



Report to: Economic Development Committee

Report Date: October 5, 2015

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**SUBJECT:** India Business Mission, January 30 - February 9, 2016  
**PREPARED BY:** Christina Kakaflikas, Manager, Special Projects, ext. 6590

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**RECOMMENDATION:**

- 1) That the report entitled “India Business Mission, January 30 - February 9, 2016” be received; and
- 2) That Markham collaborate with local businesses and partners to develop, promote and execute a business mission to India; and
- 3) That the City be represented by a four person delegation composed of the Mayor and the Chair of the Economic Development Committee, and two Economic Development professional staff, C. Kakaflikas (Manager Special Projects) and Huyen Hare (Senior Business Development Officer); and
- 4) That the total cost of the “India Business Mission 2016” not exceed \$47,600 and be expensed from within Economic Development’s 2016 operating budget (Acc.# 610-9985811 International Investment Attraction Program); and
- 5) That Regional Councillors Li and Armstrong be approved to participate in the India business mission at their own expense; and
- 6) That the City will up-front the cost for approved business mission participation by Council members, upon request, with reimbursement through payroll deduction, in compliance with Canada Revenue Agency (CRA) guidelines; and
- 7) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

To approve the 2016 India Business Mission to attract targeted investment to Markham and to leverage business opportunities associated with Indian Prime Minister Narendra Modi’s Smart Cities initiative. The business mission to India will be organized in collaboration with local businesses and partners such as LEA Consultants, NOVO Plastics, Seneca College, York University, Quanser and others. The 2016 mission is part of a multi-year, targeted Markham-India program designed to further our economic development relationships with India. The business mission is part of Markham’s economic strategy, “Global Markham” program undertaken to promote Markham as a preferred investment location for Markham’s key industry clusters including Information and Communication Technology, Life Sciences, Professional, Scientific and Technical Services, and Sustainable technologies including: environmental technologies (water,

wastewater, irrigation, transportation system technologies (including airports, rail, roads) and energy (smart grid, renewable, energy efficiency).

## **BACKGROUND:**

In 2008, Markham Council adopted the City's 10-year Economic Development Strategy, "Markham 2020". Among the key directions in the strategy is a purposeful decision to focus on emerging markets to attract international investment and promote trade and business links. More specifically, "Markham 2020" and the Economic Development Marketing Program focus on China and India as priority markets for foreign investment.

The City of Markham's international marketing program is focused on attracting targeted investment to Markham and enhancing trade and sales opportunities for Markham-based companies – all with the objective of generating new taxable assessment and high quality employment in Markham.

There are three core activities to the Markham international program: conducting outbound business missions, hosting inbound business/government delegations, and ongoing relationship-building activities with organizations and facilitators that have business and cultural connections to Markham's targeted markets. Following are recent examples of international program core activities targeting India.

### **Outbound Business Missions to India**

#### **India Mission 2013**

In 2013, the City of Markham partnered with the Indo Canada Chamber of Commerce and the Indian Institutes of Technology Alumni Canada to lead a business mission to India. Anchored by the **Vibrant Gujarat** Summit in Ahmedabad, the program included stops in Mumbai, Pune, Chennai, and Cochin. Vibrant Gujarat was a key global initiative of Indian Prime Minister Narendra Modi, then Chief Minister of Gujarat, who has been credited for being the main driver of the State's economic success. Mayor Scarpitti met with Mr. Modi during the 2012 mission and 2013 mission to India. In total, delegates participated in 22 formal business meetings; made formal business presentations at the SME Business Leaders Summit (300 delegates); Vibrant Gujarat (50,000+ delegates); and the PBD Conference (4,000 delegates) and made 600 business contacts.

#### **India Mission 2012**

In 2012, the City of Markham partnered with the Indo Canada Chamber of Commerce to organize a business mission to India and United Arab Emirates that included stops in New Delhi, Jaipur, Mumbai, Pune, and Dubai. The mission undertaken by the City reached sixty delegates at its peak. In total, delegates attended over 25 meetings and met with over 500 business people and government officials during the twelve-day mission.

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**GTMA 2009**

In 2009, Economic Development staff participated in the Greater Toronto Marketing Alliance's (GTMA) business trip to India. The program focused on Mumbai, Pune and Hyderabad and included participation in the NASSCOM Animation and Gaming Summit. Staff participated in 23 Meetings in Mumbai, Hyderabad, and Pune and met with over 100 contacts. Staff also supported relationships with Markham's Giesecke and Devrient and AMD by visiting their Indian operations.

**Inbound Delegations and Relationship-Building Activities**

In addition to undertaking outbound missions, Markham's Investment Attraction focuses on hosting inbound visits and participating in local initiatives that contribute to building our international relationships. Over the past 5 years, Markham has met with approximately 30 business and government delegations visiting from across India. Markham has also participated in numerous strategic, locally-based initiatives to strengthen business relationships with India including: participation in the Indian Institutes of Technology Alumni meetings and conferences; participation in Canada India Business Council programs and events such as the Canada India Infrastructure Forum and The Canada India Healthcare Summit, and hosting strategic meetings with the Asia Pacific Foundation and Consul General of India. Examples of local relationship-building activities are as follows:

**2014 Global IIT Alumni Conference in Toronto**

In 2014, the Global Indian Institutes of Technology (IIT) Alumni conference was held in Toronto and focused on Canada-USA-India economic collaboration and opportunities in the globally connected world. The conference featured distinguished keynote speakers and panellists from industry, government and academia dealing with subjects underlying the conference theme "Innovate, Integrate and Transform- Let's Co-create our Future". Some of the speakers included His Excellency David Johnston, Governor General of Canada; Prem Watsa, President and CEO Fairfax; and Sandra Pupatello, CEO Hydro One. Mayor Scarpitti was invited to speak at the conference and addressed a group of approximately 200 guests.

**2011 Program – the "Year of India" in Canada**

In June 2011, the Greater Toronto Area hosted the International Indian Film Academy's (IIFA) annual awards. Events to celebrate the IIFA awards were held in Markham, Toronto, Brampton and Mississauga. The IIFA program included a business component organized by the Federation of Indian Chambers of Commerce with assistance by the Ontario Ministry of Economic Development and Trade and the Markham Economic Development. A business forum was held at the Markham Convergence Centre where 40 Indian business representatives networked with Markham businesses.

***Pravasi Bharatiya Divas (PBD), a Convention for the Indian Diaspora in North America & the Caribbean***

In 2011, PBD North America was held in Toronto. The convention brought together Indian diaspora from across North America and the Caribbean and focused on such themes as building economic bridges, innovation in economic development, promoting culture and the arts, innovation in education; and healthcare and tele-medicine. Mayor

Scarpitti was the only Canadian Mayor in attendance and participated in a panel discussion focusing on the importance of the Indian diaspora in building economic and cultural bridges between Canada and India.

## **DISCUSSION:**

### **2016 Markham-India Program**

The 2016 business mission to India will visit New Delhi, Gurgaon, Hyderabad, and Kolkata. The mission has been timed to coincide with Ontario Premier Kathleen Wynne's business mission to India scheduled for February 1-5. Markham will seek to leverage business opportunities associated with Prime Minister Modi's Smart Cities initiative, a massive country-wide infrastructure development challenge designed to inspire creative solutions to city challenges including digital and information technologies, urban planning best practices, public private partnerships and policy change. The Smart Cities initiative presents a significant business opportunity for Canadian companies with expertise in infrastructure development, engineering, urban planning, skills development, etc. Markham's program in India will seek to incorporate Smart City-related business to government and business to business meetings and events.

#### New Delhi

New Delhi is the capital city of India. It serves as the centre of the Government of India and the Government of the National Capital Territory of Delhi. New Delhi hosts 134 foreign embassies/high commissions. Connaught Place, one of northern India's largest commercial and financial centres, is located in the northern part of New Delhi. While the public sector is the primary employer in New Delhi, key service industries including information technology, telecommunications, hotels, banking, media and tourism are expanding due to the large skilled English-speaking population that has attracted multinational companies.

Markham will participate in the Sustainable Technologies Summit in New Delhi where Premier Wynne has been invited to speak and where companies will have the opportunity to meet with Indian-based businesses and government officials.

#### Gurgaon

Gurgaon is a leading financial and industrial city of India, situated in the National Capital Region near the Indian capital New Delhi in the state of Haryana. Witnessing rapid urbanization, Gurgaon has the third highest per capita income in India. More than 250 Fortune 500 companies are located in Gurgaon. Mayor Frank Scarpitti and delegates will visit Gurgaon to support Markham-based NOVO Plastics at the official opening of their Gurgaon facility.

#### Hyderabad

Hyderabad is the capital of the southern Indian state of Telangana and the capital of the state of Andhra Pradesh. Hyderabad's role in the pearl trade has given it the name "City of Pearls" and up until the 18th century, the city was also the only global trading centre for large diamonds. Industrialisation began in the late 19th century, helped by railway expansion that connected the city with major ports. The city is home to Hyderabad Securities formerly known as Hyderabad Stock Exchange and houses the regional office

of the Securities and Exchange Board of India. The growth of the financial services sector has helped Hyderabad evolve from a traditional manufacturing city to a cosmopolitan industrial service centre. Since the 1990s, the growth of information technology (IT), IT-enabled services (ITES), insurance and financial institutions has expanded the service sector, and these primary economic activities have boosted the ancillary sectors of trade and commerce, transport, storage, communication, real estate and retail.

Markham-based LEA Consultants will be hosting a day of business and government meetings for Markham delegates focusing on business opportunities associated with India's Smart Cities initiative. LEA Consultants employs over 1,000 people in India and is one of the leading consultancy firms in infrastructure planning, development and management.

The new Hyderabad campus for Schulich's MBA in India program officially opened its doors in 2014. The high-tech campus, which features a videoconferencing link to Schulich's Toronto campus, is part of a twinning arrangement between Schulich School of Business, York University and GMR School of Business, an educational initiative of GMR Varalakshmi Foundation of the GMR Group, India's leading infrastructure major. The Markham delegation plans to partner with Schulich to host a business event in Hyderabad and explore opportunities to leverage York University's future campus in Markham to attract investment from India.

The City of Markham's visit to Hyderabad will coincide with that of Premier Kathleen Wynne. Economic Development staff will explore opportunities to coordinate initiatives with the Province.

### Kolkata

Kolkata is the capital of the Indian state of West Bengal. Kolkata is the principal commercial, cultural, and educational centre of East India. As of 2011, the city had 4.5 million residents; the urban agglomeration, which comprises the city and its suburbs, was home to approximately 14.1 million, making it the third-most populous metropolitan area in India. Kolkata is fast developing into a modern infotech city with various private sector companies.

Kolkata's economic outlook has been positive since the early nineties, coinciding with the liberalisation of the Indian economy. In its annual economic ranking of cities worldwide, Brookings ranked Kolkata 32 in performance among the 300 largest cities in the world. Other large Indian cities ranked as follows: Delhi (18), Mumbai (52), Chennai (57), Hyderabad (76), and Bengaluru (87).

Kolkata is home to the largest number of Chinese immigrants and Indian born citizens of Chinese ancestry in India. While in Kolkata, the Markham delegation will participate in Chinese New Year celebrations hosted by the Chinese business community. Markham delegates will also meet with local businesses and government officials and the Kolkata chapter of the Indo Canada Chamber of Commerce.

**Markham's Objectives for the mission:**

The mission is focused on the following specific objectives:

- Support relationships with Markham companies doing business in India
- Promote Markham as a prime investment opportunity for India-based investors and business leaders
- Advance business-to-business relationships and opportunities associated with the Smart Cities initiative in India
- Participate in Premier Wynne's program in New Delhi and Hyderabad
- Build on investment attraction initiatives initiated since 2009 including the 2012 and 2013 India missions

**Draft Agenda:**

<b>India Mission Itinerary</b>	
<b>Date</b>	<b>City</b>
Saturday January 30 <sup>th</sup>	Depart Pearson
Sunday January 31	Arrive New Delhi
Monday February 1 <sup>st</sup> – Wednesday February 3 <sup>rd</sup>	New Delhi
Wednesday February 3 <sup>rd</sup> – Saturday February 6 <sup>th</sup>	Hyderabad
Saturday February 6 <sup>th</sup> – Tuesday February 9 <sup>th</sup>	Kolkata
Tuesday February 9 <sup>th</sup> –	Depart for Markham

**FINANCIAL TEMPLATE:**

The City's cost for the Markham-India Program, 2016 will not exceed \$47,600. This includes marketing channels, organizational and promotional services and travel arrangement services in advance of and during the mission as well as the cost of airfare, accommodations, ground transportation, meals, and the production of marketing materials.

1. Per person cost is \$8,900 and inclusive of the following:
  - a) Accommodation (9 nights including breakfast)
  - b) Economy class international and domestic airfares
  - c) Ground transport
  - d) All applicable taxes including HST
2. Pre-mission Consultancy and Promotion estimated at \$4,000 and include:
  - a) Plan for in-market exposure
  - b) Arrange for business meetings, roundtables and events
  - c) Briefings for Markham officials and delegates prior to the visit highlighting itinerary details, presentations and protocols

- d) Secure meetings with leading state level and municipal representatives
- e) Plan and advise City on partnership collaborations and participants. Assist in the implementation of mission objectives

3. In-mission Consultancy and Promotion estimated at \$8,000 and include:

- a) Host, recruit, promote and implement receptions and events in key markets
- b) Facilitate business round tables
- c) Meetings with senior Indian government representatives

The total cost of the mission, \$47,600 will be expensed from within Economic Development's 2016 operating base budget (acc. #610-9985811-International Investment Attraction Program).

**Summary Table of Mission Costs**

<b>Description</b>	<b>Cost</b>
Travel Logistics (4 @ \$8,900)	\$35,600
Pre-mission Consultancy and Promotion	\$4,000
In-Mission Consultancy and Promotion	<u>\$8,000</u>
Total	\$47,600

\*Estimated costs are based on current exchange rates.

Additional Council Member Participation in Mission:

The Operating Budget provides funding for the Mayor and Chair of the Economic Development Committee to attend the India business mission.

Beyond the Mayor and the Economic Development Chair, Regional Councillors Li and Armstrong have expressed a desire to attend the India business mission at their own expense.

Exposure to these business missions by members of Council increases their knowledge and contact networks which should translate into being more effective elected officials.

The opportunity to attend this and future business missions may also be extended to other Councillors, at their own expense, and subject to approval by Council.

Upon request, the City will up-front the cost for approved business missions, with reimbursement through payroll deduction, in compliance with Canada Revenue Agency (CRA) guidelines, subject to Council approval.

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**ALIGNMENT WITH STRATEGIC PRIORITIES:**

The “Markham-India Program, 2016” is an integral part of the City’s 10-Year Economic Strategy, “Markham 2020”. The Program focuses on three of Markham’s 4 targeted economic sectors, Professional Scientific and Technical Services, ICT and Life Sciences and addresses the objective of building Global Markham and Branded Markham.

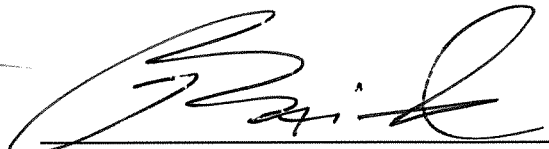
**DEPARTMENTS CONSULTED AND AFFECTED:**

N/A

**RECOMMENDED BY:**



Stephen A. Chait, Ec.D., CMC  
Director, Economic Development



Jim Baird, M.C.I.P., R.P.P.  
Commissioner of Development Services