

Request for Proposals

Canadian Crude Oil and Long-Term Demand in the Indo-Pacific: Research and Strategy

Introduction

APF Canada invites proposals from qualified consultants or contractors to produce an original, policy-grade research report examining the long-term demand outlook for Canadian crude oil in the Indo-Pacific region. The report will provide a set of 10-to-15-year demand forecast scenarios, identify existing and prospective refinery buyers and crude usages, assess the infrastructure and regulatory conditions that will shape Canada's ability to serve Asian markets, and deliver clear, evidence-based policy recommendations for federal and provincial governments and private sector stakeholders.

About APF Canada

APF Canada is an independent, not-for-profit organization focused on strengthening ties between Canada and Asia through research, education, and convening activities. The Foundation produces a range of research outputs, including reports, policy briefs, case studies, surveys, and digital media, and provides Asia Competency training for Canadian organizations and students. APF Canada's research engages senior policymakers, business leaders, and government officials across the Indo-Pacific and in Canada.

Project Description and Objectives

The Trans Mountain Expansion (TMX) pipeline came online in May 2024, tripling export capacity to 890,000 barrels per day and opening a structural route from Alberta's oil sands to Pacific Basin markets. Since startup, Canadian crude exports to Indo-Pacific markets have grown from near zero to over C\$571 million per month on average.

At the same time, the November 2025 Canada-Alberta Memorandum of Understanding has committed both governments to the construction of a new northwest pipeline targeting one

million barrels per day of capacity to a deepwater port on the B.C. coast — a project whose viability depends on regulatory approvals, Indigenous consent, and sustained Asian demand.

Despite this infrastructure momentum, a rigorous, independent assessment of where Indo-Pacific demand for Canadian heavy sour crude will stand over the 10-to-15-year horizon is absent from the policy literature. Asian refinery configurations, the pace of the energy transition, competitive crude supply dynamics, and geopolitical risks - including the demonstrated vulnerability of Strait of Hormuz supply routes - and concomitant risk mitigation opportunities with Canada, all shape the commercial and strategic case for investment. This report will provide that assessment.

The research project will pursue the following objectives:

- Assess the long-term demand outlook for Canadian heavy sour crude in key Indo-Pacific markets, with a primary focus on China and secondary analysis of India, Japan, South Korea, and select Southeast Asian economies.
- Evaluate the technical and commercial fit between Canadian oil and specifically identified Asian refinery configurations, including coking capacity constraints and the petrochemicals pivot.
- Analyze the infrastructure landscape — existing and proposed — that will determine Canada's ability to supply Asian buyers at scale.
- Examine the competitive supply environment, including Venezuelan, Russian, and Middle Eastern crude, and assess Canada's positioning relative to these alternatives.
- Assess the geopolitical risk and mitigation environment and its implications for the Canadian energy-as-alternative thesis, including but not only, the demonstrated impact of Strait of Hormuz disruption scenarios.
- Deliver scenario-based demand projections across a minimum of three plausible futures, with explicit assumptions and supporting quantitative derivations.
- Include key data points and quotes from expert interviewees, including industry executives, academic experts and, if possible, Asian government officials.
- Provide actionable policy recommendations for Canadian federal and provincial governments and the private sector.

Project Scope

Market Focus

The report will examine demand for Canadian heavy sour crude in the following markets, with the depth of analysis calibrated to strategic importance:

- China (primary) — including state-owned enterprise refiners (CNPC/PetroChina, Sinopec, CNOOC) and independent refiners such as Rongsheng, with analysis of coking unit capacity, the refinery-to-petrochemicals pivot, peak demand timing, and sanctioned crude substitution dynamics.
- India — including the deep-conversion refinery landscape, the Jamnagar expansion, the Canada-India CEPA energy chapter, and the conditions under which Canadian heavy crude could displace competing blends such as Russian Urals.
- South Korea — including the existing deep-conversion configuration and reliability-diversification premium buying patterns.
- Japan — including assessment of refiner fleet conversion capacity (ENEOS, Idemitsu, Cosmo Energy), energy security policy posture post-Hormuz, and the conditions under which coking investment would become commercially viable.
- Southeast Asia — as an emerging and longer-horizon market, with identification of the most promising early movers.

Feedstock and Technical Analysis

The report will ground all demand projections in technical reality, noting that:

- The Trans Mountain pipeline transports several heavy crude oil types, primarily consisting of diluted bitumen (dilbit) and heavy synthetic blends, with densities often nearing 940 kg/m³ and viscosities up to 350 cSt. Key heavy grades include Pacific Cold Lake (PCL), Borealis Heavy Blend (BHB, Cold Lake Blend (CL), Hangingstone Dilbit (HDB) and Fort Hills Reduced Carbon Lifecycles Dilbit Blend (FRB). The study will take into account the refinery infrastructure requirements these specifications impose on buyers.
- The distinction between deep-conversion and shallow-conversion refineries, and the Nelson Complexity Index as an analytical lens.
- The economics of coking unit additions and the conditions under which Asian refiners may invest in heavy crude capability.
- The petrochemicals pivot — specifically the role of WCS-derived VGO fractions in meeting Asia's growing petrochemical feedstock demand — as a potential decoupling mechanism from transportation fuel demand trajectories.

Infrastructure, Regulatory and Credit Landscape

The report will assess the Canadian infrastructure and regulatory conditions that will shape supply capacity over the forecast horizon, including:

- Trans Mountain Expansion: current capacity (890,000 b/d), Westridge Marine Terminal constraints (current and post-dredging Aframax limits), and the case for incremental expansion.
- The Northwest Pipeline: the Canada-Alberta MOU commitments, the July 2026 Major Projects Office application timeline, the 2029 "shovels in the ground" target, the Oil Tanker Moratorium Act and its required modification, Indigenous co-ownership requirements and consent processes, and a realistic assessment of achievability.
- VLCC loading: the freight economics of VLCC-scale cargoes to India and other markets, and what terminal infrastructure would be required at Prince Rupert or Kitimat.
- CCUS and environmental credentialing: the Pathways Alliance CCUS project as a precondition of the Northwest Pipeline; the Scope 3 emissions debate and its implications for Canadian crude's social licence in Asian markets.
- The credit and insurance availability for selling/shipping Canadian crude oil to Asia, and opportunities to unlock any bottlenecks presented by structurally limited finance.

Competitive Supply Analysis

The report will assess the competitive landscape for Canadian heavy sour crude, including:

- Venezuela: current production trajectory, U.S. sanctions posture, and recovery scenarios under different political conditions.
- Russia: the dark fleet, sanctions enforcement, and the conditions under which Russian heavy crude volumes might decline or be redirected.
- Middle Eastern crudes (Arab Heavy, Basrah Heavy): pricing dynamics, Gulf Cooperation Council spare capacity, and the geopolitical risk premium attached to Hormuz-dependent supply.
- Canada's positioning: the discount advantage of Canadian crude oil relative to competing heavy grades, freight economics from the Pacific Coast, and the reliability premium that non-chokepoint supply commands in the current environment.

Scenario Modelling

The report will deliver a minimum of three forward scenarios — covering an upside, base, and downside case — across the full 10-to-15-year forecast horizon. Each scenario must:

- State explicit, testable assumptions across infrastructure, geopolitics, and demand variables.
- Include quantitative volume projections by market (expressed in thousand barrels per day) with supporting derivations.
- Assign probability weights and provide a rationale for those weights.
- Identify the key variables whose resolution will most significantly affect which scenario materializes.

Deliverables and Milestones

The consultant will be responsible for delivering:

Milestone	Target Date
Project Kick-off	As soon as possible
Research outline, expert interview list and analytical framework	Three weeks post kick-off
Draft Report (full text, no graphic design required)	TBD in consultation
Final Report submitted to APF Canada (text-based format)	TBD in consultation

The Final Report will be a maximum of 40 pages (excluding annexes), written for a dual audience of senior policymakers and private sector leaders. It will include an executive summary, scenario-based demand projections with full workings, and a set of no fewer than five policy recommendations directed at Canadian federal and provincial governments. Annexes may include a technical glossary, data tables, and an endnote bibliography.

APF Canada will provide project coordination, access to relevant publications and prior research, and introductions to subject-matter contacts as appropriate.

Qualifications and Requirements

Interested consultants should demonstrate:

- Proven expertise in energy economics, with specific experience in crude oil markets, refinery economics, or the Canadian oil and gas sector.



- Familiarity with Indo-Pacific energy markets, including Asian refinery configurations and crude trade flows.
 - Experience producing policy-grade research reports for government or private sector audiences, using appropriate analytical rigour and accessible language.
 - Strong quantitative skills, with the ability to construct and defend scenario-based projections.
 - Strong written English, with demonstrated ability to synthesize complex technical and geopolitical material into clear, actionable recommendations.
 - Experience engaging with government and industry stakeholders is an asset.
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Budget

RFP respondents are encouraged to propose the most cost-effective approach to achieving the goals of the study and to clearly articulate any scope trade-offs.

Proposal Submission

Proposals must be submitted in two files, one file for the bid, one file for credentials.

Qualified consultants should submit a proposal including:

First file:

1. Technical Proposal: approach and methodology, work plan and timeline,
2. Financial Proposal: budget, including professional fees and any additional costs.

Second file:

3. Relevant Experience: team composition including key personnel and advisors, qualifications, examples of similar projects completed, and a writing sample of comparable analytical work.
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Evaluation Criteria

Proposals will be evaluated based on:

- Relevance and quality of proposed methodology (15%)
 - Qualifications and experience of the consultant or team (30%)
 - Feasibility of the work plan and timeline (25%)
 - Cost-effectiveness and value for money (30%)
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Submission Information

Please **submit your bid no later than May 11, 2026.** , addressed to:

IMPORTANT NOTE: Please click [here](#) submit your bid in ONE MERGED FILE

For any questions, please email project lead Barrett Bingley, Asia Regional Director, Asia Pacific Foundation of Canada (Singapore) at singapore@asiapacific.ca