITTEE

27. The Parties will establish a Management Committee to implement this Memorandum of Understanding, to undertake private sector consultation as appropriate, to review the operation of the MOU and to assess progress made in achieving its objectives. This committee will include representatives designated by the following:
- The Department of Foreign Affairs and International Trade (DFAIT);
 - Industry Canada (IC);
 - Agriculture and Agri-Food Canada (Ag. Cda);
 - Alberta Economic Development and Tourism (AEDT); and
 - Alberta Agriculture, Food and Rural Development (AAFRD);
28. Other officials and private sector groups with an interest in the implementation of the Memorandum of Understanding may be invited to participate from time to time as required.
29. The Management Committee will meet annually and additionally as required.
30. The Management Committee will develop an action plan for the implementation of this Memorandum of Understanding.
31. An overall progress report will be submitted to Ministers who are party to the agreement.

WORKING GROUPS

32. Working groups may be established by the Management Committee to develop and implement elements of the action plan. Initially the following working groups are planned:
- a) **Strategic Planning Working Group.** To coordinate planning for the ITBP, the AIES and other strategies.
 - b) **Information Systems and Market Intelligence Working Group.** To review databases and communications systems and look for ways to improve and integrate systems, and offer improved services to the private sector and to government. To review current market intelligence systems and develop an integrated system to include intelligence from federal and provincial sources.

- c) **Trade Development Working Group.** To coordinate the planning, development and delivery of programs and services related to export development, awareness and education for Alberta firms.
- d) **Investment Development Working Group.** To coordinate the planning, development and delivery of programs and services for investment attraction for Alberta.
- e) **Industry and Technology Working Group.** To coordinate the planning, development and delivery of industry and technology programs and services as they relate to international trade and investment.

V. OTHER PROVISIONS

- 33. This Memorandum of Understanding does not create any contractual or other legal obligation to perform between the Parties; nor will the Parties be subject to any legal liability resulting from non-performance of any provisions of this Memorandum of Understanding.
- 34. Amendments to this Memorandum of Understanding require the written consent of the Parties.
- 35. This Memorandum of Understanding may be terminated by any of the Parties upon three month advance notice in writing to the other Parties.
- 36. This Memorandum of Understanding will terminate on April 1, 2000, unless Parties agree to an extension.