SUMMARY REPORT

CANADA-INDIA TRACK 1.5 DIALOGUE

Defence-Industrial and Security Co-operation in India-Canada Relations

CSDR
COUNCIL FOR STRATEGIC AND DEFENSE RESEARCH

ASIA PACIFIC FOUNDATION OF CANADA
FONDATION ASIE PACIFIQUE DU CANADA

Introduction

This Track 1.5 dialogue convened at a pivotal moment in India-Canada relations. As one participant observed, bilateral ties have shifted from "hopeless to promising" since early 2024, creating unexpected space for strategic engagement. Other participants characterized this meeting as the first structured effort to advance defence cooperation following earlier discussions on trade, critical minerals, and climate technology. While past collaboration exists—peacekeeping operations, disaster relief, the 2018 counterterrorism working group, and the 2015 space MoU—momentum has remained elusive. Recent October-November 2025 joint statements on aerospace, dual-use technologies, and cybersecurity signal renewed commitment, yet fundamental challenges persist: export-control restrictions, limited strategic trust, and divergent Indo-Pacific threat assessments.

Themes

The dialogue surfaced eight critical themes, each grounded in specific proposals and practical constraints, that define the current boundaries and future potential of the India-Canada defence partnership.

NOVEMBER 26, 2025

Council for Strategic and Defense Research,
New Delhi, India

A joint initiative of the Council for Strategic and Defense Research (CSDR) and the Asia Pacific Foundation of Canada (APF Canada) as part of the India-Canada Research Initiative

Strategic Alignment and Defence-Political Architecture

One of the strongest undercurrents of the dialogue was the need for strategic coherence. India and Canada both face shifting geopolitical landscapes, but they have not yet achieved conceptual alignment.

Speakers from the Indian side repeatedly emphasized that India's security perception is shaped by a two-and-a-half front threat environment, which naturally influences procurement timelines, capability prioritization, and partnership choices. For India, strategic convergence must rest on maritime security in the Indian Ocean region, defence-industrial co-operation, and a shared view of Indo-Pacific stability.

Canada's position is complicated by domestic political cycles and a defence ecosystem gearing up for a major transformation. Canada is moving from 1.3% of GDP in defence spending to 5%, driven partly by geopolitical shocks and partly by U.S. pressure within NATO. However, as several Canadian participants acknowledged, this ambition has not yet been fused into a coherent national security strategy. The 2022 Indo-Pacific Strategy remains the only guiding document, but its geographic conception stops at the east coast of India and does not sufficiently integrate the western Indian Ocean, Africa, or the Middle East—precisely the areas that matter most to India's strategic calculus.

A key institutional takeaway was that India reserves a 2+2 ministerial only for relationships with deep, structured defence engagement. Given the still-nascent defence architecture with Canada, an immediate 2+2 is unlikely. Instead, the participants suggested establishing a regular annual Defence Ministerial Meeting as a realistic starting point, utilizing the existing 2015 India–Canada Strategic Partnership as the anchor.

Without a political structure, defence co-operation remains episodic; without strategic alignment, industry cannot move confidently. This theme set the stage for every technical and sectoral domain that followed.

Maritime Cooperation: Indo-Pacific Architecture, Shipbuilding, MDA, and HADR

Maritime security emerged as the broadest and deepest area of natural convergence.

INDIAN PARTICIPANTS OUTLINED INDIA'S LAYERED APPROACH:

- Humanitarian Assistance and Disaster Relief (HADR) as the entry point,
- Capacity-building for regional partners, and
- Maritime domain awareness (MDA) as the final tier.

India deliberately avoids placing the QUAD's Indo-Pacific Partnership for Maritime Domain Awareness (IPMDA) at the front of its engagement in Southeast Asia to prevent political anxieties. Instead, it relies on white-shipping agreements and Information Fusion Centre - Indian Ocean Region (IFC-IOR) information exchanges, which now involve close U.S.–India data collaboration. Indian participants recommended that Canada become an observer in the Indian Ocean Naval Symposium (IONS) and engage with the Indian Ocean Rim Association (IORA) to improve its situational understanding of the broader Indo-Pacific.

On Canada's side, maritime thinking must expand beyond a narrow focus on Northeast Asia. Canada faces three oceans, and its experience in the Arctic and high-latitude conditions gives it specialized capabilities that align with India's growing interests in polar research, under-ice operations, and scientific outposts.

Shipbuilding received sustained attention during the discussion. Several speakers argued that Indian shipyards today can produce affordable patrol vessels, anti-submarine warfare (ASW) corvettes with high indigenous content, and even icebreaker ships at competitive rates. Canada's own icebreaker acquisition—currently oriented toward Europe—could benefit from exploring Indian options, especially as global demand rises and Arctic operational needs expand.

India and Canada could also explore joint ship repairs, Maintenance, Repair, and Overhaul (MRO) frameworks, and port-call patterns, drawing on India's existing Master Ship Repair Agreement with the U.S.

The maritime space, in short, offered a full spectrum—from HADR and MDA to shipbuilding, Arctic scientific co-operation, and subsea security—anchoring the Indo-Pacific dimension of the partnership.

Defence-Industrial and Technological Ecosystem Building

Nearly every Indian speaker stressed that India's defence industry—public and private—has reached a phase of "coming of age," but it requires trusted partners, joint ventures, and component-level outsourcing to integrate into global value chains.

Canada's defence industry, by contrast, is experiencing rapid demand growth but has not yet built the manufacturing capacity to match it. The challenge is synchronizing Canada's sudden expansion needs with India's maturing industrial capabilities.

THREE INDUSTRIAL STRANDS STOOD OUT:

- **Co-production, Co-development, and Subsystem Integration**

  For armoured vehicles, electro-optics, and autonomous systems, the Indian side offered a realistic path. If full platform-level manufacturing is difficult due to U.S. integration constraints in Canada, start with subsystems, jointly-designed components, and niche technologies. This includes next-generation sensors, power trains, testing and simulation systems, and new optical suites.

- **Technology Readiness Level (TRL) based Collaboration**

  Indian participants highlighted the importance of collaboration between TRL-2/TRL-3 (Technology readiness level) innovators and production-scale manufacturers. Canada's high-capability research environment can complement India's ability to scale, engineer, and manufacture.

- **Make in India, for the World**

  Both sides recognized that the most viable model is not bilateral production for each other, but joint production for third markets, especially Southeast Asia, Africa, and the Middle East. This echoes successful India–ROK patterns.

A related strand was the global demand for 155mm artillery shells, where affordable joint production or co-manufacturing models could be explored.

Unmanned Systems, AI, Counter-Drone, and Precision Warfare

The Ukraine conflict has transformed global military thinking, and this theme dominated several Indian contributions.

INDIA IS PRIORITIZING:

- unmanned aerial systems (UAS), including loitering munitions;
- counter-UAS systems;
- precision-guided munitions (PGMs);
- AI-driven command and control;
- decision-support systems and data fusion;
- dual-use autonomous vehicles for land and maritime environments.

Canada's industrial strengths—in sensors, detection systems, onboard computing, and emerging technologies—could naturally plug into this ecosystem. However, the dialogue acknowledged a structural constraint: many Canadian advanced-tech SMEs rely on U.S. venture capital and operate within U.S.-regulated supply chains, complicating trilateral technology governance.

Yet, both sides agreed that UAS, counter-UAS, and autonomy are the most immediate force multipliers ripe for collaboration, provided that export controls, information security agreements, and certification frameworks evolve in tandem.

Cybersecurity, Digital Infrastructure, and Dual-Use Technologies

Cybersecurity was highlighted as a domain where Canada already has a significant presence in India, through large-scale operations by companies like BlackBerry and OpenText, the latter of which employs roughly 20,000 employees in India.

The discussion traced how cybersecurity is no longer a peripheral domain but central to defence capability—covering secure communications, data integrity, information-sharing protocols, and civilian telecom infrastructure. Examples such as the Malaysia–BlackBerry secure-communications partnership illustrate scalable models India and Canada could emulate.

Both sides recognized that cyber co-operation also intersects with economic security, critical infrastructure protection, and supply-chain resilience, especially as India becomes a major digital economy and Canada recalibrates its industrial risk assessments.

UN Peacekeeping, CBRN, and Multilateral Security Cooperation

Multiple Indian speakers drew attention to a neglected domain: UN peacekeeping, an area where both India and Canada have deep historical commitments but limited recent co-ordination.

GLOBAL PEACEKEEPING IS TRANSITIONING TOWARD:

- fewer new missions,
- budget constraints, and
- a shift toward African Union-led operations.

This creates space for India and Canada to jointly support African capability-building—training, equipping, and supporting AU peacekeepers through a dedicated capacity-building centre (e.g., Addis Ababa). India's decades of operational experience and Canada's training-oriented expertise could be combined in structured ways.

The CBRN (chemical, biological, radiological, nuclear) dimension was also flagged as a low-politics but high-impact area, with direct relevance to disaster management, anti-terror operations, and counter-proliferation. This aligns with India's extensive HADR footprint and Canada's northern security orientation.

Women, Peace and Security (WPS), peacekeeping reforms, and joint standard operating procedures (SOPs) for evacuation operations were also mentioned as areas where India and Canada can shape humanitarian norms without political friction.

Critical Minerals, Mining, Arctic Infrastructure, and Industrial Resilience

The mining–defence nexus was described as a "brave new world," and the discussion reflected both opportunity and strategic caution.

CANADA HIGHLIGHTED THREE DIMENSIONS:

- **Critical Minerals for Defence Applications**

  Materials such as germanium, gallium, indium, and scandium—used in optics, semiconductors, aerospace alloys, and communications—are

produced in small quantities through opaque markets. The problem is not mining but processing and midstream capacity. Partnerships could focus on:

- Canadian concentrate supplied to India for processing, or
- Indian investment in Canadian smelting and refining.

- **Opening Up India's Geological Potential**

  Canada's exploration industry—40% of global mining companies are on the TSX—could help India map and exploit its vast, underexplored landmass. Canadian private capital and exploration capability could dramatically reduce India's strategic dependence on imports.

- **Arctic Dual-Use Infrastructure**

  Developing Arctic roads, ports (especially the Brady's Bay deep-sea port), and northern logistics networks are prohibitively expensive but geopolitically necessary for Canada. Dual-use frameworks where defence and mining infrastructure overlap could justify the investment. India's shipbuilding, engineering, and scientific polar experience could make a meaningful contribution.

Technology transfer in deep mining, robotics, and autonomous extraction—often drawing from space-sector collaborations—was also discussed as an area ripe for India–Canada scientific partnership.

Constraints, Risk Management, and Trust Deficits

The dialogue repeatedly returned to a foundational truth: India–Canada defence co-operation cannot advance unless constraints are openly acknowledged.

CANADA'S CONSTRAINTS INCLUDE:

- Industry's dependence on U.S. supply chains,
- SME reliance on U.S. venture capital,
- Nascent industrial capacity for scaling production,
- Export controls.

INDIA'S CONSTRAINTS INCLUDE:

- A legacy of limited trust following recent political tensions,
- Defence procurement rules are misunderstood by foreign companies,
- A full-spectrum threat environment where timelines are compressed,
- A need for information security agreements before sharing sensitive technology.

Both sides acknowledged that trust cannot be declared into existence; it must emerge from foundational agreements, consistent military-to-military contact, and lighthouse projects that demonstrate reliability.

Industry literacy—knowing each other's systems, capabilities, and processes—was described as perhaps the single biggest bottleneck in scaling co-operation.

Actionable Recommendations

- Establish an Annual India–Canada Defence Ministerial Meeting to institutionalize political oversight and strategic direction.
- Upgrade military-to-military engagement by appointing dedicated Defence Attachés in both countries, starting with an Indian naval DA in Canada.
- Launch a Canada observer role in the Indian Ocean Naval Symposium (IONS) and initiate Canadian participation in IORA working groups.
- Create a bilateral information-security framework, beginning with security-of-information agreements and gradually moving to controlled information-sharing protocols.
- Start one lighthouse project within two years—such as patrol vessel construction in India for third-country transfer (e.g., Philippines), or a joint system-level maritime or space project.
- Initiate a bilateral dialogue on unmanned systems, counter-UAS, and autonomous technologies, focusing on co-development of subsystems.
- Develop a joint capacity-building program for African Union peacekeeping, including a training centre in Africa for peacekeepers and HADR co-ordination.
- Expand co-operation in cyber defence, using existing corporate presence in India to build secure communications and national digital infrastructure solutions.
- Launch India–Canada Critical Minerals Working Group focusing on energy minerals (Ems), midstream processing, and geological exploration partnerships.
- Explore Arctic infrastructure projects, particularly port and logistics systems that blend defence and mining requirements.
- Facilitate certification harmonization (federal aviation administration- (FAA-) equivalent alignments, quality standards) to enable Indian components to integrate into Canadian and allied supply chains.
- Create joint innovation challenges in dual-use technologies, including space sustainability, robotics for deep mining, and subsea autonomous systems.
- Establish industry literacy programs, including delegations, shipyard visits, and translations of procurement processes, to reduce misperceptions.
- Set up a structured dialogue on export controls to reduce approval delays and clarify risk-management pathways for sensitive technologies.
- Develop co-operative frameworks for CBRN threat-response, including SOPs for disaster management, radiological safety, and civilian-military crisis co-ordination.