

Country Risk Assessment

CANADA

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At glance: Canada is a land of vast distances and rich natural resources. From north to south it spans more than half the Northern Hemisphere. It is the second largest country (after Russia) in the world, occupying roughly the northern two-fifths of the continent of North America. The country is bounded by the North Atlantic Ocean on the east, the North Pacific Ocean on the west, and the Arctic Ocean on the north. It borders Alaska (USA) in the west, and twelve US states of the continental part of the United States in the south. It is the world's longest international border between two countries (8,891 km). Canada has a highly developed mixed-market economy, with the world's eighth-largest economy as of 2022. The country is a member of the Organization for Economic Co-operation and Development (OECD) and the Group of Seven (G7). The



backbone of Canada's economy is the service industry, which employs about three-quarters of the country's workforce. The national capital of Canada is Ottawa and the largest city is Toronto.

Country Risk Classification: A2* (ECGC Country Risk Classification List with effect from 31st March 2023)

Political system: Canada's political system is a federal parliamentary (Parliament of Canada) representative democracy with a formal constitutional monarchy. Chief of State is the British monarch represented by the Governor-General, who is appointed by the monarch.

Demographic Indicators

S No.	Particulars	Details
1.	Ethnic groups	Canadian 32.3%, English 18.3%, Scottish 13.9%, French 13.6%, Irish 13.4%, German 9.6%, Chinese 5.1%, Italian 4.6%, North American Indian 4.4%, East Indian 4%, Ukrainian 3.9%, other 47.7% (2016 est.)
2.	Languages	English (official) 58.7%, French (official) 22%, Punjabi 1.4%, Italian 1.3%, Spanish 1.3%, German 1.3%, Cantonese 1.2%, Tagalog 1.2%, Arabic 1.1%, other 10.5% (2011 est.)
3.	Religions	Catholic 39%, Protestant 20.3% (includes United Church 6.1%, Anglican 5%, Baptist 1.9%, Lutheran 1.5%, Pentecostal 1.5%, Presbyterian 1.4%, other Protestant 2.9%), Orthodox 1.6%, other Christian 6.3%, Muslim 3.2%, Hindu 1.5%, Sikh 1.4%, Buddhist 1.1%, Jewish 1%, other 0.6%, none 23.9% (2011 est.)

Geographic Indicators

S No.	Particulars	Details
1.	Location of Country	Canada is located at the top of North America above the United States. It is bordered on the west by the Pacific Ocean and on the east by the Atlantic Ocean. The US is to the south and to the north is the Arctic Ocean.
2.	Area Covered	9,984,670 sq km (3,855,103 Sq Mi)
3.	Total Population	38,232,593 (2022 est.)
4.	Climate	Varies from temperate in south to subarctic and arctic in north.
5.	Area	Total: 9,984,670 sq km Land: 9,093,507 sq km Water: 891,163 sq km
6.	Natural resources	Bauxite, Iron ore, Nickel, Zinc, Copper, Gold, Lead, Uranium, Molybdenum, Potash, Diamonds, Silver, Fish, Timber, Wildlife, Coal, Petroleum, Natural gas and Hydropower

Economic Indicators

S No.	Particulars	Details
1.	GDP (Purchasing Power Parity)	\$1.832 Trillion (2021 est.)
2.	GDP (Per Capita)	\$47,900 (2021 est.)
3.	Inflation, consumer prices (annual %)	3.4% (2021 est.)
4.	GDP – Composition, by sector of origin	Agriculture: 1.6% (2017 est.) Industry: 28.2% (2017 est.) Services: 70.2% (2017 est.) Industries: Transportation equipment, Chemicals, processed and unprocessed minerals, Food products, Wood and paper products, Fish products, Petroleum and Natural gas
5.	Currency	Canadian Dollar (CAD), 1 CAD (Can \$), = 61.23 INR (Jan, 2023) 1 CAD = 0.74 USD (Jan, 2023)
6.	Total global exports of Canada	\$ 611.146 billion (2021 est.)
7.	Major export partners	US 73% (2019)
8.	Total global imports of Canada	\$ 609.256 billion (2021 est.)
9.	Major import partners	US 57%, China 11%, Mexico 5% (2019)
10.	India-Canada Bilateral Trade (2021-2022)	India's exports to Canada: 3,763.98 USD Million India's Handicrafts (Excl. Handmade carpets) exports to Canada: 93.08 USD Million India's imports from Canada: 3,132.78 USD Million India's trade deficit: 631.21 USD Million (2021-22) (Source: Ministry of Commerce & Industry, GOI)

Source: worldbank.org
cia.gov

Strengths & Weaknesses

Strengths

- Rich abundant and diverse mineral, agricultural and energy resources
- Country produces the fifth largest oil and gas in the world
- Immediate access to the sizable U.S. market
- Strong, well-capitalized, and well-regulated banking sector
- Politically stable

Weaknesses

- Dependent on the U.S. economy and energy prices
- Government revenues dependent on oil & export
- High household debt
- Decline in the proportion of the working population
- Sensitive to commodity prices

***Country Risk Classification List as of 31st March 2023 (Medium-and-Long-Term)**

Country Classification Legend

ECGC Classification	Risk Category
A1	Insignificant
A2	Low Risk
B1	Moderately Low Risk
B2	Moderate Risk
C1	Moderately High Risk
C2	High Risk
D	Very High Risk