

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) Mini-Trade Reports

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VIETNAM

ABOUT

APF Canada's CPTPP Mini-Trade Report: **VIETNAM**

- Building on our recent report, [The Impact of the CPTPP on Trade between Canada and the Asia Pacific](#), this mini-report focuses on Vietnam – one of the seven 'AP7' economies (signatories to the CPTPP) in the Asia Pacific.
- This report explores the CPTPP's benefits for Canada's merchandise and service trade relations with Vietnam at the national and sub-national level in the five years post-CPTPP ratification (from 2019 to 2023), with 2018 data for context. The report also identifies future trade opportunities for Canadian firms interested in expanding their presence in Vietnam.
- Canada ratified the CPTPP in December 2018 with Vietnam ratifying shortly after in January 2019.
- This is one of the six reports released by APF Canada in the first quarter of 2025 - the other reports were focused on [Singapore](#), [Australia](#), [Japan](#), [Malaysia](#), and [New Zealand](#) (excluding Brunei due to limited data).



KEY TAKEAWAYS

- Vietnam-Canada **merchandise trade** grew by 76% from C\$7.9B in 2019 to C\$14B in 2023, led by an increase in Canadian imports, resulting in a widening Canadian trade deficit.
- Despite the decline in **services trade** during the pandemic, Canada-Vietnam services trade increased by 17% from C\$878M in 2019 to over C\$1B in 2023, led by the growth in Canadian exports, resulting in a positive trade balance for Canada.
- **Ontario** emerged as the primary beneficiary of Canada-Vietnam two-way merchandise trade, followed by **British Columbia** and **Quebec** as the second and third largest beneficiaries. In 2023, Ontario alone accounted for 60% of Canada-Vietnam merchandise trade.
- Key sectors with untapped trade opportunities in Vietnam for Canadian exporters include **advanced manufacturing, agriculture, food and beverages, clean technology, information and communication technologies, and infrastructure.**

Key Statistics, 2023

GDP (PURCHASING POWER PARITY):

C\$2.03T

POPULATION:

100.4M

TOP FIVE TRADE PARTNERS:



China



United States



Japan



Hong Kong



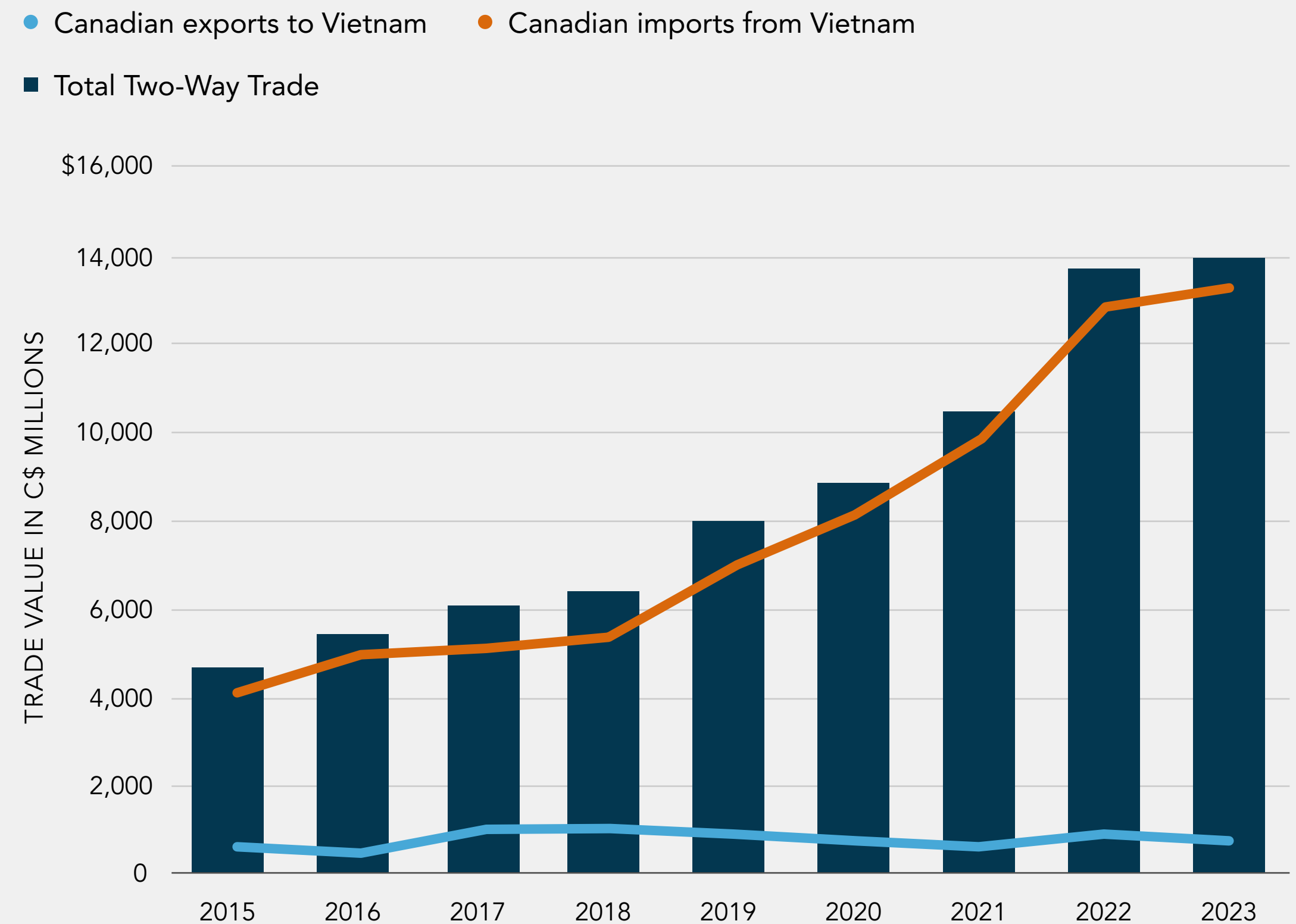
Singapore

MERCHANDISE TRADE

Vietnam is Canada's **second-largest merchandise trade partner** among the Asia Pacific members of the CPTPP. Since Vietnam's ratification of the CPTPP in January 2019, Canada-Vietnam two-way merchandise trade has grown by 76%, from around C\$8B in 2019 to over C\$14B in 2023 (Figure 1).

The growth, which was not negatively impacted by the pandemic, was predominantly driven by Canadian imports from Vietnam, leading to widening Canadian trade deficit.

Figure 1: Canada-Vietnam Two-Way Merchandise Trade, 2015-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

Figure 2: Canada's Top Exports to Vietnam, 2019-23

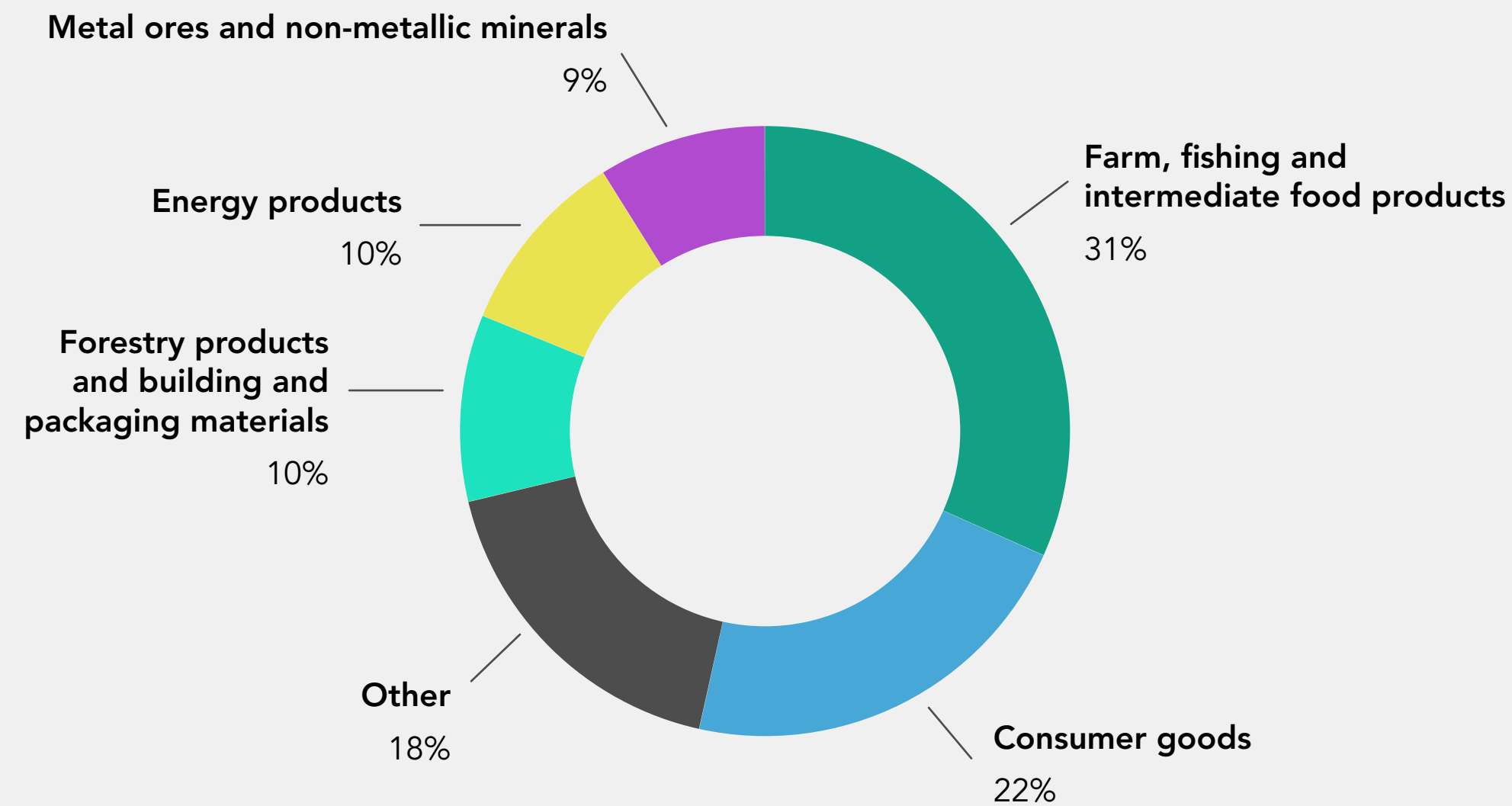
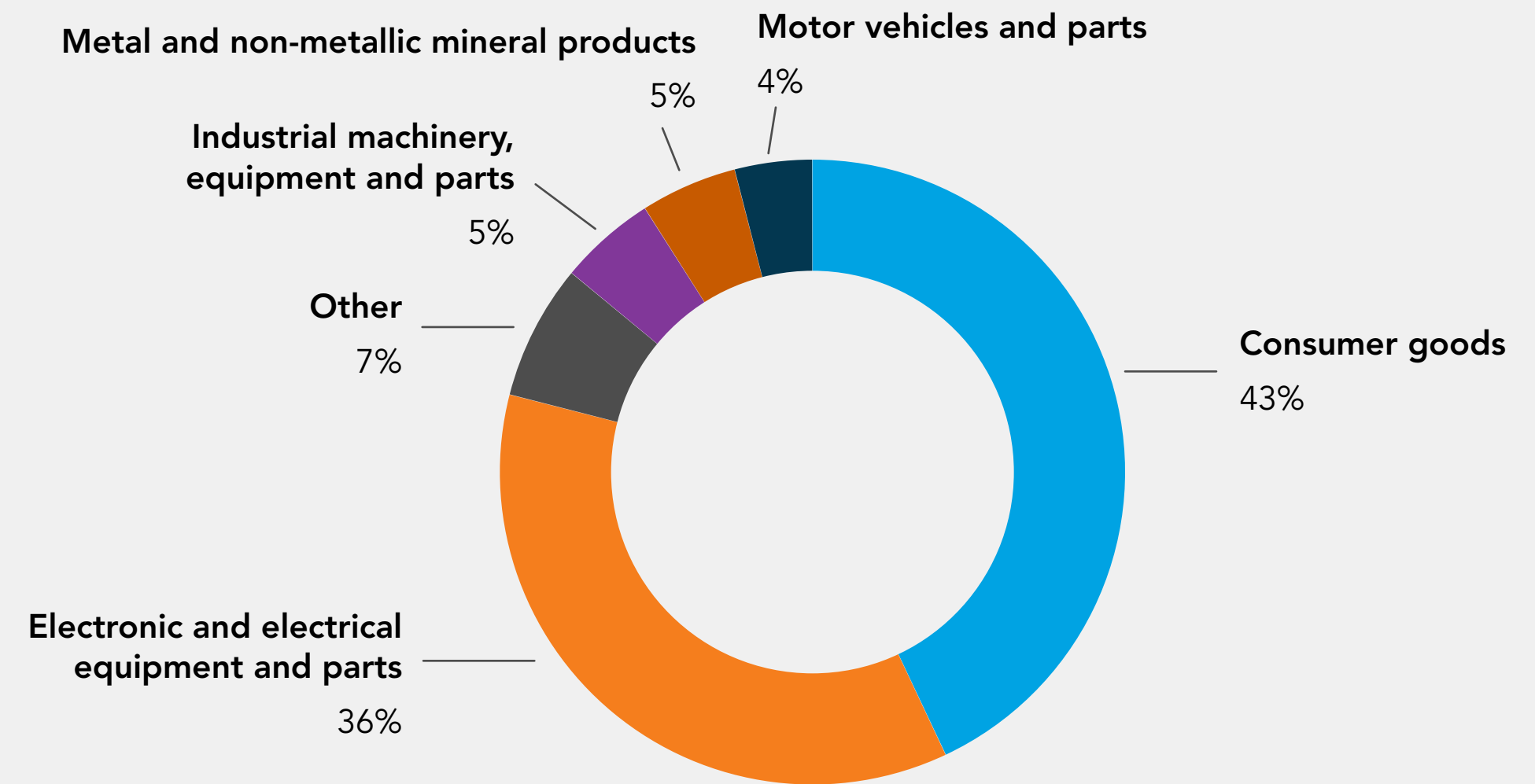


Figure 3: Canada's Top Imports from Vietnam, 2019-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

Over the past five years, **Canadian exports** to Vietnam have on average decreased, from C\$960M in 2019 to C\$747M in 2023. Canada's major exports to the region were *farm, fishing, and intermediate food products*, which accounted for

approximately C\$1.2B, or 31.5% of Canada's total merchandise exports to Vietnam. *Consumer goods* were Canada's second-largest exports to Vietnam, totaling around C\$843M and accounting for 22% of total trade (Figure 2).

After the CPTPP's ratification, *consumer goods* and *electronic and electrical equipment and parts* were **Canada's primary imports** from Vietnam, with around C\$22.2B in *consumer goods* and approximately C\$18.3B in *electronic and electrical*

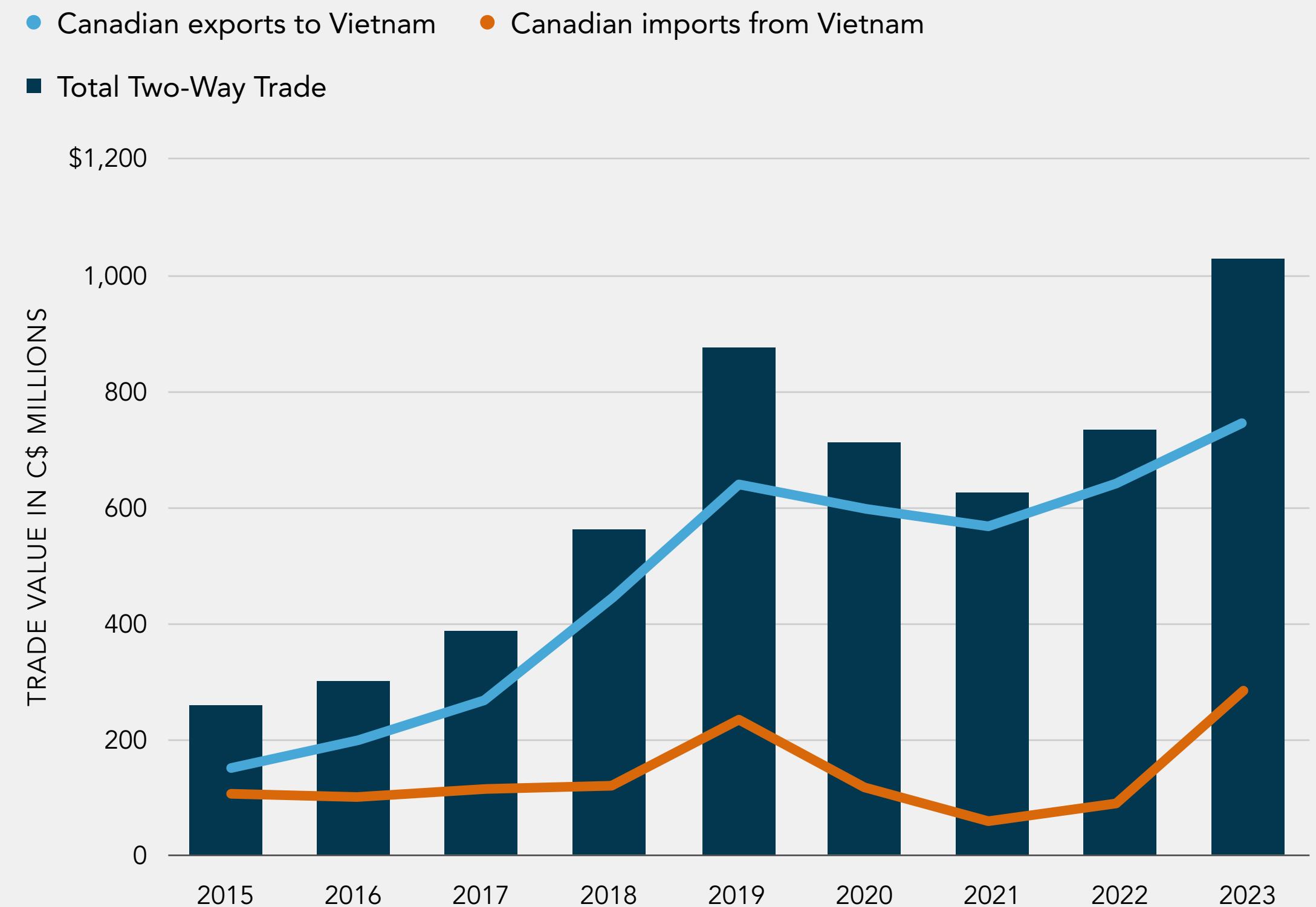
equipment and parts. These two product categories accounted for almost 80% of Canada's imports from Vietnam in the last five years (Figure 3).

SERVICES TRADE

Vietnam is ranked as Canada's **fourth-largest services trade partner in the region**, generating over C\$3.99B in bilateral services trade the last five years. While services trade declined during the pandemic, it rebounded in 2022 and by 2023 exceeded pre-pandemic growth levels, with over C\$1B generated by services trade that year (Figure 4).

In contrast to merchandise trade, two-way services trade between Canada and Vietnam over the last five years has been dominated by **Canadian services exports** to Vietnam (Figure 4), which accounted for about 80% of the total two-way services trade, leading to a Canadian trade surplus.

Figure 4: Canada-Vietnam Two-Way Services Trade, 2015-23



Source: Statistics Canada, 2024, Table 36-10-0007-01

Since the ratification of the CPTPP, **Canadian services exports** to Vietnam have been driven by exports of Canadian *travel* services, which amounted to C\$2.8B, representing almost 89% of Canada’s services exports to Vietnam. *Travel* has also dominated **Canada’s imports from Vietnam**, with a value of C\$515M and accounting for 65% of the total imported services from Vietnam (Table 1). While the pandemic impacted travel services, leading to a drop in *travel* in 2021, 2023 *travel* services exceeded pre-pandemic levels for both *travel* imports and exports.

TABLE 1

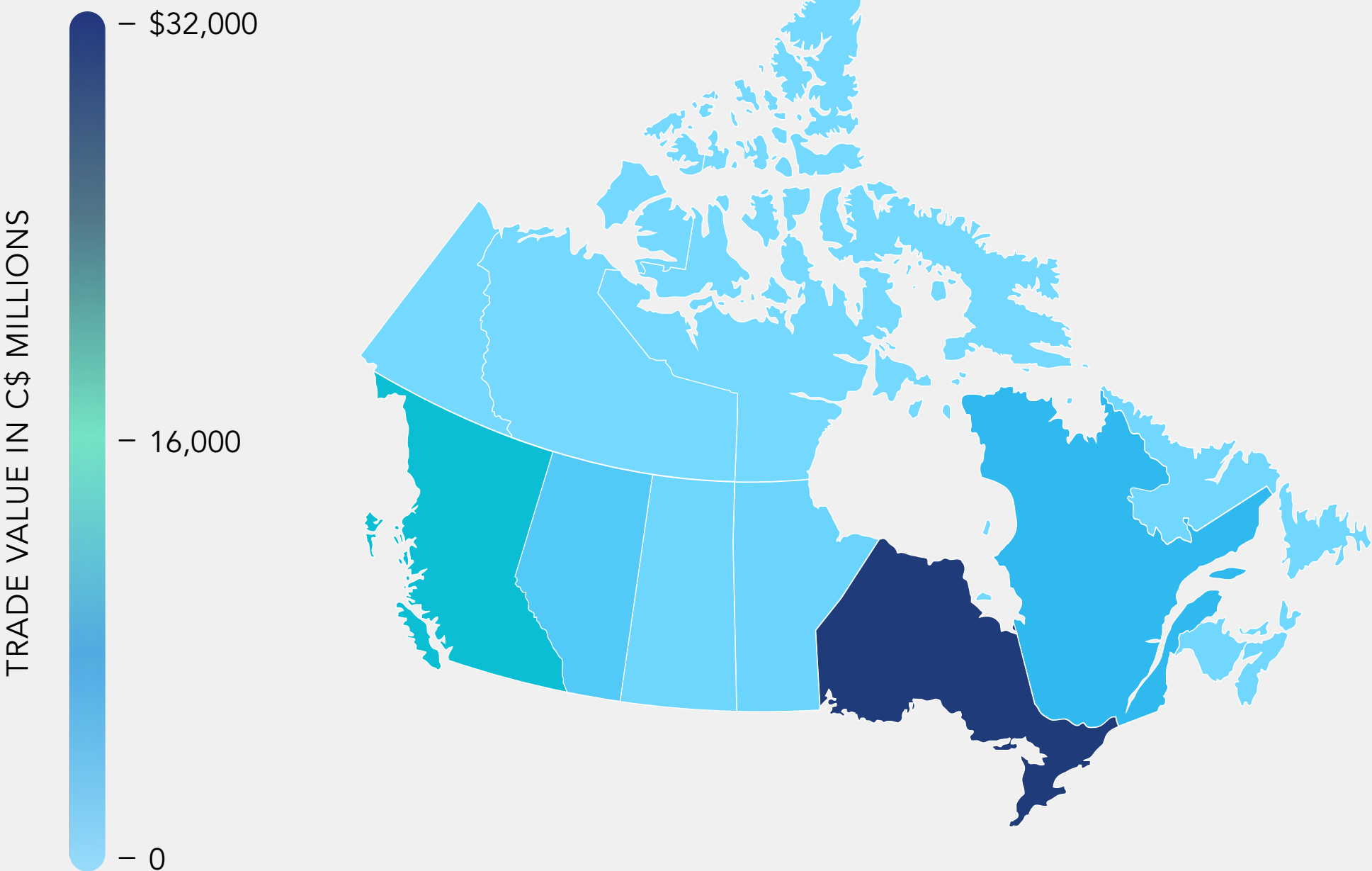
| Services | Percentage of Total Service Exports to Vietnam, 2019-23 | Percentage of Total Service Imports From Vietnam, 2019-23 |
|--|---|---|
| Commercial | 8% | 29% |
| Travel | 89% | 65% |
| Transportation and government services | 3% | 5% |

Source: Statistics Canada, Table 36-10-0007-01

PROVINCES BENEFITING FROM CANADA-VIETNAM TRADE

Since CPTPP ratification, **Ontario** has been the main beneficiary of merchandise trade between Canada and Vietnam, accounting for 57% of Canada-Vietnam merchandise trade. **British Columbia** and **Quebec** ranked as the second and third largest beneficiaries, accounting for 23% and 10% of two-way trade, with **Alberta** and **Manitoba** rounding Vietnam's top five trade partners (Figure 5).

Figure 5: Canadian Provinces Two-way Merchandise Trade with Vietnam, 2019-23



Source: Statistics Canada: Table: 12-10-0173-01

VIETNAM'S TOP FIVE PROVINCIAL PARTNERS:

- Ontario**
C\$31,188M
- British Columbia**
C\$12,896M
- Quebec**
C\$5,532M
- Alberta**
C\$2,905M
- Manitoba**
C\$899M

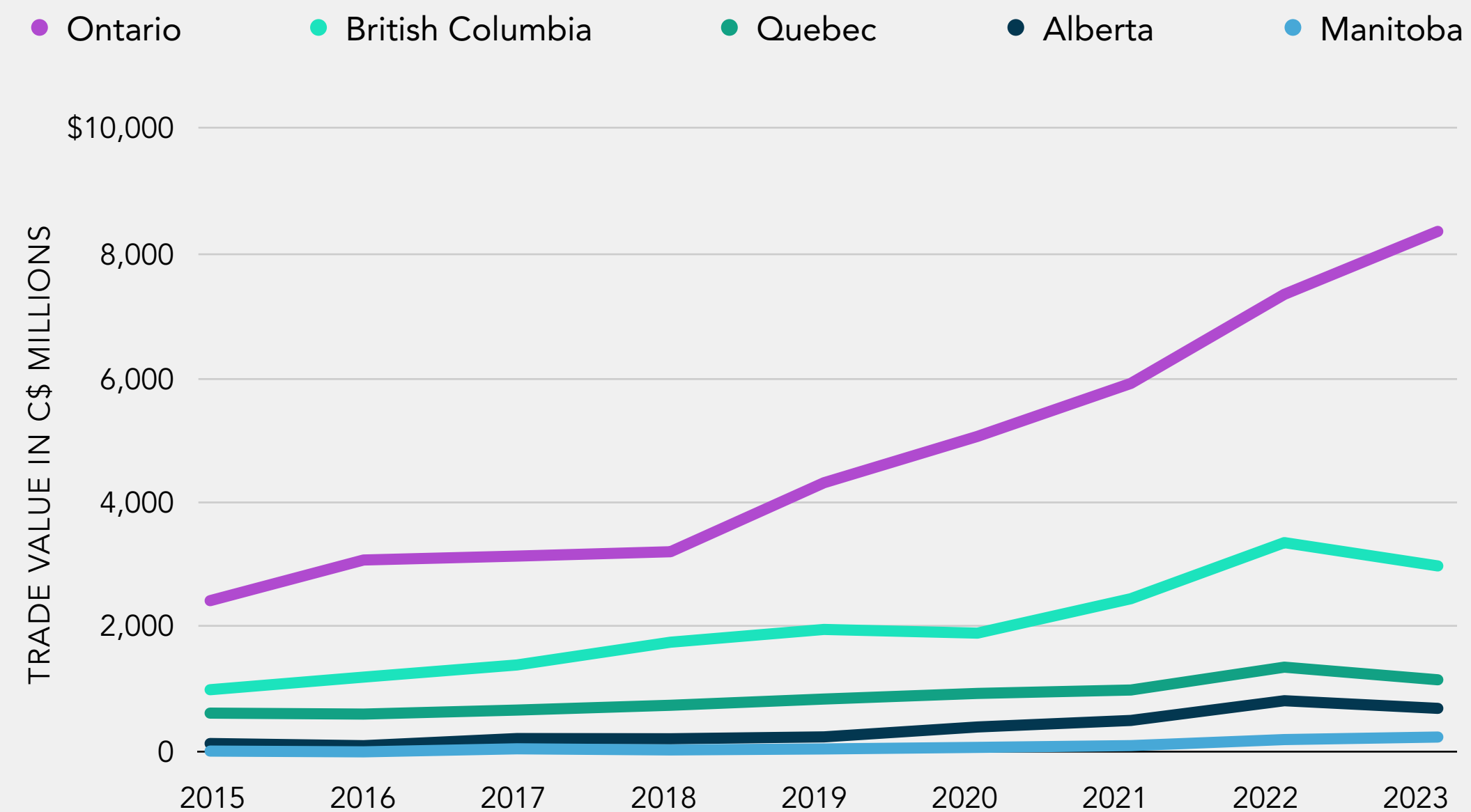
Ontario's trade with Vietnam has skyrocketed since CPTPP ratification, reaching nearly C\$8.4B in 2023, representing around 60% of Canada's total trade with Vietnam (Figure 6). Imports dominated Ontario's trade with Vietnam, accounting for over 97% (C\$30.5B) of the two-way trade from 2019 to 2023. *Electronic and electrical equipment* were Ontario's largest imports, accounting for over 46% of Ontario's imports from Vietnam in the past five years, while *farm, fishing, and intermediate food products* made up over half of Ontario's exports to Vietnam.

British Columbia and **Quebec** have been key markets for Vietnamese products, with imports accounting for about 94% and 89% of their two-way trade with Vietnam over the past five years. Although

imports grew steadily after the CPTPP ratification, they declined in both provinces in 2023, driven by a drop in British Columbia's and Quebec's imports of *metals and mineral products* and *consumer*

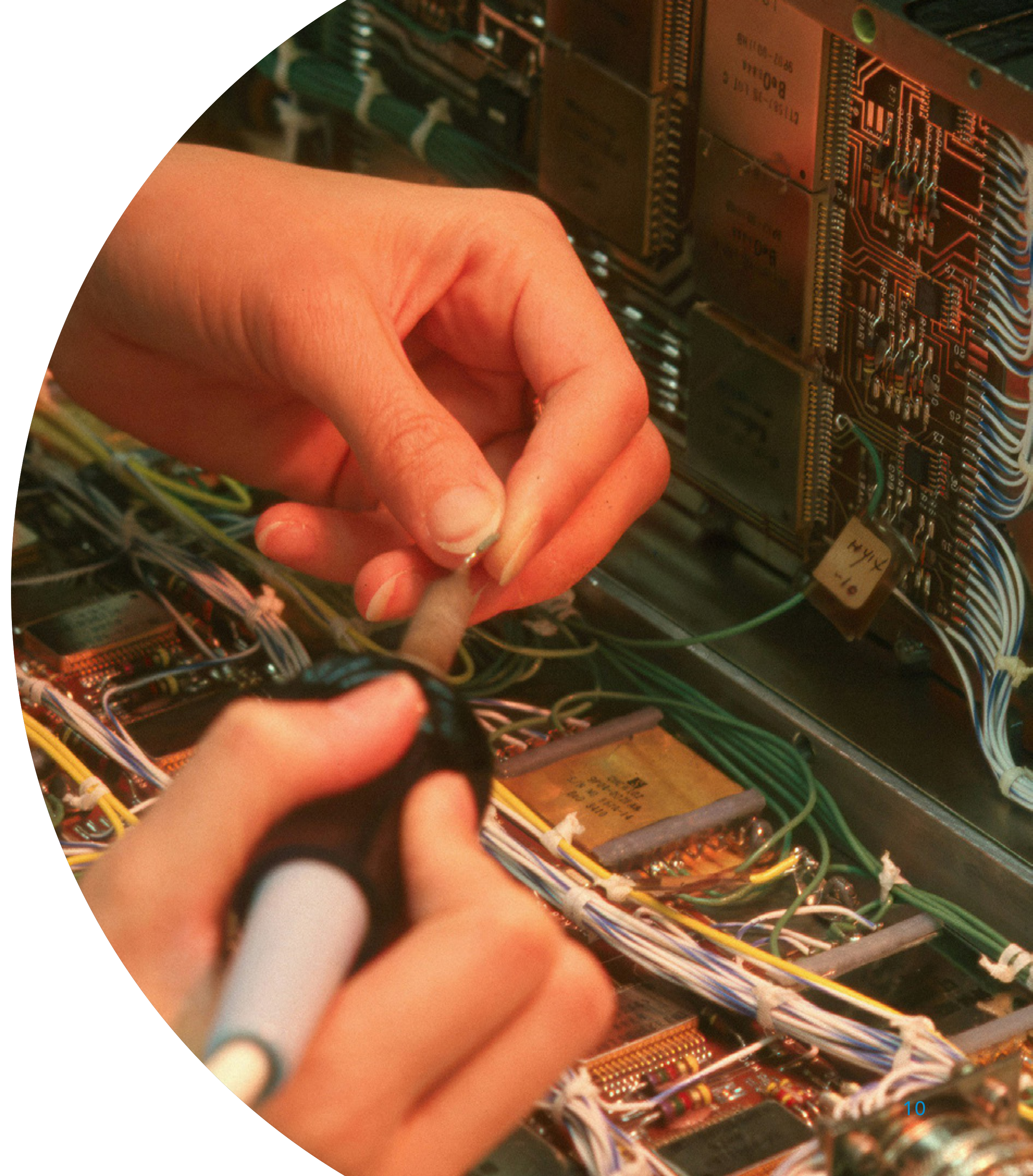
goods from Vietnam. The declines in the two provinces' imports from Vietnam in 2023 can be attributed to [lower commodity prices](#), driven by the easing of supply disruptions as global markets adjusted to Russia's invasion of Ukraine. *Consumer goods* made up over half of their imports from Vietnam. On the exports side, British Columbia's *energy-related products* accounted for nearly 40% of its exports to Vietnam, while Quebec's *consumer goods* made up 43% of its exports to Vietnam.

Figure 6: Canadian Provinces Two-Way Trade with Vietnam, 2015-23



Source: Statistics Canada: Table: 12-10-0173-01

Alberta and **Manitoba's** trade with Vietnam has been largely import-driven since the CPTPP ratification. From 2019 to 2023, imports made up about 73% of Alberta's trade with Vietnam, led by *electronic and electrical equipment and parts*, which accounted for 42% of its total imports. In Manitoba, imports comprised around 90% of its trade with Vietnam, with *consumer goods* making up over 43% of its imports. *Consumer goods* were Alberta's main exports to Vietnam, while Manitoba primarily exported *farm, fishing, and intermediate food products*.



TRADE OPPORTUNITIES



Since the ratification of the CPTPP, Vietnam-Canada two-way merchandise and services trade has grown significantly, benefitting from lower tariffs under the trade deal. According to

[Export Development Canada](#), there are still untapped opportunities for Canadian exporters in Vietnam's key sectors, including *advanced manufacturing, agriculture, food and beverages, clean technology,*

information and communication technologies, and infrastructure.

The International Trade Centre's [Export Potential Map](#) highlights significant export opportunities

in Vietnam for Canadian products such as *coniferous wood, potassium chloride (used as fertilizer), and wheat and meslin*, with the export potential estimated at C\$162 million.

