



Rijksdienst voor Ondernemend
Nederland



Photo: Natural Resources Canada

Canada: Business opportunities in the maritime sector

Canadese overheid geeft opdracht voor bouw tientallen
schepen

€ 27 miljard in toekomstige orders

Scheepsbouw conferentie in Niagara Falls, 7-9 mei 2014

Colofon

Opgesteld door Nederlandse ambassade in Ottawa, Canada
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Datum 17 | 1 | 2014

Canada, Maritime sector, business opportunities

The Maritime sector in Canada will grow again after years of stagnation. On June 3, 2010, the Government of Canada announced Canada's National Shipbuilding Procurement Strategy (NSPS), with the intention to replace a large aging fleet of government vessels (Coast Guard and Navy) and revitalize the ship building industry.

In the summer of 2011 NSPS resulted in the selection of two major Canadian shipyards for large ship construction and designated them as sources of supply, one for a package of combat vessels and the other for non-combat vessels. The two winning bids went to Irving Shipyards in Nova Scotia on the east coast and SeaSpan subsidiary Vancouver Shipyards Cie Ltd. in Vancouver on the west coast.

In February 2012, umbrella agreements were signed with the selected shipyards. Umbrella agreements are long-term strategic sourcing arrangements that define the working relationships and administrative arrangements under which the government will negotiate fair and reasonable individual contracts.

For smaller ship construction, Canada has set aside individual projects for competitive procurements amongst Canadian shipyards other than the shipyards selected to build the large ships and their affiliated companies. For ship repair, refit and maintenance, these requirements will be competed through publicly announced request for proposals.

The next step in the implementation of the National Shipbuilding Procurement Strategy is the negotiating of individual project contracts. First in line will be the Arctic Offshore Patrol Ships in the combat package and the Science Vessels for the Canadian Coast Guard in the non-combat package. This process is now underway. An amount of 35 billion Canadian Dollar (about 26 billion Euro) will be spent in total over the next 20 to 30 years.

The federal government has already signed a \$9.3-million deal with Irving Shipbuilding to get started on the navy shipbuilding contract in Halifax. Defense Minister Peter MacKay says the contract will allow the shipbuilding company to review the design and devise a construction plan for the Arctic Offshore Patrol Ships.

Those are the first vessels of the 21 combat package expected to be built by Irving under its \$27-billion deal.

The Seaspan Marine Corp. shipyard in Vancouver will construct seven vessels under an \$8-billion contract for non-combat ships. Another \$2 billion for smaller vessels is yet to be allocated to another shipyard.

What will be built

The value of the total package is 33 billion Canadian dollars to build the large ships, another 2 billion CAD has been set aside for smaller ships.

Large Vessels:

6-8 Arctic Patrol Ships (Irving)

15 Canadian Surface Combatant ships (Irving)

3 CG Fisheries Science ships (Seaspan)

1 CG Offshore Oceanographic Science ship (Seaspan)

1 Polar Icebreaker (Seaspan)

2-3 Navy Joint Support ships (Seaspan)

Small Vessels:

Less than 1000 tonnes

Department of National Defence:

Large and small tugs

Coast Guard:

Search and Rescue Life boats

Mid shore Science ships

Channel Survey and Sounding ships

Near Shore Fishery Research ships

Specialty ships

Facts and figures about the country

Canada is a wealthy nation, with a similar GDP per capita as the Netherlands. The country is large: it takes about 7-8 hours to fly across the country in a jet plane. Although it is a young country, it has regional differences. Some parts have a booming economy, others grow modest or not at all.

Canada borders on three oceans: the Pacific Ocean (British Columbia), the Atlantic Ocean (the Maritimes) and the Arctic Sea. There are five large lakes on the southern border, which Canada shares with the USA. The population is spread out, with concentrations around five large urban centres: Vancouver, Central Alberta, Toronto, Ottawa-Gatineau and Montreal. The Maritimes (Newfoundland, Nova Scotia, Prince Edward Country and New Brunswick) are economically behind. The contract with Irving Ship building is expected to bring thousands of jobs.

As a federation, the provinces operate very independently, but in the case of the ship building contracts, it is the federal government that pulls the strings. Although the government has a preference for 'buy Canadian', the reality will be that parts for the ships might come from other countries. Therefore, this will create opportunities for the Dutch ship building supply industry.

Several large Dutch companies have established long term relationships with the Canadian maritime sector, either through previous contracts or through local agents.

Events

The annual Mari-tech has been held once a year in several places in Canada. This is the place where decision makers, engineers, procurement officers, consultants and companies meet. In 2012, the conference was held in Ottawa and was much higher attended than previously expected. In 2013, the conference took place in Halifax, attended by a Holland Marine Equipment trade mission. In 2014 the conference will take place in Niagara Falls, Ontario. In 2014, the conference will be co-organised with the Society of Naval Architects and Marine Engineers, Great Lakes and Great Rivers Section.

Useful websites

Government of Canada official shipbuilding procurement web site:

<http://www.tpsgc-pwgsc.gc.ca/app-acq/sam-mps/snacn-nsps-eng.html>

Construction of new buildings and infrastructure at Seaspan's Vancouver Shipyards and Victoria Shipyards is expected to start in 2012, while construction on the first non-combat ship is expected to start in 2013. To that end, Seaspan has set up a [supplier registration portal](#), and [so has](#) combat ship builder Irving Shipbuilding.

Defence Industry Daily: www.defenseindustrydaily.com/Canadas-National-Shipbuilding-Strategy-07164/

More information?

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Any company interested in being informed about new developments in the maritime sector in Canada, please let us know through Ott-EA@minbuza.nl We will be happy to keep you involved.