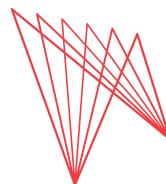


Guidebook for Doing Business in the Asia Pacific: A Resource for Indigenous Businesses

September 2019

| Why the Asia Pacific?



ASIA PACIFIC
FOUNDATION
OF CANADA

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DU CANADA

Using this Guidebook

What Will it Provide? Who is it For?

This guidebook is intended to be a resource for Indigenous businesses interested in doing business with the Asia Pacific region, specifically importing and exporting goods and services and attracting investment. Given the diversity of Indigenous communities in Canada (First Nations, Métis, Inuit) and in type, size and sector of Indigenous businesses in Canada, this guidebook focuses on general considerations and resources rather than the details of how a particular business or community should or should not engage, although many of the resources introduced in this guidebook can assist in answering such inquiries.

Indigenous entrepreneurs, Indigenous-owned small, medium, and large enterprises, and economic development corporations will find useful information here, whether they are non-exporters in exploratory stages, or more experienced international players looking to expand or attract investment. The guidebook – or parts of it – may be shared with chief and council, your board of directors, and/or managers to present the case for engaging with Asia Pacific businesses. The guidebook can help you prepare for visits from Asia Pacific stakeholders or for your Asia Pacific in-market endeavours. There are introductions to topics like exporting 101, networking, financing, and cross-cultural business, along with links to external resources like websites, tools, and guides that can provide deeper dives into further understanding the opportunities, challenges and approaches to Asia Pacific business engagement.

Navigating the Guidebook

The guidebook can be read as a whole document. Online, you can use the navigation pane on the left to jump to the relevant section(s) for your interests and needs. You also can download PDFs of each section.

Section 1: Introduction provides an overview of the guidebook and presents the case for why doing business in the Asia Pacific might be a viable and fruitful option for your community to meet its social, cultural and economic goals. **Section 2: Background, Best Practices and Winning Strategies for Indigenous Exporters** provides a narrative introduction to the opportunities, challenges, and approaches to doing business with the Asia Pacific. **Section 3: Tips, Tactics, and Resources for Success** provides more detailed information on specific topics and lists of actionable resources focused on different topics of interest, like industry information or cultural guides.

Throughout, the guidebook will help answer the following questions for Asia-interested Indigenous businesses, economic development corporations, and communities, to help grow their presence in the Asia Pacific:

- What government resources are there in Canada and abroad?
- What non-government resources and organizations are available?
- What Indigenous resources are available for aiding in Asia Pacific expansion?
- Where are the obstacles and opportunities for potential Asian investment, business, or trade?

Executive Summary

The Asia Pacific Foundation of Canada presents the *Guidebook for Doing Business in the Asia Pacific: A Resource for Indigenous Businesses*. This resource aims to help catalyze Indigenous business engagement with the Asia Pacific region.

The Asia Pacific is a dynamic region that accounts for the largest portion of the global population and global Indigenous population, and will soon account for most of the global economy, middle class, and ultra-wealthy people. The region has a large interest in Indigeneity, not only among their own Indigenous populations, which are becoming more prominent, but also among other countries like Canada. Historical similarities including colonialist patterns and cultural similarities between the Asia Pacific and Indigenous Canadians can provide the grounds for deep engagement. A long history of Indigenous globalism and recent institutional changes have made it increasingly opportune for Indigenous businesses in Canada to enter the global economy with specific attention to the Asia Pacific. The resources and economic development goals that Indigenous peoples have and the diverse industries they operate in – such as energy, natural resources, agriculture, fish and seafood, the arts, tourism, and digital/technology economies – are complimentary with increasing demand from the Asia Pacific region.

Indigenous peoples are the fastest-growing demographic in Canada and have significant economic potential. There were 55,255 First Nations, Métis and Inuit -owned businesses in Canada in 2016 spread across every province and territory in a wide variety of sectors; this is an increase from 43,000 in 2011 and from 37,445 in 2006. According to one survey, these businesses export at a greater rate than the average Canadian business, and for each dollar lent under the Aboriginal Business Financing Program, C\$3.60 is added to the Canadian GDP.

Despite these positive indicators, going global can be a challenge for Indigenous businesses and communities, especially when acting independently. Obstacles include capacity, having the experience to properly plan and prepare, accessing financing and support programs, understanding and engaging with other cultures, and utilizing resources for business purposes that are in line with community goals. Indigenous nations have many assets, but they can also be challenging to utilize and make doing business difficult. For example, the organizational structure of nations can make it quicker and easier to do some projects, and stall others. Overcoming the many obstacles and challenges is important, as connecting to the global economy is often seen as the next step to Indigenous economic development, which itself is a key to reconciliation.

The guidebook covers some general strategic considerations. For example, co-operation among Indigenous businesses and nations to increase their communications abilities, represent their interests, build partnerships, and increase autonomy in the global economy may help overcome some of the mentioned challenges. Many Indigenous businesses have deep experience in Canada and the United States, which is a positive predictor of success overseas among other factors like having a business plan. For a successful cross-pacific partnership, you will have to learn the formal and cultural aspects of doing business in Asia, just as your partners will have to when in Canada. The importance of cultural competency cannot be overstated.

There are many resources and tips to help you, but the outlook on going global should be one of cautious optimism. Different business strategies may work differently for different businesses and nations, bringing to light positives and negatives that may be difficult to foresee. And just as many studies have taught us, like the insightful *Harvard Project on American Indian Economic Development*, access to all manner of resources and having a plan does not guarantee success. Success hinges on internal factors such as the thoughtful leadership of an enterprise or making hard decisions for the long-term that run counter to the immediate struggles of nations, like spending money on international travel or spending large amounts of time on proposals. This guidebook will not discuss how those decisions should be made or how difficult it will be. Nor is it a how-to guide for every possible configuration of potential Asia engagement.

This guidebook details the many financial, logistical, planning, networking, and Indigenous business supports for doing business and strategizing with the Asia Pacific. It shows which federal and provincial programs and offices, business associations, and Indigenous organizations might be able to help minimize risks and maximize successful engagement in Asia Pacific markets, and can help address some of the obstacles and challenges mentioned. By capitalizing on their resources, cultural and historical similarities, and overlapping goals, Indigenous businesses can be leaders in engagement and seizing opportunities in the Asia Pacific on their own terms.

Why the Asia Pacific?

There are many reasons that Indigenous people in Canada might be interested in developing or increasing engagement with the Asia Pacific region. Whatever your strategic considerations, the [Asia Pacific region](#) will come to play an increasingly important role in the [future](#).

Asia Pacific Is Diverse and Its Population Is Growing

There are around 50 economies in the Asia Pacific that account for more than half of the world's population and a third of the world's languages.

There is a mix of developed (e.g. Japan, Australia) and developing and emerging economies (e.g. India). Demographically, there are economies that are aging (e.g. Hong Kong, Japan, Singapore, South Korea, Taiwan), those with youth bulges (e.g. India, Indonesia, Malaysia, Pakistan, the Philippines), and those somewhere in between (e.g. China).

Like elsewhere in the world, urbanization is on the rise and the region is home to the world's largest and fastest-growing cities; over half of the cities with a population of five million people or more are in the Asia Pacific.

The Asia Pacific is also home to an estimated 70% of the [global Indigenous population](#) of approximately 370 million, many of whom are interested in or are already actively participating in the global economy.

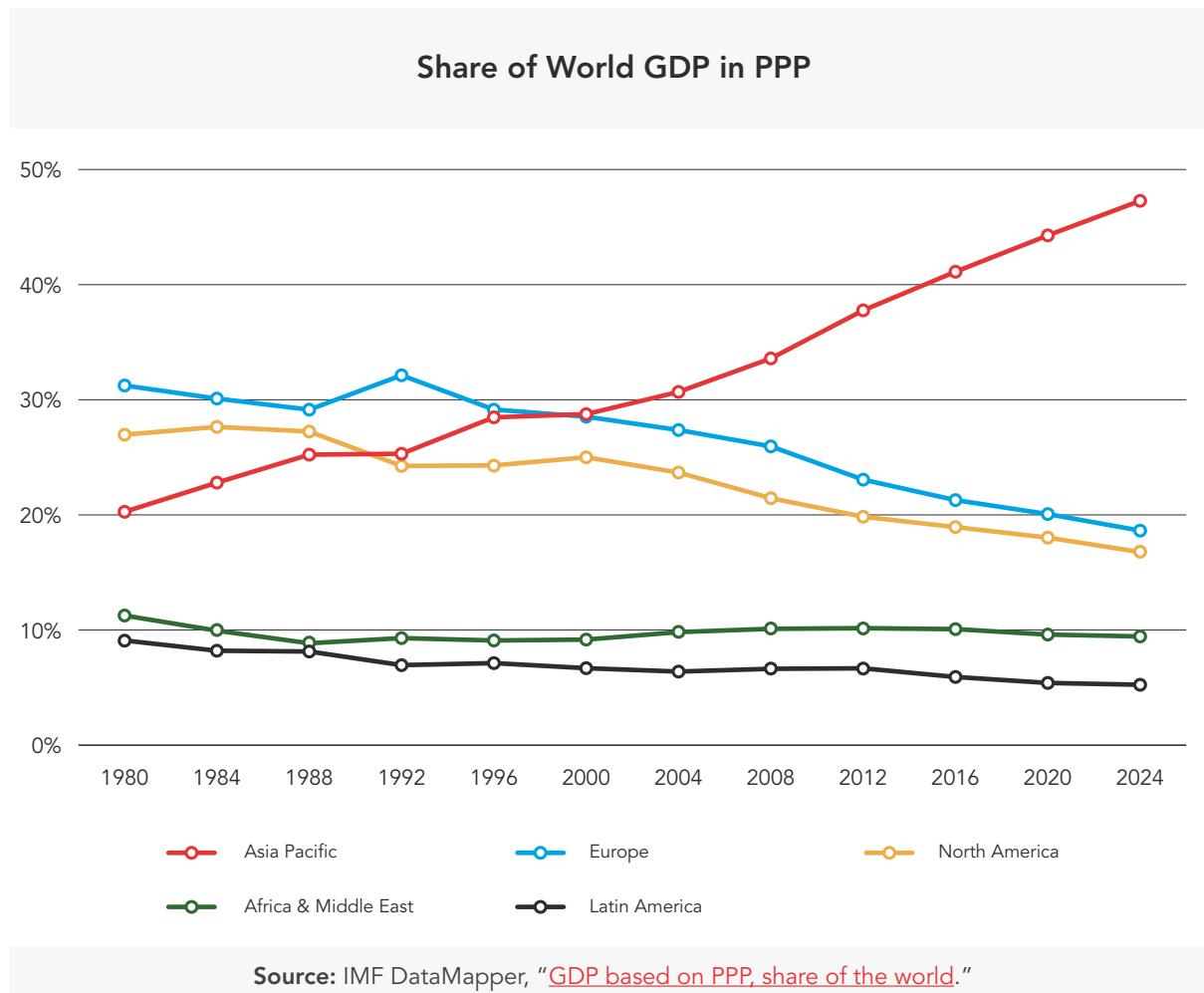
Figure 1.



Asia Pacific Fuels the Global Economy

The region continues to be the main source of [global economic growth](#); it already accounts for the world's largest share of gross domestic product (GDP) in current prices and adjusted by purchasing power parity (PPP).

Figure 2.



The region will account for half of the world's middle class by 2020 and already has the largest portion of the world's ultra-wealthy people or so-called high net worth individuals (HNWI) both in terms of population and wealth.

Figure 3.

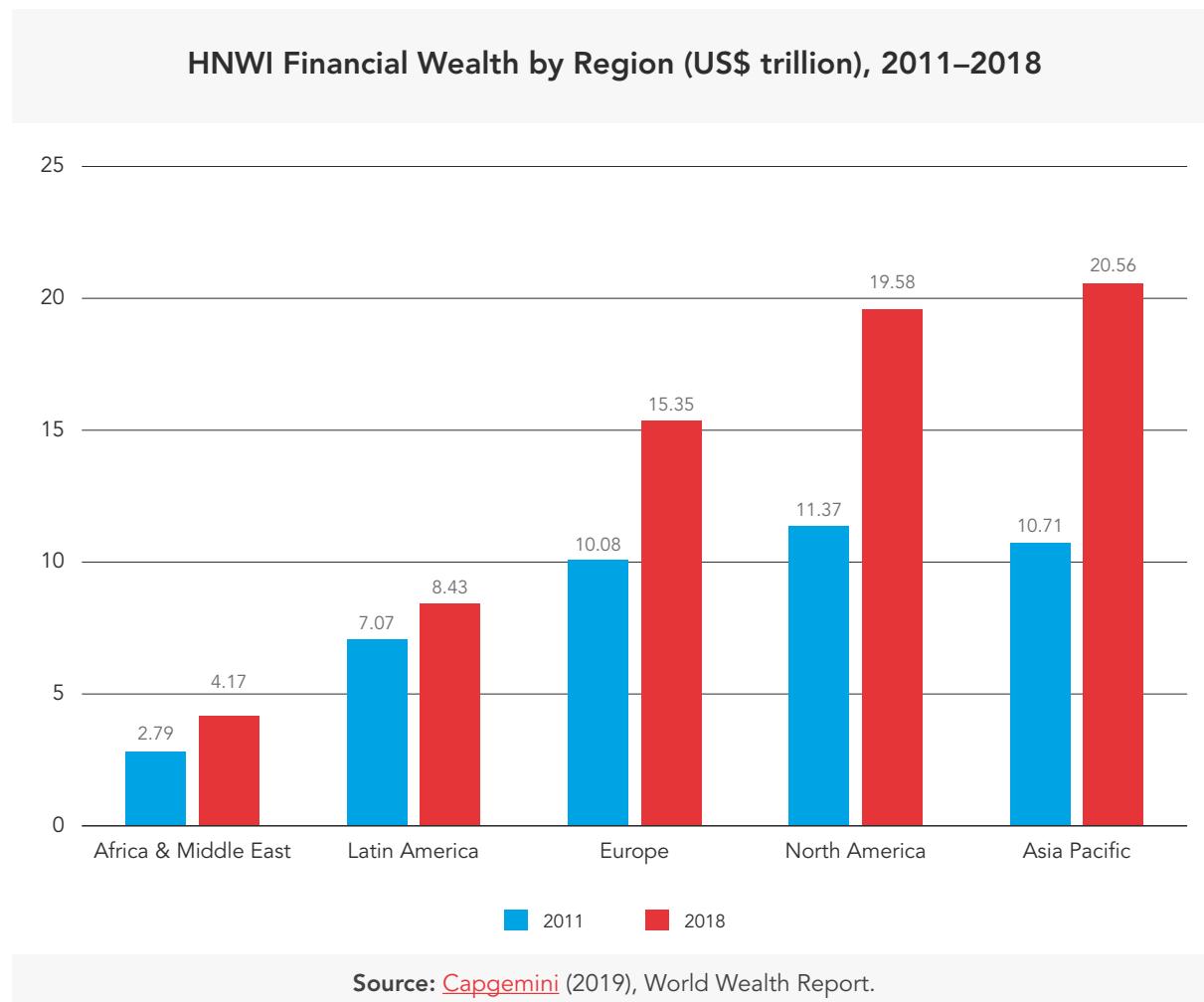
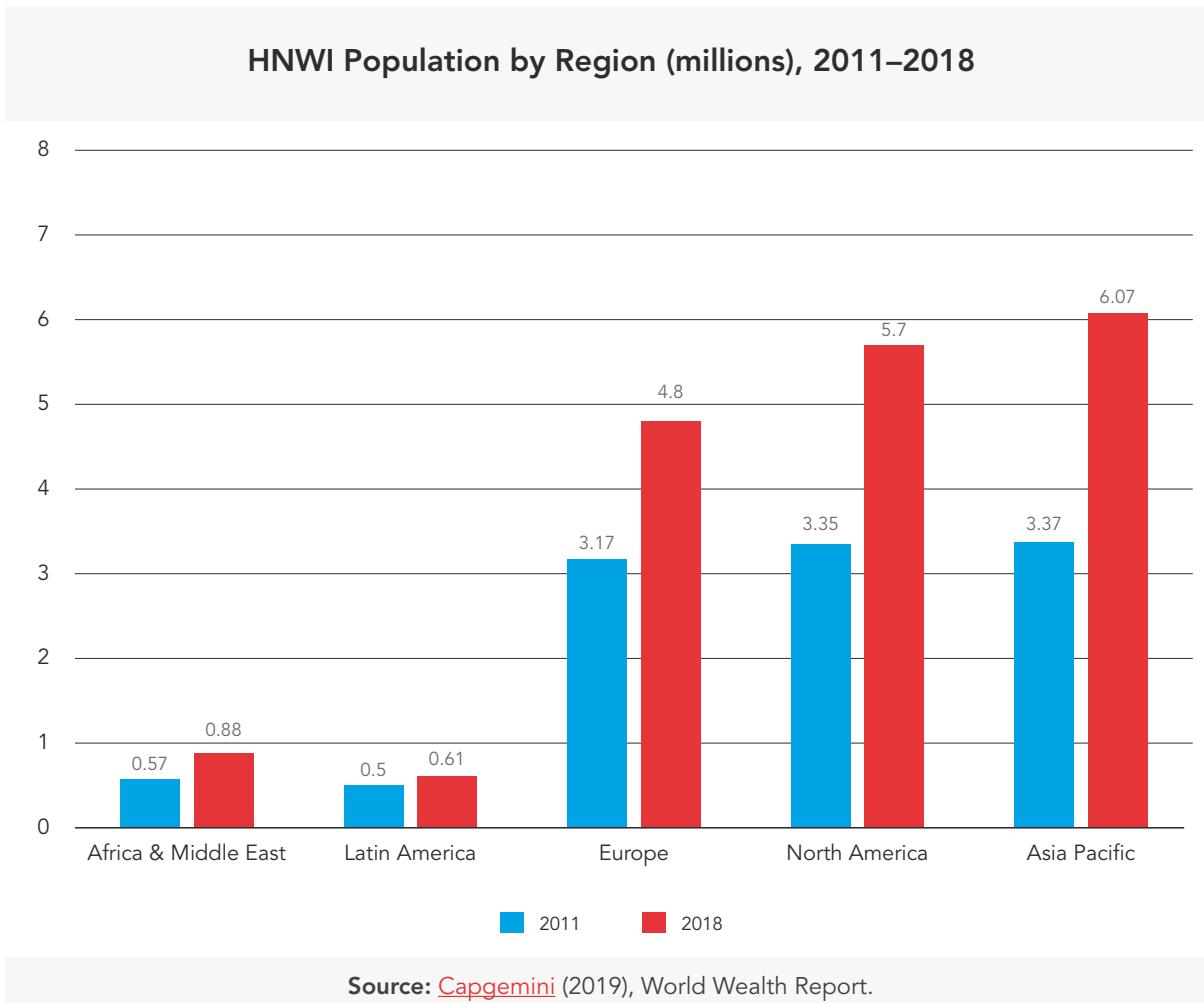
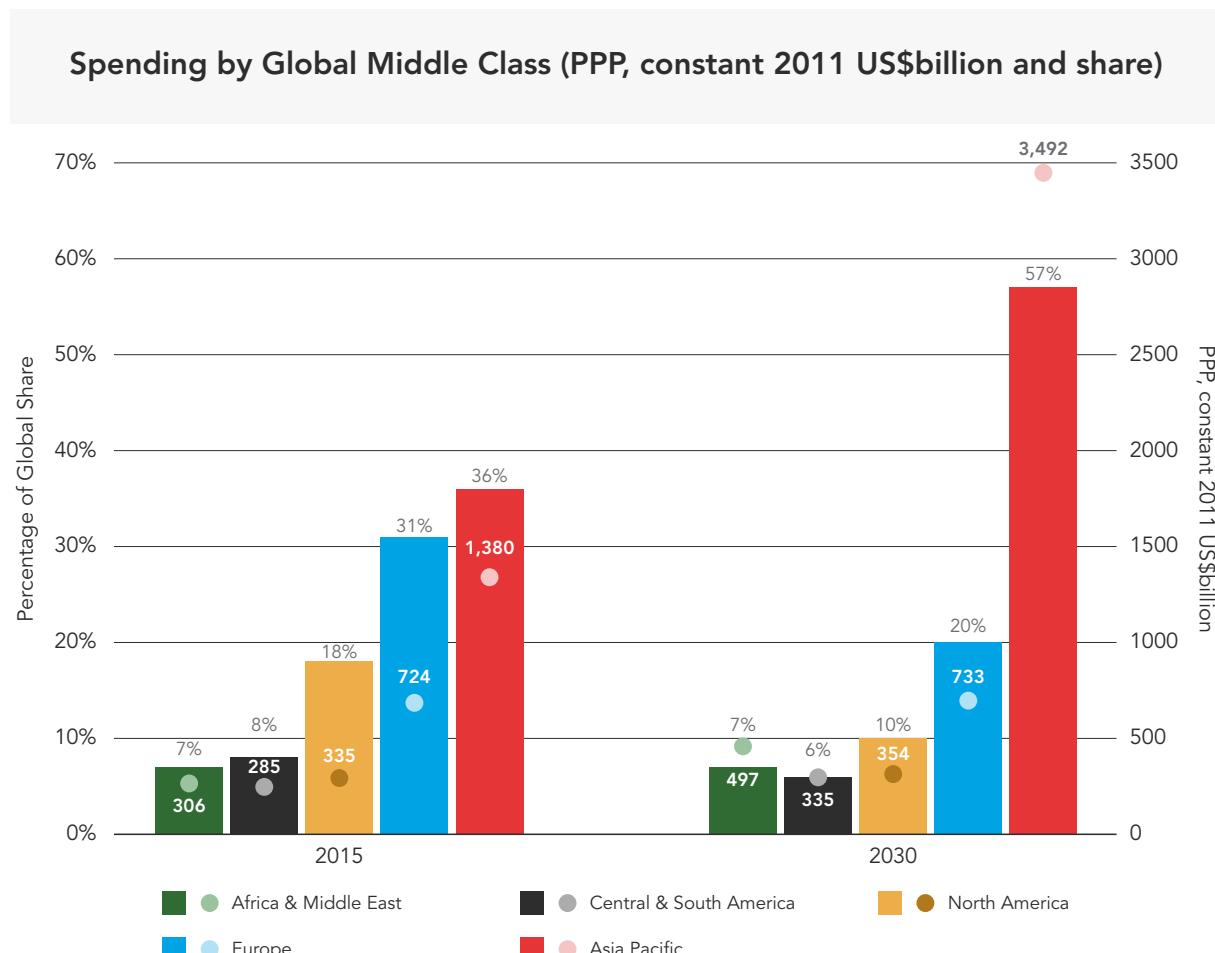


Figure 4.



Asia Pacific adds millions of new middle-class consumers each year, who are raising demand for energy and clean energy products, agricultural and food products, services, and are increasingly interested in tourism and cultural products from Canada's Indigenous peoples.

Figure 5.



Source: Hoimi Kharas (2017), [The Unprecedented Expansion of the Global Middle Class](#). Brookings Institute.

The economies and businesses in the region have demonstrated interest in Canadian and Indigenous products, resources, and services, and they often view Canadian products and services as safe, reliable, and of high quality.

Less is known on the current engagement of Asia Pacific stakeholders with Indigenous businesses and communities in Canada, but anecdotal accounts from across the country suggest significant and growing interest in Indigenous Canada from the Asia Pacific.

While all this paints a rosy picture of opportunities in the Asia Pacific, business engagement can be far from easy or straightforward. Many of the Asia Pacific businesses that are engaged internationally are large or even massive conglomerates or state-owned enterprises, while most Indigenous businesses in Canada are micro to small in size. The Asia Pacific is the most diverse and dynamic region in the world; many of the markets are complex, filled with competitors from around the world, and difficult even for established Canadian companies to navigate.

That being so, working to address some of the increasing needs, desires, and opportunities arising from the Asia Pacific can be one means for ready and well-prepared Indigenous businesses to meet their community, social, and economic goals, and [seize growth in the region](#).

Acknowledgements

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We would like to thank everyone who provided insights, comments, and suggestions for this guidebook.

We would like to hear from you.

How can this guide be improved? What kind of information or supports would be helpful for your Asia Pacific-related business endeavours? Do you have lessons learned or experiences you would like to share? How can the Asia Pacific Foundation of Canada work with you moving forward?

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About the Asia Pacific Foundation of Canada

The Asia Pacific Foundation of Canada (APF Canada) is dedicated to strengthening ties between Canada and Asia with a focus on expanding economic relations through trade, investment, and innovation; promoting Canada's expertise in offering solutions to Asia's climate change, energy, food security, and natural resource management challenges; building Asia skills and competencies among Canadians, including young Canadians, and improving Canadians' general understanding of Asia and its growing global influence.

Visit APF Canada at <http://www.asiapacific.ca>.





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