

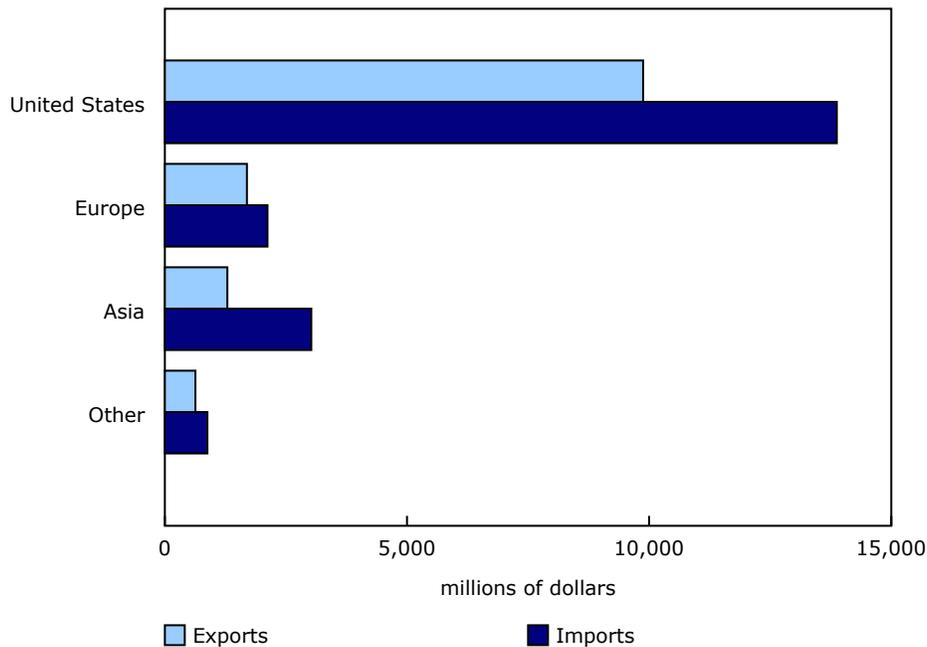
United States remains by far Canada's principal trading partner for environmental and clean technology products in 2019

Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, April 13, 2021

Canada exported \$13.5 billion of environmental and clean technology (ECT) products in 2019, accounting for 1.8% of total Canadian exports. Imports of ECT reached \$19.9 billion, representing 2.6% of total Canadian imports. As a result, Canada had a \$6.4 billion trade deficit in ECT products in 2019, up slightly (+\$744.8 million) from 2018 and accounting for just above one-sixth of Canada's total trade deficit of \$36.9 billion in 2019.

The United States is Canada's principal trading partner for ECT products. In 2019, Canada had a \$4.0 billion trade deficit with the United States. Trade deficits with Europe and Asia were smaller.

Chart 1
Canadian trade in environmental and clean technology products, by region, 2019



Source(s): Table 36-10-0646-01.

The majority of Canadian environmental and clean technology products exports are destined for the United States

Canada exported \$9.9 billion worth of ECT products to the United States in 2019, down \$895.1 million from a year earlier. This total represented almost three-quarters (73.2%) of total Canadian exports of ECT products in 2019.

Clean technology goods (\$6.6 billion) accounted for over two-thirds of the exports to the United States, followed by environmental goods (\$2.3 billion), clean technology services (\$820.2 million), and waste management and remediation services (\$90.0 million).

The single largest ECT export was clean electricity (part of the environmental goods group), totalling \$2.0 billion, or one-fifth of total environmental exports to the United States.

Scientific and research and development services represented 84.1% of all clean technology services exported to the United States, valued at \$690.0 million.

In 2019, Europe was Canada's second largest export partner, receiving over 1/10 of the total ECT exports (\$1.7 billion). Two countries purchased almost half of these exports—the United Kingdom (29.4%) and the Netherlands (14.9%).

Canada exported \$375.9 million of ECT products to China in 2019, accounting for almost one-third (29.1%) of the exports destined for Asia. That same year, China was Canada's largest export partner for Asia.

Most environmental and clean technology products are imported from the United States

In 2019, Canada imported \$13.9 billion worth of ECT products from the United States, representing just over two-thirds (69.7%) of its total environmental imports. The largest share of imports consisted of manufactured goods associated with clean technologies (\$8.3 billion), and biofuels and primary goods (\$2.9 billion). This ranking was relatively unchanged from a year earlier.

Other major regions for the import of ECT products were Asia (15.2% or \$3.0 billion) and Europe (10.7% or \$2.1 billion). Canada's principal import partners in Asia were China and Japan, while for Europe, they were Germany and the Netherlands.

Note to readers

A new data table of the core account is now available. Table 36-10-0645 presents gross domestic product (GDP), output and employee compensation by industry.

Estimates for 2018 and 2019 are preliminary and will be revised when updated data become available, which will include the supply and use tables for those reference years.

Environmental and clean technology (ECT) is defined as any process, product or service that reduces environmental impact through any of the following three strategies: environmental protection activities that prevent, reduce, or eliminate pollution or any other degradation of the environment; resource management activities that result in the more efficient use of natural resources, thus safeguarding against their depletion; or the use of goods that have been adapted to be significantly less energy- or resource-intensive than the industry standard.

Two broad categories of ECT products are exported: environmental goods and services (composed of clean electricity, biofuels and primary goods, and waste management and remediation services), and clean technology goods and services (composed of manufactured goods, scientific and research and development services, construction services, and support services). The products follow the Supply and Use Product Classification used in the Canadian System of Macroeconomic Accounts.

The Environmental and Clean Technology Products Economic Account (ECTPEA) measures the economic contribution of environmental and clean technology products in terms of output, GDP, employment (number of jobs) and other economic variables. Estimates are directly comparable with national results for the Canadian economy. Estimates of GDP that are referred to in this release are measured at basic prices.

As part of the Government of Canada's initiative to develop the Clean Technology Data Strategy, the ECTPEA provides comprehensive measures of the supply and use of ECT products in the Canadian economy. The ECTPEA has a broader scope than the Survey of Environmental Goods and Services (SEGS) because it captures all economy-wide transactions in the ECT sector, including elements such as clean energy and scrap goods. The government and non-profit sectors are also fully covered in the ECTPEA.

The compilation of the ECTPEA draws on a variety of data sources, including Statistics Canada's supply and use tables, detailed import and export statistics released in Canada's balance of international payments, and SEGS.

*Examples of environmental goods and services and clean technologies are available in the publication *Clean technologies and the Survey of Environmental Goods and Services: A technical reference guide* (16-511-X).*

Available tables: [36-10-0645-01](#) and [36-10-0646-01](#).

Definitions, data sources and methods: survey number [1901](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).