

# Canada forges new strategic partnerships with China focussed on energy, agri-food and trade.

*Beijing, China*

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In a more divided and uncertain world, Canada is building a stronger, more independent, and more resilient economy. To that end, Carney's government is working with urgency and determination to diversify our trade partnerships and catalyse massive new levels of investment. As the world's second-largest economy, China presents enormous opportunities for Canada in this mission.

To forge a new Canada-China partnership, the Prime Minister, Mark Carney, visited Beijing, the People's Republic of China, this week. This marked the first visit to China by a Canadian Prime Minister since 2017. In Beijing, Prime Minister Carney met with the President of China, Xi Jinping, the Premier of China, Li Qiang, and the Chairman of the Standing Committee of the National People's Congress of China, Zhao Leji. After their meeting, Prime Minister Carney and President Xi released a [joint statement](#) outlining the pillars of Canada and China's new strategic partnership.

Central to this new partnership is an agreement to collaborate in energy, clean technology, and climate competitiveness. Canada and China are both energy superpowers focused on expanding two-way energy cooperation – reducing emissions and scaling up investments in batteries, solar, wind, and energy storage. While in Beijing, the Prime Minister met business leaders in energy and clean technology to identify and accelerate Chinese investment opportunities in Canada.

To help deliver the full potential of these partnerships, and build up our domestic manufacturing sector, Canada will allow up to **49,000 Chinese electric vehicles (EV) into the Canadian market, with the most-favoured-nation tariff rate of 6.1%**. This amount corresponds to volumes in the year prior to recent trade frictions on these imports (2023-2024), representing less than 3% of the Canadian market for new vehicles sold in Canada. It is expected that within three years, this agreement will drive considerable new Chinese joint-venture investment in Canada with trusted partners to protect and create new auto manufacturing careers for Canadian workers and ensure a robust build-out of Canada's EV supply chain. With this agreement, it is also anticipated that, in five years, more than 50% of these vehicles will be affordable EVs with an import price of less than \$35,000, creating new lower-cost options for Canadian consumers.

Agri-food and trade are foundations of the longstanding relationship between Canada and China – and China continues to be our second-largest export market. To renew and strengthen that relationship, Prime Minister Carney and President Xi secured

a [preliminary agreement-in-principle](#) with landmark measures to remove trade barriers and reduce tariffs:

- By March 1, 2026, Canada expects that **China will lower tariffs on Canadian canola seed to a combined rate of approximately 15%**. China is a \$4 billion canola seed market for Canadian producers, and this change represents a significant drop from current combined tariff levels of approximately 85%.
- Canada expects that **Canadian canola meal, lobsters, crabs, and peas will not be subject to relevant anti-discrimination tariffs** from March 1, 2026, until at least the end of this year.

Together, these results will help unlock nearly \$3 billion in export orders for Canadian workers and businesses as they realise the full potential of the massive Chinese market of 1.4 billion people.

Finally, to build on this momentum, Canada has set an ambitious goal to increase exports to China by 50% by 2030. To achieve this outcome, Prime Minister Carney and President Xi discussed increasing two-way investment in clean energy and technology, agri-food, wood products, and other sectors.

Canada and China will also pursue pragmatic and constructive engagement in public safety and security. Our law enforcement agencies will increase cooperation to better combat narcotics trafficking, transnational and cybercrime, synthetic drugs and money laundering – and create safer communities for people in both of our countries.

They will also explore further opportunities for cultural exchanges and partnerships, including supporting museums, digital content creators, visual artists – to increase travel exchanges and cultural ties. Prime Minister Carney welcomed the agreement between Destination Canada and China Media Group to facilitate further outbound tourism to Canada, especially as we prepare to co-host the FIFA World Cup 26™. The Prime Minister welcomed President Xi's commitment to introducing visa-free access for Canadians travelling to China.