

Committee of the Whole (2) Report

DATE: Wednesday, October 11, 2023

WARD(S): ALL

TITLE: PHILIPPINES MISSION 2023 - FINAL REPORT

FROM:

Nick Spensieri, City Manager

ACTION: FOR INFORMATION

Purpose

On Council direction, the Economic Development department organized an economic and cultural mission to Baguio City, Philippines, in May 2023. This report provides a mission summary.

Report Highlights

- In December 2022, Council directed staff to conduct an economic and cultural mission to Baguio City in 2023.
- Local and Regional Councillor Gino Rosati took part in a mission to Manila and Baguio City in May 2023.
- The May 2023 mission:
 - Renewed relations with Baguio City;
 - Advanced trade and economic relationships to explore opportunities in the Association of Southeast Asian Nations (ASEAN) region through the Philippines, with Canada's Trade Commissioners and Embassy in the Philippines, the Canadian Chamber of Commerce of the Philippines (CanCham), the City of Manila, the Philippines Commission of Higher Education, and the University of Baguio; and
 - Solidified a University of Baguio-Niagara University partnership to conduct student exchanges and best practices learnings.

Report Highlights continued

- Opportunities that staff are pursuing on because of the mission include:
 - Trade education activities with CanCham and the Canadian Trade Commissioners;
 - Future trade and investment activities, including inbound missions;
 - An inbound mission from Baguio City; and
 - Finalizing a renewed Baguio City-Vaughan partnership consistent with the 2019 [Cultural and Economic Partnerships Policy 02.C.01](#).

Recommendations

1. THAT Council receive this update on the Philippines Mission 2023.

Background

Since 1997, the City of Vaughan and Baguio City, Philippines, have been international partners.

Highlights of the longstanding partnership include:

- Mayor Lorna Jackson signed Vaughan's international partnership with Baguio City in 1997. Since that time four official delegations from Baguio have visited Vaughan;
- In 2017, Mayor Maurizio Bevilacqua and Members of Council welcomed an eight-person delegation from Baguio City to commemorate the 20th anniversary of the signing of the agreement;
- In July 2022, Local and Regional Councillor Gino Rosati led a meeting with staff from Vaughan's Office of Communications and Economic Development, representatives from Niagara University's Vaughan campus, the Filipino-Canadian Association of Vaughan (FCAV), members of the Philippine Higher Education community, and Consul General Orontes Castro to explore further partnership opportunities;
- In November 2022, Mayor Steven Del Duca and Council welcomed a delegation from Baguio City Hall, including Vice Mayor Fasutino Olowan and Councillor Fred Bagbagan of Baguio City, to mark the 25th anniversary of the twinning agreement between the two cities. This meeting and economic development technical briefing marked the first international delegation hosted by Mayor Del Duca and the 2022 to 2026 Council. The visiting delegation also extended an invitation to Council to visit the Philippines;
- Since 2004, the City has recognized Filipino Day annually in June to celebrate Philippine Independence Day;
- Vaughan Council has undertaken separate missions to Baguio, including in 2009 for its centennial celebration and the inauguration of the Global Garden, and in 2013, to celebrate the Flower Festival and meet with the Baguio Economic Development Authority; and

- Economic Development participated in a Philippine Economic Briefing in Toronto on July 13, 2023. The briefing was a partnership between the Canadian Trade Commissioners and the Philippine national trade authorities.

Baguio City is a growing city with strong institutional, educational, and hospitality clusters.

About Baguio City:

- Baguio City is located 250 kilometres north of Manila, in the province of Benguet. It has a population of more than 345,000.
- Baguio City is a major educational centre, home to seven universities and colleges.
- Baguio City is home to the national Philippines military academy.
- Baguio City has a large retail and hospitality industry.

Vaughan has an active and engaged Filipino community of approximately 10,000 residents, many actively involved with FCAV.

FCAV was established in 1990. It was instrumental in Vaughan signing an agreement with Baguio City in 1997. The objectives of the FCAV are:

- To promote community spirit among Filipinos.
- To help newly landed immigrants.
- To participate in civic and social events within the community.

Canadian-Philippine economic and trade activity has been on the rise in recent years with a free-trade agreement being negotiated.

- In 2021, Canada-Philippines bilateral merchandise trade totaled \$2.7 billion, up from \$2.1 billion in 2020.
- Canadian merchandise exports to the Philippines in 2021 amounted to \$1.3 billion, up from \$899.4 million in 2020.
- Top exports include meat, mineral ores, wood, cereals, and precious stones and metals. Increased exports of meat and wood.
- In 2021, Canadian merchandise imports from the Philippines were valued at \$1.4 billion, up slightly from \$1.2 billion in the previous year.
- Top imports from the Philippines include electronics, machinery, and scientific and precision instruments.
- Canada and the Philippines are [currently negotiating a free trade agreement in the context of the Canada-ASEAN FTA negotiation](#).
- Canadian direct investment in the Philippines in 2020 was approximately \$2.6 billion.

Previous Reports/Authority

[Member's Resolution: Cultural and Economic Development Mission – Baguio City Philippines](#), Committee of the Whole (2) Report, December 12, 2022.

[Cultural and Economic Partnerships](#), Committee of the Whole (Working Session) Report, May 8, 2019.

Analysis and Options

From May 26-30, the five-day mission advanced: (1) the City of Vaughan's relationship with Baguio City and (2) relationships with organizations that can support Vaughan-Philippine economic and cultural opportunities.

The Council mission to the Philippines focused on activities to achieve the following goals:

1. To initiate negotiations for a renewed partnership; and
2. Consult with Philippine organizations while on the mission that can support a renewed partnership to position Baguio, Philippines as a gateway to the ASEAN and Indo-Pacific region.

The Vaughan mission to the Philippines advanced political relations with Baguio City and Manila.

Staff met with officials from Baguio City and presented the updated City of Vaughan Cultural and Economic Partnerships Policy. A framework for a renewed partnership was discussed and Baguio City staff are reviewing its contents.

In addition, the Delegation met with representatives from the City of Manila. The assigned Manila representative was Councillor Numero Lim, who leads Economic Development and International Partnerships for the City. Manila expressed an interest in a partnership with the City of Vaughan through him.

Councillor Lim has indicated that his staff are reviewing the City of Vaughan's material to identify synergies to build a partnership.

Trade and economic networks were expanded in the Philippine. These allow the City of Vaughan to access opportunities in the ASEAN region through the Philippines, with Canada's Trade Commissioners and Embassy in the Philippines, CanCham, the City of Manila, the Philippines Commission of Higher Education, and the University of Baguio.

The Canadian [Indo-Pacific Strategy](#) is a net new and well-resourced federal initiative. Inclusive of the Philippines, through the ASEAN region, the federal government is resourcing international agencies to advance economic opportunities.

Vaughan Economic Development staff identified the Philippines as a gateway economy to the ASEAN region. As such, City staff are working with colleagues in the Philippines on an opportunity-by-opportunity basis to advance trade and investment opportunities.

The mission solidified a University of Baguio-Niagara University (NiagaraU) partnership to conduct exchanges, joint research, and best practices learnings that will advance the local economy.

In the summer 2022, a meeting between Economic Development, NiagaraU, and representatives from the Philippine Higher Education sector, including the University of Baguio (UBaguio), was coordinated by FCAV and Local and Regional Councillor Gino Rosati. This meeting resulted in a Memorandum of Understanding between NiagaraU and UBaguio.

The MOU between UBaguio and NiagaraU is in effect until 2025. It outlines areas of academic cooperation, including student exchanges, staff and faculty exchanges, joint research, and projects that will advance the United Nations (UN) Sustainable Development Goals (SDG).

Vaughan staff presented to UBaguio executives on the city and opportunities for university collaboration that will advance the local economy.

Staff across the two universities and City of Vaughan remain in contact and are exploring opportunities for cooperation.

Economic Development is exploring a variety of opportunities that emerged from the mission. These include:

- Trade education activities with CanCham and the Trade Commissioners;
- Future trade and investment activities including inbound missions;
- An inbound mission from Baguio City; and,
- Finalizing a renewed Baguio City-Vaughan partnership in line with the 2019 [Cultural and Economic Partnerships Policy 02.C.01](#).

Financial Impact

The Council-led mission to Baguio City and Manila in the Philippines had a total budget of up to \$40,000 for three Council members and two staff to participate. One member of Council and one staff person ultimately took part as delegates.

Mission costs were as follows:

Description	Amount
Airfare	\$5,293.55
Hotels	\$1,240.00
Ground Travel	\$382.02
Per Diem and Materials	\$528.52
Meeting Hosting and Logistics	\$1,892.27
Total	\$9,336.36*

*NB: all ground travel and meals while in Baguio City were provided by the local government as a courtesy to Vaughan as a partner city.

Operational Impact

Any operational impact resulting from Vaughan-Baguio-Philippines activities is within the services and mandate of the Economic Development department.

Broader Regional Impacts/Considerations

The City of Vaughan is the only regional municipality with active engagement with the Philippines for cultural and economic purposes. The Canadian Ambassador to the Philippines noted that the Province of Ontario has not actively pursued investment or trade opportunities.

Conclusion

The City of Vaughan has a longstanding partnership with Baguio City, Philippines. The 2023 Economic and Cultural mission further cemented this relationship. Through the mission, the City of Vaughan is pursuing various opportunities to work with trade and investment agencies in the Philippines. These opportunities will help the local community access the ASEAN and Indo-Pacific region opportunities.

For more information, please contact: Raphael Costa, Director, Economic Development.

Attachments

1. Philippines Mission 2023, Day 1 Memorandum, May 26, 2023
2. Philippines Mission 2023, Day 2 Memorandum, May 27, 2023
3. Philippines Mission 2023, Day 3 Memorandum, May 28, 2023
4. Philippines Mission 2023, Day 4 Memorandum, May 29, 2023
5. Philippines Mission 2023, Day 5 Memorandum, May 30, 2023

Prepared by

Raphael Costa, Director, Economic Development, extension 8891.

Approved by

A handwritten signature in black ink, appearing to read 'Nick Spensieri', with a long horizontal stroke extending to the right.

Nick Spensieri, City Manager