Beyond the Build

A New Canadian Strategy for Latin America and the Caribbean

Latin America and the Caribbean are not a peripheral add-on to our trade map but are emerging growth poles in the global economy, with scale, human capital, and an accelerating digital and industrial transformation.

It is a region where Canada can make a difference—for itself and its regional partners.

Table of Contents

Foreword

"Beyond the Build" is intended to be a tool for policy makers. It is designed to help Canada see, and seize, a moment of shared opportunity with Latin America and the Caribbean. It does not attempt an exhaustive history of Canada's presence in the region or opportunities for engagement. Instead, it offers a targeted, strategic view of how we can move decisively now to advance mutual interests.

Canada is building at home, in housing, infrastructure, natural resources, and skills. To translate that domestic momentum into durable prosperity and security, we need to reinforce our relationships with our hemispheric partners.

This is less an argument for "why Latin America" than a strategic guide for how to better engage. The "why" is clear: Canadian strength in energy and mining, advanced manufacturing, finance, and services aligns with the economic priorities of LAC countries. We have shared interest in issues of security and migration. At a time when these things matter more than ever, our credibility as a reliable, rules-based partner carries weight.

Timing matters. Global supply chains are being reshaped, allies are de-risking, and competition for market access is intensifying. Other countries are moving quickly in the region already. Canada has advantages and is admired by many countries in the region but has fallen short in the past on a sustained commitment there. Moving beyond the domestic build means pairing domestic investments with selective ambition abroad, linking what we construct here to practical partnerships there. It means a commitment for sustained engagement in a new way.

What follows is a blueprint for that ambition, focused on executable ideas rather than general engagement. It maps where Canadian capacity and regional demand meet, from minerals and infrastructure to migration, security, and cyber, and shows how to convert that alignment into projects, standards, and relationships that deliver benefits on both sides.

The aim is simple: to help decision-makers act with pace and precision in a region where Canada can make a larger contribution and gain in return.

Kenneth N. Frankel
President
Canadian Council for the Americas

Marta C. Blackwell
Vice President
Canadian Council for the Americas

November 18, 2025

Introduction

Canada is building.

With a wave of nation-building projects already under way—from energy infrastructure to critical-minerals development, workforce training, and industrial capacity—Canada is reshaping its economic foundation. These domestic investments are urgent and necessary, and there will be many more. But they are not enough. Canada has to do more than focus on building its domestic capacity and strength.

Canada must also go beyond the build.

> ***With an ambitious plan to diversify our trade away from our primary market, the United States, Canada will look to new partners. Right in our hemisphere, the countries of Latin America and the Caribbean (LAC) represent enormous untapped potential.***
>
> ***The good news is that Canada has laid the groundwork there. We have partnerships and long-standing relationships across the region. The time is right to seize the opportunity to build on that foundation.***

The largest countries of LAC—even without Mexico, with which Canada has a deep and important existing trade relationship—combine to rival the size of the U.S. market. Brazil, Argentina, Colombia, Chile, and Peru have a total population above 360 million, with some 160 million representing their growing middle classes. Their economies differ in size and makeup but are a combined market of almost $4 trillion and, in Brazil and Argentina, include two members of the G20 (see graphic).

While Canada trades with many LAC countries already, the opportunity to grow is sizeable.

Canada has eight existing free-trade agreements in the region (and is actively working on a 9th with Mercosur), 17 percent of our outward FDI flows there, and we are members of key hemispheric trade and security frameworks. Despite this foundation, two-way trade remains underwhelming. Trade agreements are necessary frameworks, but Canada—and Canadian businesses—have not yet seized the opportunities they create.

"Beyond the Build" is a blueprint of new strategies for Canadian engagement with Latin America and the Caribbean.

Canada's economic integration with the United States has been the core of our prosperity model. That relationship remains vital, but it is also clear that it is no longer sufficient or reliable to ensure Canada's economic security. As global supply chains shift, alliances fragment, and competition for markets intensifies, Canada's path to continued prosperity lies in strengthening relationships and partnerships where we already have established connectivity and natural advantages but have not developed their potential.

Canada is already implementing strategies and attempting to diversify its trade with the Indo-Pacific and Europe. We are advancing a deepening of our trade relationship with Mexico already. But that is not the case across Latin America, where Canada has a long history, a significant footprint, and clear complementarities—but to which we have devoted far too little attention.

Why Latin America?

- **Because the region is moving from peripheral player to emerging growth pole**. Demographic dynamism, rapid urbanization, and accelerating digital transformation are converging with decisive resource endowments and a push into higher-value manufacturing. Many LAC governments are actively seeking diversified, rules-based partners to help de-risk supply chains and build transparent, low-emissions value chains. Canada can be that partner.

- **Because the asymmetry in our engagement is a missed opportunity**. Canada holds deep credibility and significant FDI stock in LAC, yet exports lag far behind. Chile is emblematic, with more than $24 billion in Canadian investment in Chile but under $1 billion in exports—despite well-established links between FDI and export activity. That gap signals untapped complementarities. Canada brings technology, governance reliability, clean-energy expertise, and patient capital, while Latin America brings scale, market depth, and resource endowments. Connecting those strengths is how we build diversification that actually shows up in the trade data.

- **Because timing matters**. A geopolitical realignment driven by U.S.–China competition, supply-chain shocks, and a global race for secure midstream capacity has opened a rare window. LAC countries are themselves diversifying. Competitors, from China and Russia to the EU and the U.S., are already active. Canada's reputation is already strong in natural resources, but our broader strengths in clean energy, advanced manufacturing, digital infrastructure, and services are underrecognized. Repositioning Canada now, and moving from investor to systems partner, will determine whether we lead or are outpaced in the decades to come.

Canada can be the partner that helps the region build resilient, rules-based, lower-carbon supply chains—because that is precisely what we are building at home. Our trade-diversification goals, our need to mitigate shocks and de-risk global supply chains, and our investment in critical minerals, clean power, and advanced manufacturing align with LAC priorities. Canada's support of democratic governance and social inclusion resonates with our LAC neighbours. Going beyond the build is how we connect these agendas.

The foundation has been laid—now we must build on it with new strategies.

From Domestic Momentum to Hemispheric Lift

This paper outlines specific, strategic initiatives that reinforce and amplify Canada's domestic transformation by embedding it in a broader hemispheric vision. These include the following:

- **Post-FTA engagement strategies** tailored to high-impact markets and designed to achieve scale for Canadian business.

- **A consortium approach** to infrastructure and services—Canadian led and partnered design-build-maintain teams that crowd in capital through bankable feasibility and lock in long-term partnerships.

- **A Canada–LAC strategic minerals partnership** to develop a hemispheric approach to critical-minerals value chains from verified extraction to co-financed processing and data-rich logistics.

- **Labour-migration pathways** that connect LAC talent to Canadian regional needs in housing, infrastructure, and health care, including skills-matched, region-to-region flows.

- **Renewed Canadian leadership in security** with hardened ports, opposition to organized crime, trusted trade corridors, and cyber cooperation—to protect the commerce we aim to grow.

Canada and LAC also share concerns about critical global challenges including climate change and biodiversity loss, democratic resilience, human rights, and the rights and roles of Indigenous peoples.

These issues are not the focus of this paper, which is to present executable policy recommendations, but they are of shared importance and are subject to broader conversations and consultations of which Canada should be a part. They—and the outcomes of those conversations—are the necessary foundation of any economic or political engagement. They also represent an important part of our collaboration and relationship building in Latin America. Canada's role in those multilateral conversations is a competitive advantage as it builds on a long-standing positive reputation in the region.

This is not a call for generalized engagement.

> ***"Beyond the Build" is a proposal for selective, strategic action that reinforces Canada's domestic transformation by embedding it in a hemispheric vision. It recognizes that domestic resilience and international reach are not separate objectives—they are linked and mutually reinforcing. And moving beyond the build is how we make that link real.***

"Beyond the Build" focuses squarely on the opportunity to shape Canada's role in the Americas for the next generation.

The opportunity is real, but so is the risk of being left behind. Canada has the tools and the partners. What is needed now is the ambition, the commitment, and the execution.

Canada is building. This paper is a blueprint for how to move beyond the build.

THE LARGEST COUNTRIES OF LAC: SIZE & POWER

#	Economy	GDP 2024 (current US$)	Population 2024	Real GDP Growth 2024	Middle Class (share→ ~people)
1	Brazil	$2.18T	211.999M	3.4%	45.7% → ~96.9M
2	Mexico	$1.85T	130.861M	1.45%	39.6% → ~51.8M
3	Argentina	$0.63T	45.696M	–1.72%	57.0% → ~26.0M*
4	Colombia	$0.42T	52.886M	1.7%	34.0% → ~18.0M
5	Chile	$0.33T	19.765M	2.64%	65.4% → ~12.9M
6	Peru	$0.29T	34.218M	3.3%	27.1% → ~9.3M

**Argentina's middle-class share refers to urban population in the cited series.*

How to read this table:
- Rank is by 2024 nominal GDP to reflect overall economic size.
- Growth is real, year over year for 2024 (the latest full year across sources).
- Middle class uses a common LAC definition (roughly US$14–$85/day, 2017 PPP); Each country's share and an approximate head count are shown using 2024 population.

Sources (latest available):

- GDP (current US$), 2024: World Bank WDI, often via TradingEconomics for the exact 2024 value display (Brazil $2.179T; Mexico $1.8527T; Colombia $418.54B; Chile $330.27B; Peru $289.22B; Argentina $633.27B). (**Trading Economics**)

- Population, 2024: World Bank/FRED (Brazil 211,998,573; Mexico 130,861,007; Argentina 45,696,159; Colombia 52,886,363; Chile 19,764,771; Peru 34,217,848). (**World Bank Data**)

- Real GDP growth, 2024: World Bank country pages and TheGlobalEconomy (WB-based): Brazil 3.4% (WB "Brazil | Data" page); Mexico 1.45%; Argentina –1.72%; Colombia 1.7%; Chile 2.64%; Peru 3.3%. (**World Bank Data**)

- Middle-class share (latest, mostly 2023): World Bank LAC Equity Lab "Social Class Update" table (Brazil 45.7%; Mexico 39.6% [proj.]; Argentina 57.0% [urban]; Colombia 34.0%; Chile 65.4%; Peru 27.1%).

Beyond the Build: Eight Principal Policy Recommendations

1. Post-FTA Market Activation
Canada has to move from signing agreements to using them. Build country playbooks (Peru, Brazil to start), place sector specialists in-market, and deploy Korean-style micro-incentives that swap Canadian content into priority supply chains—tracked by annual utilization scorecards. A full digital compliance stack (HS classifier, rules-of-origin engine, filings, and a sanctions/forced-labour overlay) makes "use the FTA" the exporter default.

2. Canadian Consortia for Infrastructure & Services
Organize Canadian-led design-build-maintain teams—an engineering prime with a capable local partner—de-risked by bankable feasibility work that crowds in capital. Lock in long-term operations and maintenance so Canadian SMEs earn repeat revenue and a reputation for excellence. Then replicate the model in services—e-government, public platforms, cybersecurity—where Canada can pair standards with delivery.

3. CLAMP: A Canada–Latin America Minerals Partnership
Stand up a permanent, standards-bearing framework that links Latin feedstock to Canadian (and North American) midstream and manufacturing. Co-finance near-mine processing, build traceable smart corridors, and publish machine-readable ESG so lenders and buyers can see performance in real time. Pilot in Chile and Argentina, then scale to Peru, Brazil, Mexico, Ecuador, Panama, and Colombia.

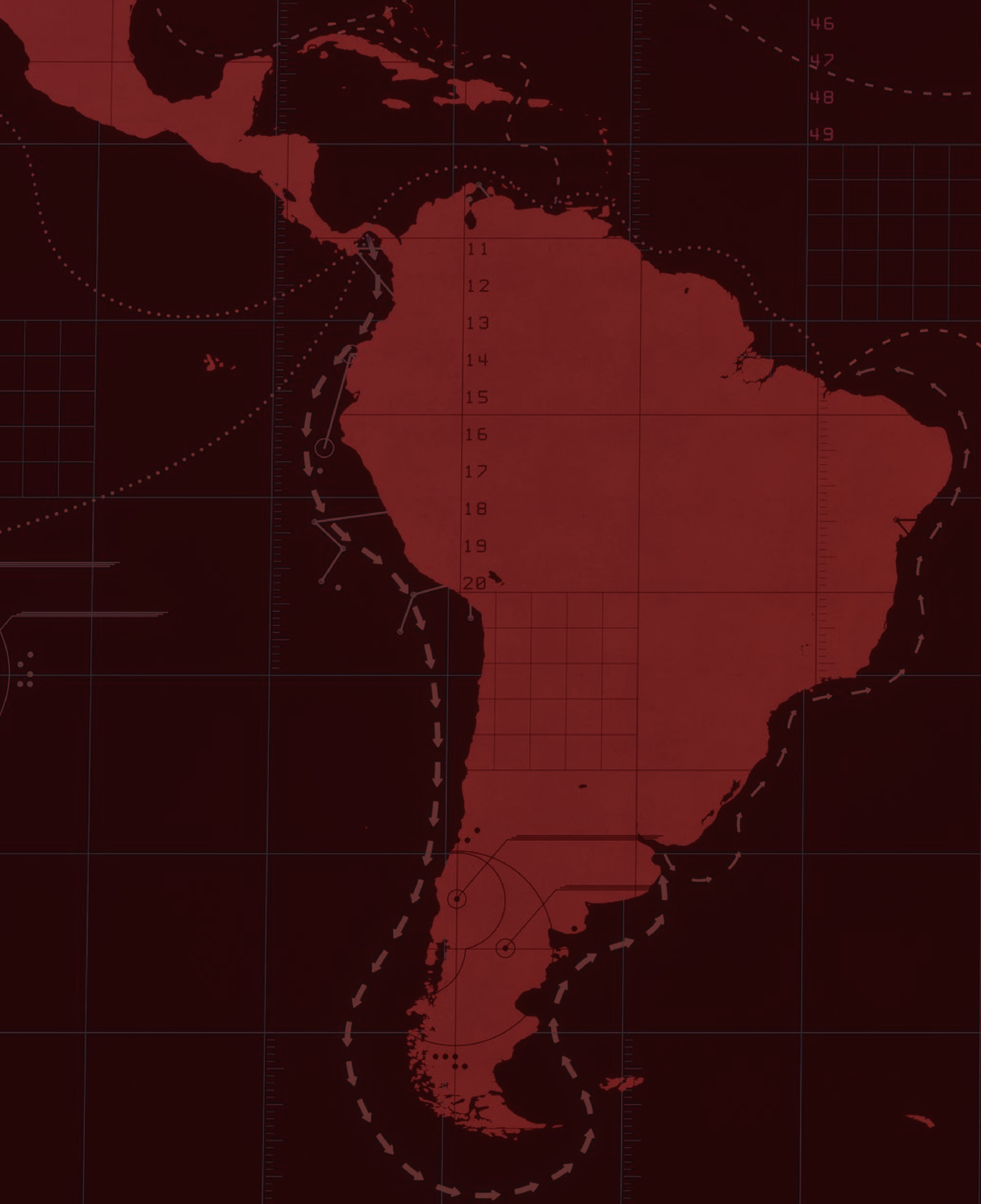
4. A Diversification Tax Credit
Reward what we say we want: verifiable exports to non-U.S. markets, with a top-up when firms use non-CUSMA FTAs. Run it for five years, concentrate eligibility first in Latin America, and require Canadian-content thresholds and clean compliance screens. Turn diversification from aspiration into behaviour.

5. Supply-Chain Analytics & Brand Building
Map the bills of materials, specs, and decision points with a national, AI-backed platform that targets micro-incentives and procurement where they matter. Launch a brand-building effort to coach firms on brand, market entry, and visibility so more Canadian consumer and industrial names win—and hold—share in major Latin cities. Intangibles become an export, not an afterthought.

6. Nation-builder Migration Pathways
Design bilateral, skills-matched flows from LAC that fill shortages in housing, infrastructure, and health care—aligned with Red Seal standards and real provincial needs. Pair them with region-to-region permanent-residence programs for rural Canada and Global Skills Partnerships that train talent at source while meeting Canada's demand. Migration becomes industrial strategy, not just intake.

7. Hardened Ports & Trusted Trade Corridors
Reestablish dedicated port policing, expand scanning and risk-targeting, and require origin-verification and due-diligence standards on high-risk cargo so transnational crime is priced out of Canadian logistics. Back Canadian firms abroad when they face extortion or coercion. The outcome is a hard-target Canada and trade lanes its partners can trust.

8. The Canadian Cyber Corps
Create a public–private corps that exports Canadian cyber capability at scale: government-to-government MOUs, national "common perimeters," and threat-exchange hubs that link business and the state. Deliver hands-on incident response, sector drills, and workforce training and certification, with a ramp that moves from concessional support to paid service. Safer partners make better customers—and Canadian cyber becomes a signature export.


46
47
48
49
11
12
13
14
15
16
17
18
19
20

Beyond the Build: A Hemispheric Trade Strategy

Trade diversification, long a discussion point in Ottawa, is now a fundamental imperative. The United States will remain our indispensable partner, yet its willingness to weaponize interdependence has raised the cost of complacency. Diversifying does not mean turning away from the United States. Geography and deeply integrated supply chains ensure that the U.S. share of our exports will remain large. It does mean building new channels at scale so that a meaningful share of the exports that once went almost exclusively south are channeled elsewhere, in the aggregate, and on our terms.

There is no prescribed manual for doing this.

Diversification requires that Canada do something it has never done before: act like a supply-chain hub in its own right. That will mean learning from successful trading nations outside the Anglosphere, innovating in policy, finance, production, and organization, and rewriting how government and business work together. It will mean building the tools, incentives, and market intelligence that let Canadian firms enter unfamiliar markets and scale there. And it will mean going beyond the build, treating our domestic reconstruction not as an end state but as the platform for hemispheric reach.

Latin America is the place to prove it.

Why Latin America, Why Now?

After Canada locked in free trade with Mexico under NAFTA in 1994, we looked farther south for the next horizon. Engagement with Latin America rose—unevenly but in the right direction—over the following two decades. Today, roughly one-third of Canada's in-force FTAs are with Latin American partners. Yet the trade flowing through those channels remains modest, especially beyond Mexico.

We laid the foundation, but we did not build on it.

That gap has fed disappointment in Ottawa, and attention has drifted toward the Indo-Pacific. A common explanation is structural: many Latin American export profiles look a lot like ours—food, fuels, and raw materials—so the fit can appear limited. On paper, a typical trade complementarity index reinforces that view, suggesting that Asia offers a better match for Canada's current export basket than Latin America does.

> ***But indices capture what exists, not what is possible. If we treat FTAs as finished products rather than platforms to be activated, we will keep getting thin results.***
>
> ***Going beyond the build means using those agreements as scaffolding for value-added plays, supply-chain partnerships, and market-making strategies that complement, rather than mirror, what the region already sells.***

Trade agreements are necessary and important preconditions, not guarantees. In essence, the scaffolding is there, but the opportunities remain to be seized.

Five features make Latin America a natural test bed for a Beyond the Build strategy.

1. **Proximity and time zones**. Shipping is faster than to Asia. Services can be delivered in real time. For many sectors—digital, professional, engineering, education—being in roughly the same time zone matters.

2. **Demographics and urbanization**. The region's median age hovers just over thirty. More than 80 percent of Latin Americans live in cities, and urban populations are projected to add roughly 115 million people between 2025 and 2050. With per capita incomes in the ten largest metropolitan regions averaging over $24,000 per year (on a PPP basis) against a population of over 130 million, there is demand for energy, education, digital services, and premium consumer goods. Brand building can stick.

3. **Infrastructure demand**. According to the Inter-American Development Bank, Latin America has a gap of at least US$150 billion per year in infrastructure investments. Meeting this demand offers enormous opportunities for Canadian engineering and construction firms and their partners in the region.

4. **Competitive space**. Markets are contested but not saturated as they are in parts of Asia or the EU. The United States and China both loom large, yet neither occupies the field end to end. There is room for credible, standards-driven Canada.

5. **A platform for complex partnerships**. As Ottawa reengages with India and manages a hard-edged China, Latin America offers neutral ground for executing carefully framed projects that serve host priorities and let Canada collaborate while protecting domestic red lines.

When Canada is developing its own export market strategies, it should examine the models of other successful trading nations for inspiration and ideas. For example, Europe and South Korea built long-term post-FTA systems: digital tools that translate rules into company-level steps, proactive matchmaking, targeted subsidies, and supply-side assistance that helps firms enter and scale. They treated "use of the FTA" as a managed outcome, not a hope. Canada did not.

In addition, a crucial habit for export success that world-leading traders apply is constancy. Japan offers a good example. Whether the economy in a target market is growing or contracting, the Japanese remain in country with a view to building long-term commercial advantages. Canada's market presence in Latin America has too often rolled with the tide, in during good times and out in bad times. This gets noticed by governments and businesses that prefer long-term relationships.

> ***When it comes to Canadian trade, Latin America is neither unsuitable nor unapproachable.***
>
> ***But Canada needs a different playbook, one that aligns domestic capacity with external ambition and turns agreements into demand, orders, and repeat business.***

A New Playbook, Beyond the Build

From the Prime Minister's Office to factory floors, the call for diversification is clear. Achieving it will require both institutional reform and a set of practical, high-leverage strategies that help Canadian companies win and stay. Ten strategies follow. Together, they translate Beyond the Build logic into trade outcomes.

The first three borrow from successful strategies of Japan and South Korea, two world-class trading nations that have succeeded not on natural geographic or cost advantages but on intentional use of public and private resources that have created global companies with internationally recognized brands.

1. Finance Facilities in Latin America Tied to Long-Term Canadian Offtake

Japan has long paired overseas industrial investment with sustained demand for its products and services. A Canadianized version can unlock exports of commodities and the equipment and services that travel with them. Currently Canadian commodities compete with countries like the U.S. and Australia, and they do so largely on price alone. A better model is not to have to compete.

Consider canola, for example. Colombia consumes canola oil, produces virtually no canola seed, and has few crushing plants. Canadian supply is therefore welcome for meeting this demand. With a growing middle class, Colombia uses significant amounts of canola oil, creating a natural end-market. Canada could organize financing for a modern Colombian crushing facility—commercially viable, co-designed with a local partner, and built to Canadian standards. Export Development Canada (EDC) could provide guarantees or risk insurance, concessional design funding could de-risk early work, and an experienced Canadian EPC firm would prime the build. The keystone would be a twenty- to twenty-five-year offtake contract for Canadian seed, with long-term maintenance and tech upgrades delivered by Canadian suppliers.

This facility would then be operated by an entity specializing in crushing plants and refineries, whether Canadian or local. Colombia has a number of top-tier food producers that would be excellent partners in this venture. All the obligations, from off-take agreements to Canadian maintenance contracts, would be outlined in contractual documents that would be in place at the time the facility opens. All roles and responsibilities, including monitoring of and compliance with these obligations, as well as the governance structure of the arrangements, would be clearly defined.

Governments would scaffold the arrangement with a bilateral instrument that locks in roles and reporting. The model scales beyond agri-food to energy and mining, wherever a processing step can anchor demand for Canadian inputs and service exports.

Financing Facilities in Latin America for Processing Canadian Commodities

Canadian Government organizes / catalyzes private financing to build a refinery / processing facility. It works with investors to identify a prime construction contractor and a long-term operator.

Key project conditions include use of key Canadian materials / technologies during construction and long-term purchase commitments for key inputs from Canada.

Project is governed by framework agreement between Canada and the host country

Refined products are sold into national / regional markets

Canada works with investors to organize financing for construction of a canola crushing plant in Colombia. There will be a contractual condition that its operators buy all canola seed inputs from Canada for its first 25 years of production. The canola oil that comes out of the facility will be sold in local / regional markets.

2. Finance Infrastructure Built by Canadian Consortia, Maintained by Canadian Firms

Building infrastructure is a lengthy, complex, and expensive process. There are different models that countries use that have yielded varying degrees of success. In the case of firms from the United Kingdom and Scandinavia, they tend to partner with local firms to respond to requests for proposal in the infrastructure space. The local partners provide knowledge and relationships.

In the case of Japan, its government and companies tend to be more proactive in identifying and shaping infrastructure opportunities. The Japanese government also offers financing to aid projects in moving forward. Over the course of decades, Japan has mastered the art of succeeding commercially in emerging markets. It tends to deliver the resulting infrastructure projects through consortia of its large and small firms.

Canada will need to take lessons from Japan on how to patiently build up knowledge and capacity in emerging markets, especially around infrastructure. Japan's infrastructure model shows how a country can build its global reputation, project by project. Canada should commit to where in Latin America it wants to be over the medium and long term. It can then experiment with the development of consortia of large and small Canadian and local firms in the delivery of projects.

As noted, a key part of the Japanese success is a willingness to invest money to facilitate the advancement of prospective infrastructure projects. The Canadian federal government and private financing groups could similarly collaborate to help fund bankable feasibility studies and then help to crowd in capital for construction of the infrastructure asset. Canada could play an important role in supporting projects at key stages and advocating for their advancement. In execution, projects would be co-designed by a Canadian engineering prime and a leading local partner, built and integrated by a Canadian-led team, and maintained under long-term agreements.

> ***A key criterion would be that the Canadian prime identify and work with specialized small and midsize Canadian businesses capable of making meaningful contributions to the project, whether in inputs or expertise, to the execution of the infrastructure project.***

It is quite likely that many of these firms have never exported before, at least outside of North America. Many make products that are inputs to larger Canadian supply chains. By giving them pre-structured opportunities to be part of a Canadian consortium delivering a project abroad, their ability to join the export economy is greatly facilitated. One important way this is done is by dramatically reducing their risk exposure associated with exporting. For example, many firms doing business abroad can have a hard time getting paid. This is unlikely to happen when Canada has organized and manages the financing.

This is not charity. It is market-making. It reduces risk for Canadian SMEs which have never exported beyond North America and lets them slot into a managed project with secured payment flows.

Infrastructure projects have significant multiplier effects. Japan builds subway lines, airports, and roads, bridges, and tunnels throughout the world but especially in Asia. Many of these projects apply user fees when they are in operation, which ensures a long-term source of revenue. These projects help to keep Japan's steel, engineering, construction materials, and technology sectors world class. Almost universally, Japanese-built projects are regarded in the countries where they are executed as synonymous with excellence. Canadians should aim to acquire the same reputation over time.

The financing and agreement structures would be similar to model 1. Rather than following the Japanese model of using aid to finance the whole project, Canada provides concessional, non-reimbursable funds for the design work, including a bankable feasibility study. Once this up-front work is complete, it will be much easier to mobilize capital to build and operate the whole project.

While this model is envisioned in the realm of physical infrastructure, the same approach to organizing the Canadian private sector around common projects could also be applied in parts of the services economy. Imagine, for example, a coherent offering around building cybersecurity in the financial services sector. Such an approach could include not only the Canadian private sector but also its research and academic institutions.

Consortium-Led Infrastructure Builds

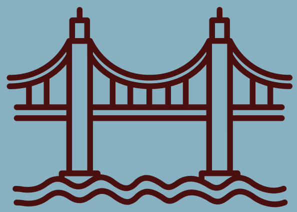
Canadian Government co-finances or facilitates the raising of private capital for an infrastructure project

→

CANADIAN ORGANIZED CONSORTIUM

- **Large prime**
- **Partner (large) firms**
- **Specialized mid– and small–size firms**
- **Local firms offering agreed inputs content levels**

→



Post-Construction, many firms get long-term maintenance contracts

Example: Canada finances the construction of a bridge project in Argentina. The Government of Canada and Canadian private sector institutions choose the Prime through a competitive process. They work with the prime to vet and select Partner and Specialized firms. They facilitate identification of qualified local firms. Inputs ranging from steel and concrete to suspension cables to electronic control systems would come from Canadian sources. The bridge would charge tolls to cover pay-back of initial financing and maintenance.

3. Pursue Targeted Supply-Chain Support and Micro-Incentives

Many trade diversification strategies focus on bold macro-level actions. Nevertheless, much success can be achieved through targeted micro-level actions.

South Korea is among the better examples of how to deploy these strategies. Its trade success rests partly on granular, persistent efforts to “Koreanize” priority supply chains. In fact, the South Korean government is said to maintain a list of over one hundred product supply chains deemed essential to national security and resilience.

Broadly speaking, the South Korean government’s goals are to replace foreign content in imports with domestic content and grow the share of Korean content in supply chains abroad. This can be advanced using targeted subsidies, tax credits, and other tools. The scale of these interventions tends not to be very broad or expensive.

To succeed in this targeted trade strategy, South Korea’s government has built deeply granular data systems capable of meeting the task at hand. It describes most aspects of its economy and industrial structure at a level that enables targeted policy interventions. The government knows all relevant details, especially about its one-hundred-plus priority supply chains: who makes what inputs, the performance characteristics of the inputs, the standards required by the end customer, and so on. When the government puts those pieces together, it achieves very powerful outcomes.

For example, officials know the bills of materials, the performance specs, the procurement standards, and the decision points for key products. Then they offer micro-incentives—low cost, but meaningful—to swap in Korean content and lock it in.

Canada should adapt this logic for export diversification. Start by identifying preferred Latin partners, including Brazil, Mexico, and Argentina. To this end, it needs to build relationships with the “multi-Latinas,” the major Latin American–headquartered multinational corporations. With regard to execution, Canada should perhaps begin in a smaller country where it has traction, such as Peru. If the model of deep and diverse ties demonstrates success, Canada can expand the approach to other countries in Latin America.

The use of micro-incentives should also be employed to increase Canada's share in supply chains involving Latin America. A necessary first step is identifying which supply chains are important and how best to deepen Canadian participation in them.

Canada already does this really well in certain sectors. For example, the automotive team at the Department of Innovation, Science, and Economic Development (ISED) is world class. It has been instrumental in ensuring not only the survival but the growth of the sector in Canada over the past few decades. The build-out of a data analytics platform would map key Canadian supply chains and take these efforts even further.

> ***Build the analytics: map the supply chains that matter, the Canadian firms that could plug in, and the incentives that would tip decisions. Then pilot micro-incentives that reward firms, foreign and Canadian, for shifting a component, a subassembly, or a service to Canadian suppliers and keeping it there.***

Success will require a data platform that knows our economy with the same granularity that ISED's auto team knows that sector. The goal is not import substitution. It is exporting more Canadian content, piece by piece.

4. Create a Tax Credit for Firms that Actually Diversify

Governments subsidize what they want more of. If Canada wants more exports beyond the United States, reward firms that deliver them. A diversification tax credit would scale with the value of verifiable exports to eligible non-U.S. markets, with a higher rate for sales that use non-CUSMA FTAs.

To qualify, shipments would need to meet a Canadian-content threshold, have made bona fide sales to unrelated buyers, and clear compliance screens. Run the program for a five-year window, adjust as evidence accumulates, and concentrate eligibility initially in Latin America to simplify evaluation and avoid noise from other programs.

As a way of getting started, Canada should select a list of eligible countries. At least half of these should be in Latin America and the Caribbean. There is currently much emphasis on Ottawa pushing companies toward the Indo-Pacific and almost none toward the Western Hemisphere. It would undoubtedly be easier to isolate and assess the impact of the tax credit in a jurisdiction without a lot of other supports.

One way to encourage Canadian firms to use free-trade agreements is to provide an additional tax credit top-up to firms that use non-CUSMA free-trade agreements, starting in Latin America.

Ottawa may also wish to consider providing a tax credit to offset some market development costs. It is very expensive for firms to enter new markets. One design consideration could be that firms only become eligible for the credit if they have already invested a certain dollar amount in market development. This would mean that the government is more likely to support market development processes that are "going somewhere."

5. Build the Digital Tools that Make Exporting Easy

If an FTA is not used, it is not useful. Many Canadian firms do not understand trade agreements or how to use them. To close this knowledge gap, they need world-class digital tools to take on as much of the technical work as possible and drive them to decision points.

South Korea is among the best globally in offering its exporters robust trade tools. For example, its FTA-Pass system turns rules of origin from a mystery into a workflow.

At present, Canada has a Tariff Finder and Harmonized System (HS) classifier. Both are excellent, but they are only pieces of a comprehensive digital trade compliance toolkit like the one South Korea pioneered.

A Canadianized platform should include the following:

- Harmonized System classifier
- Tariff Finder
- Rules of origin determination tool
- Customs valuation tool
- FTA explanatory tool—providing an overview of provisions in the agreements
- Compliance overlay—rules on provisions such as forced labour, sanctions, etc.
- Link to customs rulings database

The functionalities of the systems would include the following:

- Ability to complete and file all customs documents in Canada and the FTA partner country
- Detailed templates for origin declarations and certificates of origin in Canada and export markets

Useful trade tools turn use into default behaviour.

6. Build Brands and Demand: Nurturing High-Performance Exporters

Canada's export mix leans heavily on intermediate inputs. That builds wealth, but without premium brands, the upside is capped. Intangibles drive corporate value. Canada needs more of them.

Canada cannot remedy its relative lack of powerful international brands overnight. To operationalize this vision, Canada should work with federal, provincial, and private accelerators to identify high-potential firms. These firms and their products would be given more export intelligence, market access, introductions, and visibility through customized participation in events. To this end, the governments could engage brand experts in relevant fields, perhaps co-financed by the program participants, to work with these companies and afford them maximum chances of success.One successful model deployed by Australia in Vietnam was a branded month of events and programs in the five largest metropolitan regions in the country. Dubbed "Taste of Australia," the Australian government organized events featuring Australian food, wine, fashion, consumer products, technology, and educational services. The goal, which has been achieved, has been to make the rising middle classes in Vietnam feel that Australia is synonymous with excellence. This, in turn, has driven exports of branded products. There is no reason such an approach would not work for Canada in Latin America.

The government would review, on an annual basis, the progress of identified firms toward internationalizing brand excellence. Those firms making good progress would receive more resources. Those not making sufficient progress would be dropped from the program. New firms would be added to the program as appropriate. Canada should treat brand building like high-performance sport: winners get more support as they prove they can win.

The point is not to pick winners ex ante. It is to make bets, help the best of these firms run faster, and demand results. The companies exist—from advanced food, furniture, and niche consumer goods to measurement tech and design-led industrial products. As Latin American middle classes expand and seek premium, ethical goods, Canadian brands that link design, sustainability, and place can win.

The raw material is here. We need to scale it.

7. Play to Strengths in Energy and Resources

Canada is a global energy exporter. With TransMountain and LNG Canada online and growing agreements around energy trading with Europe and Asia, our ability to serve non-U.S. customers is rising fast. The opportunity in Latin America is real. In 2024, oil and gas made up roughly one-fifth of Chile's imports, much of it shipped from the Gulf of Mexico through the Panama Canal. With the right West Coast logistics and customer strategies, Canada can compete for that barrel and for demand in Peru and Central America. Natural gas infrastructure is expanding in Brazil and Argentina. Canadian expertise in pipelines, storage, and low-leak, high-integrity systems travels well.

On critical minerals, Latin America is among the most open regions for mining. Canada should co-invest alongside Canadian firms—especially well-run juniors that face premium-bidding Chinese buyers—to secure project rights.

- Tie financing to "buy Canadian" and "buy local" where feasible: Canadian equipment, standards, and services in construction and operations.
- In countries such as Chile, Peru, and Argentina (and now potentially Bolivia due to a political shift away from resource nationalism), which are rich in lithium, copper, and solar energy potential, Canada could play a catalytic role by co-financing modular mining-industrial parks that integrate Canadian machinery, environmental safeguards, and inclusive development components. These parks could be strategically located in high-value regions like Arequipa (Peru) or the Atacama Desert (Chile), where copper mining activity is expanding and infrastructure already exists.
- For instance, a lithium refining facility in northern Argentina could be powered by Canadian-designed solar systems, utilize advanced Canadian water-treatment technologies, and operate with equipment certified to Canadian industrial standards. The active involvement of Export Development Canada and Natural Resources Canada would not only provide financing and technical guidance but also strengthen the institutional governance of such projects—reducing the risk of expropriation, regulatory setbacks, or project delays.

These are not only exports. They are reputational assets.

More on how to build and expand Canada's role in hemispheric critical mineral supply chains follows in detail below in A Hemispheric Critical Resources Strategy.

8. Vehicles, Machinery, and Equipment: Connect Capacity to Projects

Latin America needs more than $150 billion a year in transport, logistics, energy, and construction to achieve its economic growth objectives. Canada exported over C$110 billion in industrial machinery and transport equipment in 2023, and more than 85 percent went to the United States. This gap is an opportunity.

Large-scale urban mobility projects in cities like Bogotá, Lima, and São Paulo require electric buses, smart vehicle control systems, and machinery for tunnels and viaducts. Likewise, mining and clean-energy projects in the region demand mobile cranes, lifting platforms, drilling machinery, and specialized logistics solutions. All these products fall within Canada's industrial capabilities.

To channel these export offerings effectively, we propose a strategy based on four pillars:

- **Structured sectoral linkages**. Embed Canadian machinery and equipment within comprehensive export packages tied to infrastructure projects—selling not just "machines" but complete solutions for construction, mobility, or production systems to large multi-Latina engineering firms that dominate the region's infrastructure projects.
- **Adapted financial instruments.** Strengthen the capacity of Export Development Canada

to offer credit lines, guarantees, and equipment leasing for public or public–private infrastructure projects in Latin America, including natural gas pipelines and mining smelting projects, which for over a decade have been ignored due to inflexible ESG guidelines that excluded even well-designed, environmentally safe projects.

- **Field presence and sectoral branding.** Establish sector-specific commercial attachés (e.g., for transport, mining, construction) in key embassies and develop a trust-building industrial label—such as "Canadian Engineered Infrastructure Solutions"—to signal quality, sustainability, and technical support. If customers in Latin America want their employees and partners trained on how to use these systems, Canadian exporters can provide these solutions.
- **Red Seal certification.** Canada's Red Seal program for training industrial workers is recognized as a high-quality system globally. As part of selling Canadian industrial capabilities in Latin America, Canada should work to develop a training and certification system that skilled tradespeople in the region can access. It reinforces the idea of Canadian industrial goods and services being synonymous with excellence.

By directly linking Canada's industrial capabilities with the material needs of major Latin American projects, a clear and viable pathway is created to expand trade, build long-term commercial ties, and elevate Canada's role as a strategic development partner in the region.

9. Agro-Industrial and Forestry Equipment: Sustainability with Canadian Know-How

Canada's cold-climate agriculture, precision tools, satellite monitoring, and sustainable forestry have natural homes in Latin America, yet less than 3 percent of our agricultural machinery exports reach the region. With more than 200 million hectares of under-mechanized farmland and forest in LAC, productivity gaps are wide.

Canada should set up regional demonstration hubs in places such as Colombia's highlands, Paraguay's Mennonite zones, and Mexico's regenerative regions, where Canadian equipment would operate in real conditions, backed by training and service. Pair sales with sustainability standards: forestry machinery tied to FSC practices; precision irrigation aligned with carbon-neutral certification.

> ***To enable adoption at scale, financial innovation will be key. Canada should support flexible payment mechanisms such as seasonal leasing, crop-secured financing, and bundling of machinery with weather or climate risk insurance. In many countries, these tools could be implemented through partnerships with public agricultural banks or rural development programs.***

Additionally, Canada could offer bundled services that include training, maintenance, and digital monitoring platforms—an area where Canadian SMEs are increasingly competitive. These value-added services would ensure equipment longevity, reduce operational risks for users, and strengthen the long-term presence of Canadian firms in local markets.

By linking Canadian agro-industrial expertise with the region's productivity and sustainability challenges, Canada has an opportunity not only to expand its exports but also to contribute meaningfully to Latin America's food security, forest conservation, and rural development agendas.

10. Export Governance and Public Service Delivery

Canada's public administration is among the world's most trusted. That is an exportable advantage. Through Global Affairs Canada and related development instruments, Canada can offer targeted technical assistance to subnational governments in digital government, education systems, transport planning, and fiscal management. The Service Canada model—a single front door to citizen services—is relevant to cities like Medellín, Santiago, and Montevideo.

But Beyond the Build pairs institutional collaboration with private capability. Canadian firms such as CGI, OpenText, and SmartSimple can deliver digital platforms for licensing, procurement, emergency response, and more. Bundling those with public-sector capacity building allows Canadian firms to become trusted providers of public innovation across the hemisphere.

Canada should study Estonia's e-governance playbook and adapt it. This strategy is not merely development aid. It opens services exports while strengthening democratic governance and social trust.

Tools That Make the Playbook Work

A Beyond the Build trade strategy needs new instruments.

Supply-chain analytics. Build a national platform that maps priority supply chains, including for content, supplier composition, standards, and decision points. ISED's auto model shows what good looks like. Extend it.

Post-FTA activation. Treat utilization as an outcome to be managed. Set targets, align incentives, develop and deploy the Canadian exporter digital toolkit (per Recommendation 5), and publish an annual utilization report for each agreement.

Risk-sharing finance. Use EDC, the Canada Growth Fund, and other capital sources to de-risk first-of-kind projects in market, with clear performance conditions and claw-backs if obligations are not met.

A field-forward trade corps. More consistently put sector specialists where opportunities are real. Empower them to convene consortia, solve problems, and close. Consider including bonuses for trade success in their compensation packages.

Anticipating Pushback, Managing Competitors

Trade growth by one player often shifts shares from another. Expect reactions.

United States. A larger Canadian presence in Latin American energy, agriculture, and infrastructure may draw fire for “subsidizing exports.” With the WTO’s dispute system stalled, legal avenues are constrained, and Washington’s energy is focused elsewhere. Position Canadian activity as complementary to U.S. resilience and as a counterweight to China. Where we displace Chinese content, U.S. concerns ease.

China. Expect friction where Canadian firms compete directly in resources, infrastructure, and consumer goods. Early warnings are likely rhetorical. Where competition escalates, keep lines open, protect Canadian firms, and stay focused on projects that deliver transparent value to host countries.

Europe. With an EU-Mercosur deal in hand, Europe will lean into Brazil, Argentina, Uruguay, and Paraguay. We will compete. That is normal and healthy. Win with quality, standards, and service, backed by strategic government support.

Regional incumbents. Brazil and Mexico see the region as their home turf. At the same time, intraregional trade is only 14 percent of goods flows. Canada can add capacity, finance, and standards without crowding out regional players. Choose partners carefully, share value, and keep politics in view.

The right response to pushback is not retreat. It is steadfastness, clarity, and diplomacy backed by projects that work and communities that benefit.

What Success Looks Like

If Canada executes, the markers will be unambiguous.

- Post-FTA utilization in Latin America rises year over year, documented in public scorecards.
- Canadian consortia deliver financed projects that operate, earn, and renew, with SMEs embedded.
- The diversification tax credit pays out to firms with verifiable, repeat sales in eligible markets.
- The trade toolkit becomes default practice for exporters, reducing errors, costs, and delays.
- A cohort of Canadian brands gains market share in major Latin American cities at premium pricing.
- Oil, gas, machinery, and services sales into Latin American projects grow, with Red Seal training in place.
- Agro-industrial hubs buy, use, and maintain Canadian equipment and standards at scale.
- Governance pilots improve service delivery, measured by citizen uptake, productivity gains, and Canadian technology sales.
- The narrative shifts from “Canada has FTAs” to “Canada builds systems that others want to join.”

Beyond the Build Is the Trade Strategy

> ***Canada will not achieve trade diversification by running the same old playbook. Going Beyond the Build means shifting from generic promotion to engineered deal construction, deliberate demand generation, and agile, data-driven tools that convert policy frameworks into sales and scale.***

Latin America is a strategic choice, not a consolation prize. If Canada moves with intent, we can be the trusted, long-term partner in a geography that is open to trade, eager for infrastructure, hungry for quality consumer goods, and broadly receptive to Canada.

Others have shown the path. Japan, South Korea, and China win in Latin America by understanding what governments and citizens actually need, then delivering telecom networks, roads, consumer goods, and services—exports with brand loyalty attached. Canada's catalogue is different, but our strengths are distinctive: clean energy, resilient food systems, digital services, and governance capacity that aligns with the region's priorities.

Seizing this opportunity requires a growth mindset anchored in action. Tools that once felt unconventional, like micro-incentives that reward firms for diversifying export models tied to local development, are now essential.

Winning market share is not optional; it is urgent.

Latin America is Canada's untapped region of opportunity, hidden in plain sight. With ambition, creativity, and persistence, we can deepen our presence, expand exports, and build durable partnerships grounded in economic interest and shared values. We have built extensive trade agreements across the region and have built a solid reputation. The moment to move beyond the build is now.

Linking Trade to the Rest of Beyond the Build

Trade diversification does not stand alone. It ties to energy, minerals, migration, and security.

Energy and minerals. The Canada–Latin America Minerals Partnership (CLAMP) framework described elsewhere is the mineral counterpart to this trade chapter: a way to knit Latin feedstock to Canadian midstream and North American manufacturing. Trade instruments should align with CLAMP standards, offtakes, and traceability.

Security and cyber. Organized crime and ransomware create real risk and real opportunity. Canada's proposed Cyber Corps is also a services export. Safer partners are better neighbours—and customers.

Migration. Labour pathways at all skill and professional levels that match Latin talent to Canadian regional needs reinforce commercial ties and ease execution of our projects abroad.

Going Beyond the Build means designing these streams to reinforce one another, so that supply-chain equity in Chile supports a Canadian processing cluster in Quebec, which in turn anchors offtakes into North American manufacturing.

Beyond the Build: A Hemispheric Critical Resources Strategy

Canada is building by modernizing its mining regulations, upgrading extraction technology, and strengthening its industrial base across natural resources. But if we stop the build at our borders, we forfeit the opportunity to lead the most consequential industries of the next century.

Going Beyond the Build means recognizing that Canada's economic independence and global relevance will increasingly depend on our ability to lead strategic sectors, in clean energy, battery technology, and sustainable industrial development. Central to this ambition is securing long-term access to the strategic minerals vital to those sectors.

> *As Canada focuses on much-needed domestic reforms, the opportunity is to simultaneously engage outwardly, building bold, values-driven, technology-enabled partnerships. The way to do that is through systematic hemispheric cooperation: the Canada–Latin America Minerals Partnership, or CLAMP.*

This new framework builds on top of the existing Minerals Security Partnership (MSP), which was created by the U.S., Canada, and others to diversify and de-risk critical mineral supply chains. Several LAC countries have joined the MSP Forum, an offshoot of MSP, signaling their interest in such a framework.

Canada can strengthen the MSP – and the Canada-led G7 Critical Minerals Production Alliance (CMPA) – by organizing a credible hemispheric counterpart with our LAC partners including Argentina, Bolivia, Brazil, Chile, Colombia, Dominican Republic, Ecuador, Mexico, Panama, and Peru.

Strengthening regional cooperation within LAC is a shared goal for many countries of the region. Forging a partnership with key players like Brazil and acting in concert with other regional initiatives could create a timely entrée for CLAMP. Brazil has shown leadership on the eight-member Amazon Cooperation Treaty Organization (OTCA), and Canada's support of that initiative could be an important element for success. Hemispheric cooperation may rely on Brazilian leadership, and a Canada–Brazil partnership building OTCA into an institutionalized entity could be highly beneficial.

The Strategic Gap: Leaving Value on the Table

Canada possesses substantial natural resources and has built impressive domestic capacity. Yet even with these investments, we risk leaving massive value on the table by ignoring opportunities abroad.

The problem is not our capability; it's our approach.

Historically, we have operated project by project, company by company, rather than systematically. Canadian firms are active across Latin America, but current efforts remain scattered and mostly extractive. We have the expertise and capital but lack the framework to project that strength outward strategically.

Without hemispheric coordination, we forfeit opportunities that are within our grasp. The global competition for critical mineral supply chains has become the defining economic challenge of this decade, yet Canada risks being relegated to price taker rather than system builder.

Why Natural Resources Matter Now

Four forces create unprecedented urgency for Canadian leadership in strategic minerals:

1. **Explosive demand growth**. The years ahead will be characterized by unprecedented new demand for critical minerals, as shifts like electrification and clean energy build momentum. Lithium demand is forecast to grow forty-fold by 2040, while copper demand will double by 2035.
2. **China dominates processing.** To date, China has had the field to itself. Beijing currently controls 60–90 percent of global processing capacity for most critical minerals, creating dangerous supply-chain vulnerabilities. China's Belt and Road Initiative has significantly expanded its resource footprint in Latin America, and its ambition is large and well financed.
3. **Geopolitical competition intensifies**. The U.S. has also made mineral security a national priority through the Minerals Security Partnership. Major energy players like France, Italy, and Japan consistently support their companies abroad with full diplomatic backing. Canada must match this strategic approach.
4. **Perfect regional alignment.** Latin America holds decisive shares of global reserves: 60 percent of lithium, 40 percent of copper, plus substantial nickel and natural gas. The countries of the region are well aware of the opportunity and can pick and choose their partners. Capital matters, but so too do transparency, community engagement, economic development, and national security concerns.

Canada's Natural Advantages

Canada enters this competition from a position of exceptional strength:

Proven global capability. Canada is already a world-class player in minerals extraction, with centres of excellence in engineering, mining technology, geology, project finance, and mining services. Canadian firms, universities, and capital markets have decades of credibility in discovering, financing, building, and operating complex mining assets globally.

Established hemispheric footprint. Canadian miners and suppliers maintain extensive operations across Latin America. We are the natural financier of resource development in the hemisphere, with relationships, infrastructure, and institutional knowledge that competitors cannot quickly replicate.

Perfect geological complementarity. While Latin America concentrates decisive shares of global reserves in lithium (60 percent), copper (40 percent), and nickel, Canada leads in processing technology and clean-energy capacity. The fit between Canadian capabilities and Latin American endowments is unusually strong. The timing is right for Canada to develop new capacity with a Latin American supply chain in mind.

ESG as a competitive advantage. Canada's reputation for responsible governance, transparency, and Indigenous partnership becomes increasingly valuable as Latin American governments demand more than jobs and royalties. They seek investments aligned with sustainability and social inclusion at the local community level, where Canada's track record offers key differentiation from China and other competitors.

The Strategic Solution: Canada–Latin America Minerals Partnership

The Canada–Latin America Minerals Partnership (CLAMP) provides the systematic framework Canada needs to convert domestic momentum into hemispheric influence.

> ***This is not about securing access to foreign reserves but about building a vertically integrated hemispheric resource system that aligns with Canadian standards and amplifies our technological and governance strengths.***

What it is. A formal framework to coordinate investment, permitting, operating standards, and supply-chain development. The partnership combines leading Canadian private-sector players (mining majors, law firms, mining tech, engineering services firms, ESG/sustainability consulting firms, financiers) with a special interministerial committee chaired by a senior government figure. Global Affairs Canada operates a specialized division dedicated to fostering resource partnerships. CLAMP is a regional counterpart to the MSP, of which Canada is a founding member. It supports and extends the principles of the MSP – and the CMPA – but also invites bilateral engagement with select LAC countries.

How it works. This Canadian team interfaces with individual Latin American countries: Chile, Argentina, Peru, Brazil, Bolivia, Mexico, Ecuador, Panama, and Colombia, in order of priority. Each country brings government officials and private-sector players to ensure ideas can be quickly implemented.

Why this approach. Rather than pursuing one-off projects, the partnership extends a systematic architecture for joint ventures across extraction, refining, and logistics. It embeds language and rationale for these projects inside the institutions with knowledge—i.e., Export Development Canada (EDC) and the Business Development Bank of Canada (BDC). Opportunities include co-financing refining plants near mine sites, integrated transport corridors, and traceability systems to improve transparency and enforce environmental standards.

The explicit objective is Canadian participation in the value chain, from extraction to co-financed processing to data-rich logistics and market access.

Core Anticipated Longer-Term Outputs

- **Joint ventures** in mining, refining, and logistics.
- **Co-financed refining plants** near mine sites to reduce emissions and build local capacity.
- **Integrated transport corridors**—rail, road, and ports—to move materials efficiently to markets. These corridors could include industrial IoT systems and AI-based traffic routing to reduce emissions, increase throughput, and flag infrastructure bottlenecks before they disrupt flows.
- **Digital traceability systems.** AI-integrated blockchain systems can improve traceability, enforce labour and environmental standards, and provide real-time compliance data across global mineral buyers and financial markets.

Policy, Finance, and Diplomatic Coordination

To realize this vision, Canadian institutions must align policy and capital:

- **Export Development Canada (EDC) and the Canada Growth Fund** should alter their project restrictions to support refining, logistics, and midstream infrastructure abroad.
- **Tax incentives and R&D grants** should target processing clusters in Ontario, Quebec, BC, and Labrador, where some of the lowest cost hydroelectricity in the world is sourced.
- **Diplomatic missions** must be equipped with mining attachés and ESG experts to support deals and help ensure an equal playing field for Canadian investors and suppliers and promote CLAMP.

> ***Strategic diplomacy must also evolve. An annual CLAMP Dialogue would help shape regional standards. Dedicated resource alliances—such as a Hemispheric Copper or Nickel Alliance—could coordinate trade norms and sustainability benchmarks.***

Strategic Focus: Three Critical Minerals

Lithium supply-chain integration. Lithium is indispensable to the modern economy. To secure its role in the future battery economy, Canada must integrate more deeply into Latin America's lithium ecosystem. Some 60 percent of global lithium reserves is shared between the so-called Lithium triangle of Argentina, Chile, and Bolivia. Additional deposits are being developed in Brazil and Mexico. Canadian firms already operate there, bringing strong governance credentials and technical expertise.

> ***CLAMP creates the pathway to partnerships beyond extraction into coprocessing and technology transfer. Joint ventures could establish lithium hydroxide conversion plants near mine sites, supplying Canadian battery manufacturers and creating a bi-hemispheric supply chain independent of Chinese or U.S. control.***

Quebec, BC, and Ontario are strategically positioned to become the final assembly points in this lithium chain. Quebec offers abundant clean energy and East Coast port access for lithium refining and cathode production, while Ontario's existing automotive base can anchor battery manufacturing. British Colombia offers cheap hydro and maritime access to Chilean and, eventually, Bolivian lithium. Latin American–sourced lithium—processed through Canadian facilities—could power a North American EV ecosystem that is independent of Chinese materials and refining control.

To facilitate this vision, Canada must offer policy support. This includes tax incentives for lithium processing, long-term procurement guarantees for Canadian-made batteries, and funding for R&D in solid-state battery technologies. At the international level, Canada should seek bilateral agreements with Latin American governments to secure offtake rights, shared infrastructure development, and harmonized environmental standards.

Copper dominance through hemispheric alliances. Copper is the foundational metal of electrification. As global demand continues to soar in the years ahead, Latin America's 40 percent of global copper reserves will make it an attractive destination.

> ***Through CLAMP, Canada can pursue three pillars: secure upstream mining partnerships, establish midstream smelting and refining infrastructure, and coordinate downstream logistics. Rather than exporting raw concentrate to Asia, the opportunity lies in value-added transformation closer to the source.***

Upstream, Canadian banks and other lenders should support Canadian mining juniors in the exploration and development of new copper sites in underexploited Latin American jurisdictions. Ecuador and Colombia, for instance, have significant geological potential but face political instability and infrastructure constraints. Through risk-sharing partnerships, Canadian firms—backed by EDC, BDC, and the Canada Growth Fund—can bring risk-protected capital, well-established ESG standards and consulting capabilities, and technical know-how. These ventures should emphasize shared benefits with host governments and local communities.

Midstream, Canada's engineering firms, private capital, and lenders should work together to develop copper smelters and refineries within Latin America. While historically raw copper concentrate has been exported to

Asia for refining, the future lies in value-added transformation closer to the source. The promise of localized downstream investment and effective ESG/sustainability management will also help Canadian miners win new concessions and reinforce the objectives of CLAMP.

Canada should spearhead infrastructure development to facilitate copper exports from inland mines to global ports. This includes rail investments in Peru, road upgrades in Colombia, and port modernizations in Ecuador and Panama. Canadian infrastructure firms could lead these efforts, with financing from hemispheric institutions such as the Inter-American Development Bank or new blended finance models involving private equity and merchant banks.

Nickel processing integration. As electric vehicles proliferate, demand for Class 1 nickel will triple by 2040. Brazil and Colombia represent Latin America's most significant sources of nickel.

Canada has the opportunity to lead joint ventures with Brazilian and Colombian mining firms to develop new nickel projects. This includes extending concessional financing through Export Development Canada (EDC), offering technical assistance in advanced exploration methods, and enabling equity partnerships with Canadian firms that are already ESG certified.

In addition, new Canadian investments must be directed toward nickel refining. Most of Brazil's and Colombia's nickel is exported in raw form, depriving both countries of industrial value and Canada of secure supply. Canada should co-finance refining plants near major mines—particularly in Pará, Bahia, and Antioquia—focusing on Class 1 nickel sulfate production for use in North American EV batteries. These plants could also serve as training centres for local engineers and metallurgists, supported by Canadian vocational institutions.

Natural Gas: The Strategic Bridge

Natural gas is a vital transitional resource, serving as flexible backup for intermittent renewables while emitting significantly less CO_2 than coal or oil. Regional opportunities span Argentina (Vaca Muerta shale formation), Brazil (demand doubling by 2050), and Mexico (demand growing from 90 to 150 billion cubic meters by 2050).

Canada must treat natural gas diplomacy as a strategic national effort, matching the full diplomatic backing that major energy players provide their companies abroad. This begins with financing from Canadian banks, which today is largely unavailable outside of U.S. and Canadian natural gas projects. It should also include infrastructure co-investment, clean tech integration with Canadian-developed methane detection and carbon capture technologies, and regulatory cooperation on emissions standards.

Implementation: A Four-Phase Approach

Phase 1: Establish partnership and align domestically. Create the formal framework, seat country partners, and map priority channels. Simultaneously align Canadian regulatory reform, clean-power-backed processing, and public finance tools so domestic decisions support partnership projects.

Phase 2: Lock in standards leadership. Use the partnership to establish credible, verifiable technical and ESG/sustainability benchmarks that make Canadian-led value chains the preferred choice for lenders and buyers globally.

Phase 3: Deliver pilots that prove the model. Launch country pilots beginning with Chile and Argentina, focused on lithium, copper, and natural gas infrastructure. Commission co-financed processing, sign offtake agreements into Canadian hubs, and publish real-time ESG dashboards.

Phase 4: Scale midstream and downstream integration. Co-finance refineries and conversion plants, expand logistics corridors, and anchor Canadian processing clusters that receive Latin American feedstock and supply North American manufacturing.

Chile stands out as the leading candidate. Canada is the leading foreign direct investor there, with historically aligned policies and multilateral initiatives. Chile is committed to green natural resources and endowed with copper and lithium, plus growing clean-energy capacity. Joint development of green smelter retrofits and lithium hydroxide conversion hubs using Canadian technology represent immediate opportunities.

Argentina offers complementary potential. The nation is highly motivated to accelerate development of natural gas, lithium, and copper sectors but lacks public finances and looks to foreign investors.

Capturing Value at Home: The Return on Hemispheric Investment

Going Beyond the Build succeeds only if value accrues to Canada. CLAMP enables critical domestic returns:

Processing and manufacturing scale. Clusters in BC, Quebec, and Newfoundland use clean power to refine Latin American feedstock into high-specification inputs. Battery and component manufacturing scales for North American markets while exporting to Europe and Japan as those regions reduce China dependence.

Technology leadership and IP deployment. Export Canadian innovations in battery recycling, smart grid systems, emissions tracking, and low-impact mining. Position AI solutions for smart mining, autonomous haulage, and emissions analytics as core exports, generating ongoing licensing revenues.

High-value job creation. Private capital investments backed by government procurement and export credit guarantees help de-risk processing investments while creating thousands of high-skill positions in engineering, advanced manufacturing, and digital systems management.

Competitive Positioning: Strategic Differentiation

Canada cannot outspend China or out-subsidize other competitors. We win through differentiation and strategic positioning.

Against Chinese competition. China offers attractive raw material terms while pushing offshore processing. Canada counters by co-financing regional processing, providing patient capital, and creating battery manufacturing opportunities in Latin America. We compete on partnership, transparency, and long-term value creation rather than just price.

ESG leadership as competitive advantage. The Fruta del Norte example demonstrates the power of authentic community engagement. After Lundin Gold purchased this Ecuadorian project in 2014, it spent nearly a year consulting with local stakeholders through eight themed roundtables. Instead of imposing solutions used elsewhere, it listened and devised bespoke CSR approaches. Five years later, before extracting an ounce of gold, the project was worth US$692 million, a 188 percent increase from the US$240 million purchase price.

Financial innovation. Years of environmental caution discouraged Canadian financial institutions from investing in energy and smelting abroad. Geopolitical urgency now demands recalibration. This does not mean lowering ESG standards but recognizing that building clean secure supply chains requires capital-intensive investments aligned with national interests.

Tech innovation. Canadian mining and natural gas projects bring with them some of the most advanced technology and engineering found anywhere. These technologies are specifically designed to minimize environmental impact, ensure worker safety, and maximize mining yields, which in turn maximizes extractive rents for host governments.

The Strategic Return: A Race to Secure Supply

Hemispheric natural resource leadership delivers returns across multiple dimensions:

Economic benefits. Processing and manufacturing create thousands of jobs at home. We earn more from exporting finished products instead of raw materials. Canadian technology deployed across Latin America generates ongoing licensing revenues that compound over time.

Geopolitical advantages. Leading hemispheric resource cooperation enhances our standing with allies while reducing strategic reliance on authoritarian regimes. Resource interdependence with democratic partners represents genuine security, making supply chains harder to weaponize and easier to secure. The timing is right for Canada to act as a welcome alternative in the region.

Technology leadership. Global standard setting in responsible mining, AI-enabled supply-chain transparency, and clean processing techniques become exportable Canadian advantages that reinforce our role as technological leader.

National security through integration. Securing access to essential materials during crises while stabilizing partner countries through inclusive infrastructure and economic growth dissuades authoritarian influence and reduces regional fragility.

Beyond the Build: From Stewardship to Strategic Architecture

Canada must move beyond managing domestic resources to designing a hemispheric resource future. Latin America is not just a supplier of raw materials or one-off mining projects but a strategic partner with complementary assets, growing democratic institutions, and shared development ambitions. CLAMP creates the framework for true partnership.

A coordinated approach combining trade, diplomacy, infrastructure, education, and finance can help deliver sustainable economic development to parts of Latin America. Canada's trade representatives must evolve into resource diplomats. Embassies should house specialists in minerals, energy, ESG, and logistics. Existing trade-enabling institutions like EDC and BDC should alter their project restrictions to support smelting, refining, logistics, and midstream infrastructure abroad.

Canadian universities can collaborate with their Latin American peers to train the next generation of engineers, geologists, socioenvironmental managers, and technology and policy experts.

Canada has the people, credibility, and resources to succeed. All that is needed now is ambition and execution. To achieve our goals, begin with the creation of CLAMP. Start with pilot programs in Chile and/or Argentina. Scale systematically across other viable jurisdictions.

Beyond the Build lies resource leadership. Beyond the Build lies economic relevance. Beyond the Build lies Canada's role in architecting a hemispheric natural resources future that secures our prosperity in the century now being written.

Beyond the Build: A Security Agenda for the Hemisphere

Canada is building by investing billions in domestic defence capabilities, committing 5 percent of GDP under the NATO Defence Investment Pledge, and modernizing our security infrastructure after decades of underinvestment. But if we stop at securing our own borders, we leave ourselves vulnerable to threats that do not respect national boundaries.

Going Beyond the Build means recognizing that Canada's security begins far from home. In our hyperconnected world, the criminal networks operating from Latin America, the cyber threats emanating from the region, and the hybrid warfare capabilities spreading across the hemisphere directly impact Canadian communities, businesses, and institutions.

> ***Canada cannot meet every security challenge in Latin America—or anywhere else. It must make well-informed choices. Beyond the Build aims to focus on two key priorities: countering the rising influence of Latin American criminal organizations, especially within Canada, and advancing a strategy of creative internationalism in cybersecurity. If implemented effectively, both initiatives will improve the security situation in Latin America and Canada.***

Transnational criminal organizations (TCOs) are arguably the greatest security threat emanating from Latin America today. In our hyperconnected world, these powerful criminal networks understand the weaknesses in the Canadian system and how to exploit them for profit. Going Beyond the Build means recognizing that Canada's security begins far from home but is dependent on closing domestic legal and enforcement gaps that allow illegal activities, from money laundering to smuggling, to thrive. TCOs are not unique to Latin America. They are everywhere. Latin American criminal organizations regularly collaborate with other powerful criminal partners to move people, drugs, and other illicit products to and through Canada. As the power of these criminal syndicates grows in Latin America, so too does their ability to project power abroad, including in Canada.

Beyond the Build also means finding novel ways to contribute to regional security while concurrently benefitting Canada. Cyber insecurity is a problem the world over. In many countries, the human and financial resources needed for effective cyber defence are in short supply. Canada is well positioned to aid companies and governments by organizing and deploying its varied cyber expertise in coherent ways. Over time, these deployments can transition from concessional support to commercial offering. As a predominantly middle-income region with some base-level cyber infrastructure and a willingness to collaborate with partners, Latin America is an ideal testing ground for a mutually beneficial Canadian cybersecurity initiative.

The End of Splendid Isolation

Canadians sometimes like to think of themselves as living in a "peaceable kingdom"—a place where nothing bad ever really happens. Yet, in our hyperconnected world rife with misinformation, transnational crime, and revisionist nation-states, splendid isolation is no longer a sensible model.

Like many other countries Canada has found itself subject to transnational crime that exploits vulnerabilities in our systems. From money laundering to the flow of drugs and guns, these weak points create openings for foreign actors, including Latin American organized crime.

For Canada, the old model of substantially free-riding on U.S. defence capabilities and deferring to the United States on security and intelligence matters is over. How can it not be when Pew Research recently found that 59 percent of Canadians viewed the United States as its greatest security threat?

Recent Government actions, from arrests of cartel members to terrorist designation, suggest that Canada is sharpening its focus on the threat of LAC based organized crime. However, the GOC will need to prioritize resources and attention to address these exponentially expanding threats.

Strategic Urgency: Latin America Matters for Canadian Security

Historically Canada has tended to approach security challenges in LAC through the lens of a donor, undertaking extensive police training that has arguably delivered little long-term benefit.

But considering the growth in Canada's commercial ties with the region, and the potential for much more, combined with LAC's role as headquarters for some of the world's most sophisticated and globally connected criminal networks, ignoring the security challenges emanating from the rest of the Americas would be foolhardy.

The security environment has changed fundamentally since Canada last invested seriously in national defence. A meaningful share of our new defence spending must address contemporary security challenges, including those posed by networked nonstate and hybrid actors. This includes building intelligence capacities in regions where Canada has traditionally maintained few assets.

Today, many of the greatest threats emanate from or pass through the territories of weak or challenged states. Parts of the world are now arguably in a "post-Westphalian" reality where governments are not the predominant driver of security and insecurity. Haiti would be an example of this phenomenon. Another model that has emerged in recent years is the "criminalized" or "mafia state," where organized crime is both a tool and a feature of state policy. Venezuela would be an example of this reality.

Given the transnational nature of threats and low barriers to entry, Canada's new defence and security agenda must focus on these factors.

Two Strategic Priorities

Priority One: Confront transnational organized crime head-on

Latin American criminal organizations and their Canadian collaborators represent the primary security threat emanating from the region. These globally connected organizations drive violence and instability across the hemisphere and have grown to be strong enough to challenge governments. They must not be allowed to fester in Canada.

Priority Two: Lead hemispheric cybersecurity cooperation

Latin America serves as both source and a victim of cyberattacks. Canada has a significant opportunity to help enterprises and governments secure their networks while creating a virtuous cycle of enhanced regional security and expanded Canadian services exports.

Priority One: Confront Transnational Organized Crime

The transnational crime challenge. The leading risk to Canadian security emanating from the Americas stems from transnational criminal organizations. The cartels, maras, and clans born on the margins of Latin American society have become ruthless, well-resourced criminal enterprises with linkages across the globe. Their power rests on sophisticated communications and logistics tools, vast amounts of military hardware, with thousands of "ground troops" ready to deploy it.

These organizations engage in everything profitable and nefarious: drug, gun, and human smuggling; robbery and extortion; illegal logging and mining; and large-scale money laundering. When they conflict, the dynamics resemble warfare. Latin America contains 8 percent of the world's population but accounts for nearly one-third of global homicides, largely due to organized crime.

As the wealth, firepower, and reach of these transnational criminal organizations have grown, they have come to challenge, and in some cases exceed, the power of national governments. State capture by criminal organizations poses entirely new challenges for advancing hemispheric security agendas.

The scope of criminal influence is staggering. According to some estimates, the combined value of the economic activity of TCOs globally would be equivalent to it being the world's third largest economy, exceeded only by China and the United States. In Latin America, TCOs are present and, in many cases, dominant in countries throughout the region. While this section could profile other countries in the hemisphere, it uses Mexico—Canada's largest trading partner in Latin America—as its case study.

The U.S. military estimates that one-third of Mexico's national territory is controlled by cartels, with some Mexico-based security analysts placing this figure closer to 70 percent. The human cost has been devastating. Mexico has seen more than 460,000 homicides between 2006 and 2024, including 32,000–37,000 annually since 2017, plus 115,000 disappearances.

The economic impact is equally severe. The Mexico Peace Index 2025 places the economic cost of violence at US$245 billion, equivalent to 18 percent of GDP. Yet government expenditures on civilian policing and justice amount to merely 0.7 percent of GDP. Civil society groups estimate that 93 percent of crimes go unreported and only 0.9 percent are solved.

Global reach and Canadian connections. By 2023, the U.S. Drug Enforcement Agency reported that the Jalisco cartel (CJNG) had "presence and influence through associates, facilitators, and brokers on every continent except Antarctica." The CJNG and its rival, the Sinaloa Cartel, are responsible for the "vast majority" of fentanyl shipped into the United States and Canada.

These organizations have established significant linkages with Canada, positioning our country as both a lucrative destination for illicit goods and a critical node in global criminal logistics networks. According to the RCMP, Canadian organized crime groups had links to forty-eight countries in 2024, with the top three being the United States, Mexico, and Colombia.

Canada: No Longer Isolated from Latin American Crime

Latin American TCOs collaborate extensively with Canadian-based crime networks, including the Hells Angels, the West End Gang, and affiliates of the Italian 'Ndrangheta. These partnerships span narcotics trafficking, money laundering, arms smuggling, and cybercrime, reinforced by Canada's openness, lightly monitored logistics infrastructure, and gaps in financial regulation.

The Wolfpack model is the latest evolution. In 2010, a new type of crime group emerged: the Wolfpack Alliance. According to authors Peter Edwards and Luis Najera, it represented "a generational shift in Canadian organized crime, moving away from older, traditional and ethnic-based entities toward a young, tech-savvy and post-ethnic criminal cohort." Its diversity allows it to operate in many environments while focusing on "adapting and adopting" new technology, including encrypted communication platforms for coordinating transnational shipments. The Wolfpack is allegedly central to moving product to Canada for the Sinaloa Cartel.

Ports as vulnerable entry points. Canada is a major end market and transit hub for narcotics originating in Latin America, particularly cocaine produced in Colombia, Peru, and Bolivia. These drugs typically transit through Mexico, Central America, or the Caribbean before arriving at Canadian ports, notably in Vancouver, Montreal, and Halifax. Directionally, ports are increasingly important nodes of the global drug trade as markets for Latin American cocaine expand across the Atlantic and Pacific Oceans and precursor materials for fentanyl and other synthetics enter from Asia. Canadian port infrastructure, while efficient and expansive, has proven vulnerable to exploitation.

In 1997, the federal government dismantled the Ports Canada Police as part of quasi-privatization of Canada's port infrastructure. Security was handed to new port authorities with a focus on the priority of customers—the shippers—and mostly focused on theft. The resulting security vacuum has drawn criticism from Lower Mainland mayors, who have decried the region's "unpoliced ports" and demanded that the federal and provincial governments restore dedicated port policing. They have drawn a contrast between absence of port security in Vancouver and the staffing in Seattle, which has 103 dedicated port security officers and 50 support employees.

Human trafficking and migrant flows. Human smuggling is one of the most lucrative organized crime activities. Latin American TCOs increasingly use networks routing migrants through or into Canada. They often draw on the desperation of vulnerable populations from Venezuela, Colombia, and the Northern Triangle for labor and sexual exploitation. Canada serves as both a destination and a transit point in these networks, in part because of its relatively porous visa systems and limited enforcement resources. As the Canada–United States border is hardened, the cost and, by extension, the prospective profitability from smuggling will soar. Human smuggling is obviously a humanitarian matter, but it is also a political problem, as the U.S. claims that southbound migrant flows from Canada represent a security threat. Canada has a political imperative to take this issue off the table to the greatest extent possible.

Money laundering and the "Vancouver Model." Canada has long looked the other way at significant money laundering by TCOs. Indeed, analysts now talk about the "Vancouver Model." This operation, originally run by Chinese Triad gangs to help wealthy mainland Chinese move money out of the People's Republic, expanded to serve Colombian and Mexican cartels looking to launder drug proceeds.

In 2018, more than $7 billion was estimated to have been laundered through British Columbia, helping make its real estate among the world's priciest. The 2022 Cullen Commission of Inquiry into Money Laundering in British Columbia offered a detailed series of recommendations in this connection, including establishing a provincial Anti-Money Laundering Office, creation of a national corporate beneficial ownership registry, and expanding law enforcement emphasis on asset forfeiture.

CULLEN COMMISSION RECOMMENDATIONS

- Establish a new provincial Anti-Money Laundering (AML) Office
- Establish a national corporate beneficial ownership registry
- Develop detailed models for dealing with cryptocurrency and virtual assets
- Impose transparency requirements on the source of funds moving through casinos
- Require all cash transactions above $10,000 to be reported to a central authority
- Require the professional societies for law and accounting to deal with members facilitating money laundering
- Expand the emphasis of law enforcement on AML and increase its ability to pursue asset forfeiture

The collaboration between Chinese and Latin American criminal groups returned to the spotlight in 2024 when TD Bank, the U.S. branch of Canada's second biggest bank, agreed to a US$3 billion penalty to settle money laundering charges. Among the schemes exposed in the Justice Department investigation, Chinese gangsters deposited millions of dollars in cash at TD branches in the United States that was withdrawn through ATMs in Colombia.

Strategic Response: Confront the TCO Threat to Canada Systematically

Canada cannot resolve Latin America's entrenched organized crime problems. However, we can significantly reduce our exposure and eliminate our role as a permissive jurisdiction. Going Beyond the Build requires a four-step tactical approach:

Step 1: Become a Hard Target

Criminal organizations are opportunistic. Canada is currently perceived as low risk, high reward due to its limited enforcement pressure, regulatory gaps, and under-resourced ports and financial intelligence systems. We must reverse this perception by raising operational costs for TCOs.

Harden key entry points. Expand scanning technology and cargo inspections at maritime ports like Vancouver, Montreal, and Halifax. Reestablish dedicated policing resources at ports, replacing the current—ineffective—"taskforce" model where nobody is truly in charge. The government should immediately convene an interdepartmental group chaired by the Privy Council Office to develop a working model for a port police and security force within six months.

Master the digital domain. Develop capabilities to monitor, act on intelligence, and/or disrupt digital communications and encrypted devices used by cartels and their Canadian partners.

Everything increasingly happens in or passes through cyberspace. Central to making Canada a hard target is knowledge of what is happening in the digital domain among transnational criminal organizations and their domestic partners. Canada must become nothing short of masterful in the digital surveillance and warfare space.

Canada's Communications Security Establishment (CSE) is widely regarded as a global leader in digital signals intelligence but needs additional resources. Moreover, signals intelligence agencies traditionally focus on nation-states and on terrorist groups. This must evolve to include a focus on transnational criminal organizations.

The Prime Minister's National Security Advisor should lead a review and recommend changes to law and practice regarding monitoring and thwarting organized crime through the digital domain.

Expand criminal penalties and prosecution resources. Strengthen penalties and prosecutorial capacity related to trafficking, money laundering, and participation in foreign criminal organizations. It can now be argued that transnational criminal organizations undermine both Canada's security and its prosperity.

Step 2: Fix Domestic Vulnerabilities

Canada's regulatory and enforcement frameworks contain gaps that enable transnational crime to flourish. These must be closed:

Corporate transparency. Implement and enforce a robust, publicly accessible beneficial ownership registry to prevent criminals from hiding behind shell companies. Only those with something to hide should oppose this basic requirement.

Real estate and luxury markets. Expand anti–money laundering obligations to cover professions not currently included: real estate agents and developers. These professionals are enablers of money laundering and should face consequences, including public humiliation, significant financial penalties, and jail time.

Strengthen FINTRAC. Address common complaints that FINTRAC lacks enforcement power and does not coordinate with the RCMP, provincial police, and local police. The federal government should examine authorities and incentives within FINTRAC and issue a public report outlining how many investigations, enforcement actions, referrals to law enforcement, and prosecutions have been undertaken.

Canadian RICO Act. Create a Canadian version of the U.S. Racketeer Influenced and Corrupt Organizations (RICO) Act, which prosecutors famously used to take down the New York mob. RICO allows prosecutors to link patterns of allegations to establish a coherent criminal enterprise, something Canadian crown prosecutors cannot currently do.

Step 3: Remove Organized Crime from Canadian Supply Chains

TCOs increasingly exploit legitimate supply chains to launder illicit commodities, extract protection payments, and insert themselves into procurement, logistics, and extractive sectors. Canada must work to sever these links by protecting its domestic economy and supporting Canadian companies operating in vulnerable jurisdictions abroad.

Enhanced Customs scrutiny. Assess the utility of additional screening for high-risk goods originating from regions with known cartel activity. Actions would include more intensive targeted inspections, more stringent origin verification protocols for "at-risk" regions, and trade-finance transparency measures. Consideration should be given to the set of data elements that exporters and carriers of high-risk goods would be required to provide.

Allow Customs to "link" imports. Under Canadian law at present, Customs may only assess malfeasance in imported goods, such as forced labour or links to criminal groups, on a shipment-by-shipment basis. This means that it may not impose blanket regional restrictions, as seen in laws in other jurisdictions. Proving such links is very labour intensive for the government and may ultimately result in the blocking of only one individual shipment. Canada's import laws should be amended to allow the government to establish patterns linking related importers and imports for the purpose of allowing more systematic enforcement actions.

Support Canadian companies abroad. Provide diplomatic and operational assistance to firms under threat from extortion or sabotage, particularly in extractive industries. Develop due-diligence standards for Canadian companies and require reporting on exposure to criminal risk in supply chains.

Step 4: Deepen Intelligence and Situational Awareness

Many of the actions in Steps 1–3 require Canada to have better intelligence about the ground realities in Latin America. As Canada ramps up its defence spending significantly, meaningful resources must build an independent Canadian knowledge base, real-time monitoring mechanisms, and operational capabilities in Latin America.

Canada should embed intelligence personnel and attachés in Canadian embassies in Mexico, Colombia, Brazil, and other countries in the region, with a mandate to monitor cartel activities, territorial shifts, and illicit economies. The only way for Canada to know what is happening in strategically important countries is to have people on the ground.

> ***Growing knowledge capabilities in Latin America is not about intervening in foreign states but about protecting Canadian interests by understanding and anticipating threats before they reach Canadian soil.***

As Canada takes the steps outlined here, it will be crucial to engage the opposition parties, the provinces, and other parts of the Canadian political establishment. To the greatest extent possible, Canada needs a whole-of-country consensus about the importance of blunting and rolling back the reach of TCOs in Canada.

Priority Two: The Cybersecurity Opportunity

Over the past thirty years, we have connected everything to the internet: power grids, banking, media, consumer electronics, public services, and military tools.

In the race to build out connectivity, efficiency has seemingly always trumped security. But as the Finnish technologist Mikko Hypponen observed, “in the digital world, every connection creates both opportunity and vulnerability.”

Canada has worked diligently to reduce vulnerability through digital transformation. In 2018, the federal government created the Canadian Centre for Cyber Security as a central entity to address threats to government networks. Private-sector leaders created the Canadian Cyber Threat Exchange (CCTX), which collects, anonymizes, and shares threat intelligence across Canadian society.

> ***While Canada is a global leader on cyber, it still experiences a steady stream of attacks. Every nation, company, and institution of any scale does. What sets cyber-secure countries apart is that they have the systems, tools, and expertise to navigate this constantly changing threat environment and to respond effectively when attacks do land. This combination of tools and practices would be a valuable Canadian export to Latin America.***

Latin America’s cyber vulnerabilities create Canadian opportunities. The region is highly heterogeneous in cyber knowledge and capabilities. Brazil, Mexico, and Colombia are considered most advanced, yet according to MIT’s Cyber Defense Index, only Mexico (16) and Brazil (18) rank in the global top 20. Beyond these jurisdictions, cybersecurity quality on public and the vast majority of private networks declines significantly, with most Latin American nations scoring at or below global averages.

Ransomware represents the primary regional threat. Criminals hold victims’ data or devices hostage through malware until ransom payments are made, typically in untraceable cryptocurrency. A recent variation, “ransomware as a service,” has proven attractive to transnational criminal groups because it generates high profits with relatively low arrest risk.

Latin America helps to enable global cyber insecurity. Argentina is not top ranked on cyber defence, but it produces a lot of cyber talent who are leaders in the “exploit” business. An exploit is a piece of code that takes advantage of vulnerabilities in software, hardware, or networks. These can be weaponized for cyberattacks, data exfiltration, or surveillance. Because the leading software vendors have become better at addressing vulnerabilities in their systems, the prices of “quality” exploits are now in the millions of dollars.

A note on technology dissemination. One important factor to consider in any regional cybersecurity strategy is how digital technologies are disseminated. New tools and systems are first adopted in countries at the upper end of the income scale and in a handful of other jurisdictions. In time, they spread to middle-income jurisdictions and, with a greater lag, lower-middle-income countries. As noted, most technology systems prioritize efficiency and effectiveness above all else.

As these tools and systems cascade to progressively less prosperous jurisdictions, the amount of money available for cybersecurity and the numbers of organizations willing to invest in it decline. This leaves highly interconnected infrastructure very vulnerable. To varying degrees, Latin America is relatively open to serious inbound cyberattacks. It is also susceptible to the deployment of top-tier surveillance technologies from countries such as Russia.

The Canadian Cyber Corps Solution

Canada should go beyond our domestic build and create a “Canadian Cyber Corps” to deliver cybersecurity capabilities to Latin American countries, companies, and organizations.

Structure and membership. Build a consortium of Canadian companies, research organizations, universities, and government entities, including the Canadian Cyber Security Centre. Include the Canadian Cyber Threat Exchange and bolster its capabilities to participate. Offer fellowships to researchers and early to midcareer cyber professionals who are “public minded” about building a more secure cyberworld.

Operational model. After organizing the Corps and identifying interested countries, move toward signing two documents: a government-to-government cooperation agreement laying out engagement goals and parameters, and a contract for services between the Corps and the host governments. The overarching goal of the Corps’ work is to begin to lay the foundations for society/economy-level cybersecurity in the countries in which it works.

Society-level cyber defence. Work with host governments to establish common perimeters around government systems, including setting up Cyber Centres that manage perimeters and serve as information clearinghouses. Establish “cyber threat exchanges” to receive, organize, anonymize, and share threat data with private-sector companies, universities, hospitals, and others in “networks of trust.”

Capacity building. Assess cybersecurity of select companies and institutions (hospitals, utilities, and universities) that are important to society and frequent targets of ransomware attacks. Work to strengthen their defences and protocols while ensuring participation in information-sharing processes with their exchange. The goal would be to induce first movers to share information and benefit from world-class cyber expertise. As the first group sees the benefits, more companies and institutions will want to join.

Training and certification. Establish programs in partnership with Canadian educational institutions to create highly trained local specialists who will receive an international certification. These specialists will integrate with the Canadian teams in delivering cyber defence activities and eventually take on much of the cybersecurity work in the country. Canada benefits from a cadre of cyber specialists around the world conditioned to look to Canadian tools, techniques, goods, and services as a source of excellence.

Economic model. Sign three-year contracts with transition periods toward fully burdened rates. Canada covers all costs during the initial/development phase (0–3 months) and pays for developing training programs. During the ramp-up phase (3–9 months), the Corps bills host governments at 50 percent of agreed rates. After month 9, billing occurs at 100 percent of agreed rates, somewhat lower than commercial providers but sufficient to cover costs and generate returns.

The Strategic Return

The Canadian Cyber Corps would bring at least four interconnected benefits.

1. **Enhanced regional security**. Latin American countries benefitting from engagement by the Corps would become more cyber secure, reducing potential threats to Canada.
2. **Deeper regional knowledge**. Canada develops enhanced understanding of ground security realities in the region, enabling better threat anticipation and response.
3. **Economic returns**. Canada grows services exports and diversifies its cybersecurity offerings.
4. **Soft power enhancement**. Canada reinforces its reputation as a provider of quality solutions to difficult problems while building lasting partnerships.

From Alliance Member to Security Engineer

Throughout Canada's history, its security and defence policy has operated through an "alliance model." In the pre–World War II period, Canada acted as part of the British Empire. In the post–World War II period, Canada's security model centred on NATO. While NATO countries have committed to investing historical amounts of money on defence, there are lingering doubts about the future of the alliance.

Changes in world affairs are pushing Canada to become a country with both global knowledge and capabilities. Given its sizeable trade volumes with Mexico and other parts of the Americas, its deep interconnectedness through communications technologies, and the rapidly expanding influence of the region's organized crime networks, Canada must now include Latin America as an integral part of its security strategy.

Going Beyond the Build means recognizing that Canadian security begins far from home. We must modernize our domestic defences while simultaneously projecting security capabilities throughout the hemisphere. The domestic build provides the foundation; extending that capacity through systematic hemispheric security partnerships delivers the strategic return.

The opportunity is immediate, but so is the risk of remaining vulnerable to transnational threats. Canada has the expertise, relationships, and resources to lead hemispheric security cooperation. The question is ambition and execution.

Establish the hard target strategy. Create the Canadian Cyber Corps. Build the intelligence capabilities. Secure the supply chains.

Going Beyond the Build is fundamental to our security. Beyond the build lies influence. Beyond the build lies Canada's role in designing a hemispheric security framework that protects our interests in the years ahead.

Beyond the Build: Migration as a Tool of Hemispheric Partnership

Canada is investing in its economic future—in housing infrastructure, natural resource development, and labour-force development, all in support of a nation-building agenda. But to go Beyond the Build will require us to connect those domestic needs with external relationships. And some of the most important relationships between Canada and the countries of Latin America and the Caribbean involve the movement not of goods and services but of people.

This moment of geopolitical realignment provides a unique opportunity for Canada to lead initiatives across the Americas that address migration challenges head-on. These can be initiated by Canada with the aim of confronting and resolving hemisphere-wide crises and pressures, developing mutually beneficial bilateral migration relationships, and forging regional approaches to border security and asylum to compensate for Washington's retreat from leadership.

As a country of immigration, Canada has the tools to shape these relationships and reduce tensions around migration. Meanwhile, shifting domestic priorities make this the right moment to join other key partner states in the Americas in crafting bilateral and multi-country regional initiatives targeting specific shared migration concerns. Many of these issues, from displacement crises to skilled labour shortages, cannot be solved unilaterally and so lend themselves to joint policy engagement and shared investment.

Canada's Current Migration Priorities

Focus on Permanent-Resident Immigration of Families

Canada has historically targeted an annual immigration rate of about 1 percent, with refugees making up 10–15 percent of the total. A combination of housing shortages, changing public sentiment, economic headwinds, and system backlogs led to lower targets for 2025–2026. Priority has been placed on economic-based permanent resident pathways through Express Entry and Provincial Nominee programs, along with some seasonal, humanitarian, and skill-trades streams, which include routes to permanence and family reunification.

Need to Calibrate Immigration to Labour and Skills Shortages

As Canada embarks on large-scale "nation-building" infrastructure and housing projects, it faces significant skills shortages in key provinces and sectors. That includes sizeable shortages of specialists in health care and social assistance in Quebec, of skilled construction trades in Ontario and British Columbia, and of manufacturing, transportation, and hospitality staff in many provinces. This is likely to grow more acute in the next few years: an estimated 700,000 workers in skilled trades will have retired in the decade ending 2028.

As a result, programs are likely to be increasingly designed to match newcomers with regions and sectors with pressing needs. Some regions (including Manitoba and New Brunswick) have labour shortages but ample housing supply. And many rural communities face demographic decline. Fourteen of them already participate in the Rural Community Immigration Pilot, while the Provincial Nominee Programs also play a key role.

Canada is home to some large diasporas of citizens with immigration roots in the LAC region, mainly from Caribbean countries with similar colonial histories, including Jamaica (250,000) Haiti (200,000), and Trinidad and Tobago (100,000), as well as about a million Canadians with varied Latin American backgrounds. Notably, there are an estimated 156,000 Canadians who claim Mexican birth or ancestry, according to Statistics Canada, as well as 101,000 with Colombian and 72,000 with Brazilian roots.

A Lack of Balance in Migration from the Americas

In the twenty-first century, migration to Canada from LAC has to a large extent been concentrated in the following:

- Temporary and seasonal migration, heavily weighted to seasonal agricultural labour, especially from Jamaica (plus ten other Caribbean countries), Mexico, and Guatemala, plus a recent increase in Temporary Foreign Worker visas from Mexico and Central America
- Asylum or humanitarian resettlement of people claiming persecution or escaping crises, including major crises in Venezuela and Haiti and significant populations of claimants from Mexico and other Latin American countries

A Need for More Formal Links to Sending Countries

There has been a strong desire among some Canadian regions, and some desire in origin countries, to create more permanent immigration links by allowing seasonal agricultural labourer families and temporary-worker families to become permanent residents. This desire was partially addressed during the 2010s with the creation by IRCC of the Temporary Resident to Permanent Resident Pathway, which had modest success.

In fact, there may be a stronger desire for permanent settlement of these seasonal labourers among the Canadian agricultural towns and communities that host them, many of which are suffering from population loss and closure of key local businesses. Canada has attempted to address this issue with the creation of targeted visa programs such as the Rural Community Immigration Pilot (2025), intended to provide entrepreneurial immigrant families to Canadian rural towns.

An Overwhelmed Refugee and Crisis-Migration System

Canada's refugee and asylum system, with far less staff than immigration departments, is currently overwhelmed—tasked with obligations to displaced populations from major world conflicts and crises, as well as large populations of temporary foreign workers and student visa holders seeking to extend their stay through asylum claims. There is strong motivation, therefore, to redirect these claimants toward labour, permanent residence, or study pathways, where eligible.

This situation has made Canada reluctant to share the burden of migration crises in the Americas. Although Canada's monetary pledges to resettlement programs have been generous, a number of less wealthy countries, such as Brazil, Colombia, and Mexico, have taken on considerably greater numbers of refugees and often, as is the case with Brazil's reception of a large number of Haitian refugees, have done so without much communication or coordination with Canada.

A Difficult Migration and Visa Relationship with Mexico

In 2024, Canada reimposed visa requirements for most Mexicans travelling to Canada, because of concerns from Ottawa and Washington about the number of irregular immigrants and refugee claimants coming from Mexico. This move has been a source of political and diplomatic tension between Mexico and Canada. Given that Mexico faces its own border-security threats and is seeking cooperation with Canada around such programs, there is scope for continued dialogue around these issues.

Border-Security Concerns

Even as spending on border security has risen sharply in Canada, there is a legitimate concern that rising U.S. enforcement/deportation policies will increase irregular migration attempts into Canada. The Safe Third Country Agreement could inadvertently incentivize unsafe crossings. This heightens Canada's shared security concerns with Mexico and Central America.

Current Migration Priorities of LAC Countries

Economic Development via Migration

LAC nations generally see migration agreements with Canada as tools for growth.

Notable examples are the Canada/Guatemala Temporary Guest Worker Program and a similar but more limited relationship with Honduras, which provide selected workers from those countries as a source of labour for Canada and economic development for Central American countries.

Managing Displaced People from Crisis States

More than eight million Venezuelans, more than one million Haitians, and many more across the region are displaced, putting enormous strain on host nations, creating humanitarian crises, and prompting border-security concerns. Past agreements such as the Lima and Los Angeles declarations have addressed a large share of this population, but there is consensus that a new agreement and new pledges of support are urgently needed, especially given the potential of renewed displacement from U.S. policy shifts.

Desire for Coordinated Border and Asylum Systems

Fragmented policies have the effect of pushing migrants northward, often in unsafe conditions, and creating border crises and unmanageable irregular-migration populations in South and Central America and Mexico. The collapse of the Safe Mobility Initiative leaves a gap for a coordinated third-country asylum and labour migration systems.

Strategic Migration: Seven Actions Beyond the Build

The following seven recommendations match Canada's domestic needs with the priorities of the region: turning migration into a platform for sustained hemispheric engagement.

They should be calibrated at a scale that is feasible within a reasonable time frame and within Canada's limited public-sector resources and specific immigration targets. The goal is to provide Canadian assistance in a mutually beneficial way that deepens economic, security, and related relations between Canada and its neighbours in the Americas.

1. Region-to-Region Permanent Migration for Rural Renewal

Canada's small towns and rural centres need permanent resident immigrants to fill essential jobs, run local businesses, and reverse population decline. The Rural Community Immigration Pilot (2025) is a promising start, matching as it does rural communities with permanent resident immigration families. But to build scale and sustainability, it should be paired with regionally coordinated partnerships with countries such as Mexico, Guatemala, Trinidad and Tobago, and Jamaica.

> ***It has been shown that the economic and human-capital development of rural regions in LAC countries is enhanced by having permanent-immigration connections to developed countries such as Canada. Those settlement ties create permanent two-way flows of knowledge, remittance funds, skills, social capital, and community investments, often lasting for generations, that provide stability and growth in the sending community.***

Canada has a long and successful history of this type of immigration, to the extent that key local businesses in many, if not most, towns are run by immigrant families. There is never a perfect one-to-one match between immigrants and local needs—in some cases, the business opportunity proves unsuccessful; in others, the family uses the town as a stepping stone to an eventual urban destination. These should not be viewed as flaws in such programs, since immigrants who start in rural places typically tend to have high levels of employment and entrepreneurial success in other locations. But it suggests that such initiatives should have a broad focus, an intake greater than the intended demand, and a required minimum period of settlement in the intended community (perhaps two years).

2. "Nation-Builder" Fast-Track Regional Immigration Program for Skilled Trades

Canada's nation-building ambitions, in housing infrastructure and energy, will require a rapid infusion of skilled tradespeople, semiskilled labour, and technical labour and professions. While there is an existing category-based priority selection pathway for skilled trades in the federal Express Entry immigration program (2023) and trial programs allowing undocumented immigrants (such as TFWs with lapsed visas) to apply for permanent residence and apprenticeship programs, they will not meet the full demand, especially as many provinces face acute shortages in these areas already.

> ***A new express-clearance program through Express Entry or Provincial Nominee Programs could be created, devoted to annual quotas of "Nation-Builder" trades and skills from the Americas, or existing construction-sector focused pathways could be expanded with a focus on the hemisphere. It is probably not necessary to create new pathways, but rather, new targets and quotas should be applied to existing ones, with a regional focus.***

A number of countries would likely find such programs compelling. Ecuador is actively seeking emigration programs for its citizens, while also currently negotiating a free-trade agreement with Canada. Its government would likely see migration cooperation as a welcome component.

Brazil also offers a specific opportunity for Canada as a source of skilled-trade or general labor migration. The construction sector represents 8 percent of total employment in the country of 210 million residents. Furthermore, many Brazilian communities—particularly in the states of Minas Gerais and São Paulo—have long relied upon migration networks in the United States for local economies and opportunity and are currently seeking alternative destinations.

Peru and Colombia are also potential and willing partners for Canada. Both countries are among the more stable economies in the region, yet they have demographic surpluses and other pressures incentivizing emigration for labor opportunities.

3. New Mobility Pact with Mexico

Canada's 2024 reimposition of visa requirements for Mexican travelers has strained the bilateral relationship, while limiting valuable tourist, business, and scholarly travel.

> ***Restoring visa-free travel unilaterally is difficult, since Canada still faces some of the underlying irregular-migration issues that led to the visa imposition. The solution is to treat the problem differently—as one of joint migration governance, rather than restriction.***

The 2024 visa imposition was in part a response to U.S. concerns about the numbers of Mexicans believed to be flying to Canada in order to make irregular crossings of the Canada–United States land border. This is less likely to be a major problem after 2025 due to changed political and enforcement conditions in the United States. But another factor reportedly motivating IRCC was the increasing number of Mexicans travelling to Canada in order to lodge asylum requests, placing additional strain on Canada's refugee system.

Now that high-level dialogues between Mexico and Canada have been opened, these could include a bilateral task force investigating the creation of a workable path back to less restricted mobility between Mexico and Canada, in part by developing cooperative tools that address both countries' irregular-migration and border-security concerns.

No policy will reduce irregular entries to zero, but numbers could be reduced sharply by creating and promoting mechanisms and pathways that do not require a trip to Canada. At the simplest level, applications for Electronic Travel Authorizations—which are typically required in a visa-free regime—could be modified to include a more robust screening component.

But Canada ought to consider the creation and promotion of regular-migration application systems, especially since the Mexican government is currently exploring similar systems to reduce its own irregular-immigration burdens on its southern border. These systems might include the repurposing of existing Canadian visa offices in Mexico to allow for Convention Refugee visa referral applications (in cooperation with UNHCR). If countries in the Americas were to join with Canada in creating a new generation of Safe Mobility offices or portals (see below), these would serve the same function in a manner beneficial to both Canada and Mexico.

Many prospective asylum and labour-immigration applicants would likely prefer this route over irregular entry, even if its odds of acceptance were much lower, because it would be considerably less expensive or risky than travel to Canada.

4. Replace and Modernize Safe Mobility

Irregular migration flows across the Americas are often a symptom of policy failure, not migrant behaviour. The cancellation in 2025 of the Safe Mobility Initiative creates a vacuum that Canada is positioned to fill. By launching a new Safe Mobility system in partnership with key LAC countries, Canada can reduce irregular entries, help prequalify labour and asylum applicants, and prevent a crisis escalation at its own borders.

Canada shares with Mexico and Central American countries concerns about northbound migrants and asylum seekers seeking to make irregular crossings of its land border between official crossing points. Although irregular entries to Canada are historically much less numerous than to the United States, there is a persistent concern that policy circumstances in the United States could provoke undocumented U.S. residents to consider the risk and expense of an irregular entry to Canada. Currently the Safe Third Country Agreement deters some from considering such entries, but it also acts as a de facto incentive for prospective asylum seekers to make irregular entries rather than approaching official entry points.

A larger overarching problem behind irregular border crossings is that it is often impossible for people without visas or other travel documents to apply for asylum or other forms of legal entry by presenting themselves at the country's border or within its territory.

As the North and Central American Task Force on Migration concluded in 2021, "The short answer to the question of why so many Central Americans are setting off on dangerous irregular migration journeys is stunningly simple: because there is virtually no way that they can move through regular, legal, safe channels."

The Safe Mobility Initiative was an international effort to combat these issues, which arose from the 2022 Los Angeles Declaration on Migration and Protection. Launched in 2023 by the United States with the participation of several Latin American countries, Spain, and Canada, the Safe Mobility Initiative established physical offices in Latin American countries along the northern migration path, where migrants could apply for legal immigration and asylum pathways into participating countries.

Those offices were shut down by the United States in January 2025, despite being assessed in late 2024 as an emerging success in reducing irregular-arrival numbers at the U.S.–Mexico border. They did, however, have a number of failings: the application process generally required travel documents that most Venezuelans and Haitians do not possess; and some offices were overwhelmed by applications from nationals of the country in which the office was located.

> ***But the Safe Mobility concept—whether delivered through physical offices or through online systems accessible by migrants in third countries—remains the most effective means to remove incentives to make irregular crossings. In particular, it would be an effective way for Canada to manage migration and asylum surges arising from changes in U.S. policy.***

Canada should take a leading role in launching a new Safe Mobility system, embracing Canada, Mexico, and key transit countries of Central and South America, to provide limited and controlled access to regular, legal, safe channels for migrants from Venezuela, Haiti, and other crisis states.

Such a system could be provided through physical offices modeled after the Safe Mobility scheme (but with better-designed access rules) or through a mobile app or web application portal operated by key receiving countries. The latter approach would likely be the most effective should Canada wish to manage prospective migrants in the United States. Canada is currently experimenting with programs intended to divert prospective migrants away from overloaded asylum-claim systems into regular labour pathways—most notably the Economic Mobility Pathways Pilot (EMPP). These programs could ideally be instrumentalized through such a new Safe Mobility system.

5. Resettlement Agreement for Flight-Migrant Populations

Over the past decade, Canada has participated in a number of multilateral initiatives in the Americas to manage and share resettlement of some of the millions of flight migrants from Venezuela and Haiti who have challenged the border-security and humanitarian capacity of countries across the Americas. These include the Lima Declaration after 2017 and the Los Angeles Declaration on Migration and Protection after 2022. These processes have led Canada to pledge more than $180 million toward assisting countries in the region with the local settlement of refugees and migrants in order to pre-empt further migration and a commitment by Canada to resettle 15,000 refugees from the region (this quota was filled in 2023).

The largest share of Canada's economic contribution was devoted to assisting Colombia in its settlement and regularization of more than three million Venezuelans. This, along with sizeable commitments by Ecuador, Peru, Chile, and Brazil, significantly reduced the migratory pressure on North America's borders. However, there remain large numbers of migrants in transit and without legal residency in any country, with the prospect of U.S. policies increasing that number. As such, there will be a need for a new pan-American plan and pledging system to succeed the Los Angeles agreement. It is in Canada's national interest to take a significant role in order to assure the success of a larger regional scheme to prevent a further migratory emergency.

A number of inter-American bodies are currently developing plans that are likely to result in an international summit. It would be beneficial for Canada to build partnerships and diplomatic/political goodwill in the region by taking a prominent role in this process, including potential hosting of summits, and to make a more meaningful commitment to a significant share of both resettlement financing and refugee settlement commitments.

6. Link Skilled Migration to Human Development through Global Skills Partnerships

One source of tension between Canada and its immigration source countries is the fear that extensive emigration of educated middle classes drains domestic talent, contributing to underdevelopment. Although the notion of "brain drain" can be countered with evidence that migration links are net beneficial to sending countries, these concerns—especially in the Caribbean—remain politically relevant.

One mutually beneficial solution is the Global Skills Partnership (a term coined by Michael Clemens at the Center for Global Development). In a GSP, a country like Canada reaches an agreement with a less-developed country to build a specialized training institution—such as a medical university—potentially supported by partners in multiple sectors.

Under a typical GSP contract, half the graduates commit to work in their home country for a number of years (in exchange for free or subsidized tuition); the other half will have access to Canadian economic visas in provinces that are in need of the expertise. This model improves the quality of professional education in the partner country while meeting Canada's needs in skilled labour and professions.

By linking this program to a broader trade and investment strategy, Canadian goods, services, and expertise can play a role in building the physical and institutional systems. These programs require careful design and the need for safeguards but offer a high-visibility, goodwill-generating avenue that can produce tangible benefits for both sides.

7. Formalize Canada–Brazil Cooperation on the Haitian Refugee Crisis

In the political, economic, and humanitarian crisis that has enveloped Haiti since 2018, more than a million people have been displaced, a significant proportion of them internationally. The dramatic increase in Haitian flight and crisis migration after 2022 has largely been handled by individual countries in the region without significant coordination.

Canada's relationship to the Haitian population is long standing, partly due to a shared language and colonial history; since 2018, Canada has granted temporary residence status to at least 44,000 Haitians, and that status was extended in 2024. Brazil has, more or less consistently since the 2010 Haitian earthquake, granted humanitarian visas and therefore full legal residency to arriving Haitians, a policy aligned with its disproportionate acceptance of Venezuelan and Afghan refugees. There are approximately 180,000 Canadians of Haitian descent and a roughly similar number of Brazilians of Haitian descent, so both countries have substantial well-settled diaspora communities that participate eagerly in assistance programs.

There has been some indirect cooperation between Canada and Brazil over the humanitarian support and settlement of Haitians. In 2024, the UNHCR launched a Brazilian government-led "Action Plan for Strengthening the Protection and Local Integration of the Haitian Population in Brazil," supported and funded by the Canadian government.

The Haitian crisis is unlikely to be temporary, so it is worth forging longer-term relationships in managing the human cost of the crisis. Specifically, there is scope for a more direct Canadian role in assisting and cooperating jointly with Brazil in supporting displaced Haitians. A compelling way for Canada to build political capital, institutional goodwill, and stronger ties with Brazil could be by acknowledging this shared migration-policy experience. A more formal bilateral initiative could include shared best practices, funding mechanisms, and a more unified diplomatic voice in the next stage of the Haitian refugee response.

Implications and Countervailing Forces

Any migration strategy must be calibrated to the shifting economic and political realities of the hemisphere. Several forces could shape the outcomes:

The Canadian Economy and Human-Capital Stock

Any sustained economic downturn will dampen demand for both labour and immigration applications, as witnessed in the mid-1990s and post-2008, as well as the pandemic years. During such periods, immigration targets may be met from noncitizen populations already in Canada or in the backlog of its systems.

The Political Landscape of the Americas

Although many Latin American countries have enjoyed relative political stability and democratic consolidation in recent decades, sudden shifts remain a real risk. Migration agreements depend on mutual goodwill and shared priorities and must be resilient enough to adapt to changes in leadership or governance styles.

Labour Markets and Technological Change

Emerging technologies, including AI, could rapidly transform Canada's labour market in skilled trades, professions, and semiskilled areas. They could create sudden and unforeseen demand for new skills and entrepreneurial ambitions; they also could sharply reduce human-resource demand in some fields, in ways that are difficult to predict and potentially leave some communities of skilled workers stranded.

Given these uncertainties, it is important to avoid overly transactional policies and agreements which view immigration as the simple matching of labour shortage to a specific unit of human capital. The most successful migration policies are based on a larger vision of families making a permanent bidirectional link between a birthplace and a new country and bringing a diverse, ever-changing, and multigenerational range of skills, aptitudes, educational achievements, and entrepreneurial capacities with them.

Migration as Hemispheric Strategy

Canada's domestic migration policies are at an inflection point—shaped by economic constraints, public expectations, and nation-building ambitions. But the real question now is, What comes next?

To go Beyond the Build, Canada must treat migration not simply as a managed intake but as a strategic instrument for regional engagement. That means:

- Turning domestic labour shortages into cross-border partnerships
- Reimagining asylum as a system of shared governance
- Making permanent migration a channel of long-term economic and diplomatic value

Migration, when linked to trade, diplomacy, and development, amplifies Canada's role in the hemisphere. It allows us to shape, and not just respond to, the movement of people that defines the twenty-first-century Americas. And in doing so, it reinforces Canada's relevance and resilience in a more fluid, contested global landscape.

The tools exist. The partners are ready. The need is real.

The Build is the foundation. Migration, done strategically, is the scaffolding that lets us climb.

Acknowledgements

We are deeply grateful for the contributions to this project by many people from across the Americas and beyond who generously contributed their time and insight. Their names listed below.

This project would not have begun or been sustained without Nancy Southern's generous financial support. Nancy imposed no preconditions and attached no strings to how we undertook our work or the conclusions and recommendations we reached.

Our project's chair and vice chair, Janice Stein and Jonathan Hausman, respectively, were vital in framing this paper to respond to evolving circumstances in Canada and the world.

Our editor in chief, Amanda Lang, ensured that the paper reads like a unified story, rather than a compendium of ideas.

Our principal authors, Eric Miller, John Price, and Doug Saunders, superseded the challenge of developing original ideas and novel, implementable recommendations.

Greg Power and Mathew Palmer of Weber Shandwick guided us throughout the process on all communications and presentation aspects of the project.

Dale Friesen provided key insight throughout the process of fulfilling our mandate.

Our Board of Directors enthusiastically prioritized this project.

The opinions expressed in this report do not necessarily reflect the views of the members or the Board of Directors of the Canadian Council for the Americas.

Contributors:

Pierre Alarie
Robert Almeida
Jordi Amaral
Mallory Baker
Hari Balasubramanian
Frederick Barton
Andrew Blackwell
Andrea Bonime-Blanc
Sandra Borda
José Pio Borges
Kim Breier
Scott Brison
Theresa Cardinal Brown
Tabatha Bull
Sean Burges
Tomas Cabanillas
Max Cameron
Tom Carrothers
Hunter Carter
Kevin Casas Zamora
Dominic Channer
William Charnetski
Graeme C. Clark
Javier Corrales
Carlo Dade
Kip Daechsel
Arturo Duran
Kelvin Dushnisky
Evan Ellis
Dan Erikson
Antoni Estevadeordal
María de los Ángeles Estrada
Douglas Farrah
Vanda Felbab-Brown
Robert Funk
Patricia Garcia
Juanita Goebertus
Danielle Goldfarb
Juan Gonzalez
Lou Goodman
Andrew Griffith
Micheal Harvey
Riyad Insanally
Jaxson Khan
Felicia Knaul
Andreas L'Abbé
Elena Lazarou
Santiago Levy
Catalina Lopez Correa
Rubén Eduardo Luján
Fiona Mackie
Camila Maldi
Cristina Manzano
Monica Masciantonio
Catherine McKenna
Robert Muggah
Marcela Munro
Margaret Myers
Samantha Nadler
Mary Ng
Jose Antonio Ocampo
A.J. Nichols
Roland Paris
Ulla Pentinpuro
Mónica Pérez
Bob Ramsey
Jorge Rave
Guillermo Rishchynski
Colin Robertson
Jay Rosenzweig
Peter Rozee
Chris Sabatini
Michael Shifter
Matias Spektor
John Stackhouse
Jim Stanford
Eduardo Suarez
Jordi Tasias
Santiago Tobon
Martin Umaran
Mike van Akkooi
Fredy Vargas Lama
Nicole Verkindt
Devry Boughner Vorwerk
Pablo Zeballos
Raziel Zisman
Daniel Zovatto

Kenneth N. Frankel
President
Canadian Council for the Americas

Marta C. Blackwell
Vice President
Canadian Council for the Americas

The Canadian Council for the Americas (CCA) serves dual and complementary purposes.

We are Canada's premier public forum for dialogue and thought leadership with the hemisphere's leading actors and networks on economic, political and social issues that are relevant to Canada's interests and values.

We also frame issues and originate private conversations for Canada's c-suite with interests in the hemisphere.

We are non-partisan and member-based.

info@ccacanada.com

ccacanada.com