

## Chapter 7

# Trade and Export Development—Monitoring International Trade Offices

### 1.0 MAIN POINTS

Since 2020, the Ministry of Trade and Export Development established nine international trade and investment offices (trade office) in various countries (e.g., Japan, United Arab Emirates) to attract foreign direct investment and promote trade efforts to grow Saskatchewan's exports and economy. Saskatchewan's total export value reached over \$45 billion in 2024.<sup>1</sup>

In 2024–25, the Ministry employed 31 individuals directly involved in its trade offices' operations, including staffing three to four people at each of its international trade offices. The Ministry expected to spend \$9.4 million directly related to trade office operations in 2024–25.

Trade offices support the regions they operate in. We found, for the five-year period from 2018 to 2023, regions where Ministry trade offices operated generally showed significant increases in the value of Saskatchewan's trade exports (e.g., exports to the European Union region increased by 261%).

We audited the Ministry of Trade and Export Development's processes to monitor its trade offices. At January 31, 2025, we found it had effective processes, except the Ministry needs to:

- Strengthen how it evaluates trade office success by establishing targets for its key performance indicators to drive expected results and by measuring satisfaction (e.g., surveys) of all parties working with its trade offices. For example, setting annual targets for new foreign investments or expansions can help trade offices measure their performance and impact, as well as clarifies accountability and focus for trade office staff.
- Enhance its public reporting on trade office performance. We found the Ministry periodically reports some trade office activity through news releases and quarterly reports; however, good practice expects public reporting on results of achieving key performance indicators that outline targeted and actual results. Sufficient public reporting helps Saskatchewan residents to understand the role, impact, and economic benefits of trade offices and whether the Ministry's trade office investments achieve expected results.

Effective processes to monitor international trade and investment offices promote accountability and transparency of foreign operations to help ensure Saskatchewan obtains the expected value from its spending on trade offices.

<sup>1</sup> [www150.statcan.gc.ca](http://www150.statcan.gc.ca) (14 April 2025).



## 2.0 INTRODUCTION

*The Economic and Cooperative Development Act* assigns responsibility to the Ministry of Trade and Export Development to develop Saskatchewan's economy, including coordinating and implementing policies and establishing partnerships with businesses, entrepreneurs, investors, and all levels of government.<sup>2</sup>

Investment, referring to foreign direct investment, occurs when a company in one country invests in business in another country. Trade refers to the goods Saskatchewan exports to other jurisdictions. Both investment and trade benefit Saskatchewan as they create opportunities for economic growth and access to greater markets resulting in new business, more jobs, infrastructure development, and new technologies.

### 2.1 Saskatchewan's Trade Offices

Since 2020, the Ministry of Trade and Export Development established nine trade offices to attract foreign direct investment and promote trade efforts to grow Saskatchewan's exports and economy. **Figure 1** outlines the location of each trade office and date established.

**Figure 1—Listing of Trade Office Locations and Date Established**

| Location                    | Date Established |
|-----------------------------|------------------|
| New Delhi, India            | September 2020   |
| Singapore                   | September 2020   |
| Tokyo, Japan                | September 2020   |
| Shanghai, China             | February 2021    |
| Dubai, United Arab Emirates | August 2021      |
| Ho Chi Minh City, Vietnam   | August 2021      |
| London, United Kingdom      | August 2021      |
| Mexico City, Mexico         | August 2021      |
| Berlin, Germany             | January 2023     |

Source: Adapted from Orders in Council for the Ministry of Trade and Export Development.

Saskatchewan's trade offices have responsibility for:<sup>3</sup>

- Diversifying markets and facilitating connections between Saskatchewan businesses and foreign buyers
- Encouraging greater foreign direct investment in Saskatchewan
- Providing an advantage to provincial exporters by having people on the ground who understand the business environment and can assist in navigating foreign rules and regulations
- Promoting Saskatchewan priorities and economic sectors to foreign businesses and governments

<sup>2</sup> *The Economic and Cooperative Development Act*, sections 8 and 9.

<sup>3</sup> Government of Saskatchewan, *Saskatchewan's Growth Plan – The Next Decade of Growth 2020–2030*, p. 14.

The Ministry's International Office Branch has 31 individuals directly involved in the trade offices' operations (see **Figure 2** for a summary of key staff positions). Each trade office has a managing director and two or three locally engaged support staff.

**Figure 2—Key Trade Office Staff Positions, Responsibilities, and Location**

| Position              | Responsibility   | Location                                  |
|-----------------------|--|---|
| Executive Director    | Oversees entire International Office Branch  | Regina                                    |
| Director              | Oversees three trade offices each  | Regina or Saskatoon                       |
| Managing Director     | Responsible for advancing Saskatchewan's interests by promoting the province and developing relationships between interested parties | Located at each trade office <sup>A</sup> |
| Locally Engaged Staff | Report to Managing Director and assist in trade and investment engagement  | Located at each trade office              |

Source: Adapted from information provided by the Ministry of Trade and Export Development.

<sup>A</sup> The Managing Director position was vacant for the China trade office during 2024–25. The Director responsible for this office acted as the Managing Director.

Examples of activities trade offices complete:

- Work with Saskatchewan companies to understand foreign laws and business practices.
- Provide a Saskatchewan presence and engage interested parties (e.g., at tradeshows) to promote business opportunities available in the province and build relationships with foreign contacts.
- Engage foreign contacts to contribute to new foreign direct investment and trade deals that create new economic opportunities and facilitate new partnership agreements (e.g., education, innovation).
- Support provincial government ministries/agencies and companies' trade missions that travel to foreign countries to promote Saskatchewan (e.g., trade, education partnership opportunities, talent recruitment) such as assisting with travel arrangements or coordinating meetings with established foreign contacts. For example, when the Saskatchewan Trade and Export Partnership (STEP) brings local companies to foreign regions, the Ministry's trade offices work to bring interested international investors or buyers to meet with these Saskatchewan companies.<sup>4</sup>

## 2.2 Risks of Operating Trade Offices

For 2024–25, the Ministry of Trade and Export Development budgeted \$13.8 million for trade office engagement. Of that, approximately \$9.4 million relates directly to the operation of trade offices.<sup>5</sup> Each trade office has a budget of approximately \$1 million—ranging from Vietnam (\$0.8 million) to Germany (\$1.3 million).<sup>6</sup>

<sup>4</sup> The Ministry of Trade and Export Development contracts with the Saskatchewan Trade and Export Partnership (STEP), which provides export promotion programs and services to Saskatchewan exporters that pay to be members of STEP. The Ministry contributes most of STEP's annual funding; about \$3.2 million each year.

<sup>5</sup> Budgeted amount per trade office provided by the Ministry of Trade and Export Development.

<sup>6</sup> Ibid.



Monitoring these expenses is important to help ensure the Ministry only spends money on appropriate and authorized expenses as it has unique policies and processes related to trade office expenses (e.g., adjusting managing director salaries annually based on the cost of living at each trade office location).

Further, the Ministry has relatively limited experience operating in these foreign countries because it has only operated its trade offices for a relatively short time (i.e., 2–4 years). Adequately supervising operations helps to ensure trade offices comply with applicable laws and business practices of their operating country.

In addition, it is inherently more difficult to monitor that staff meet Ministry expectations with them working in foreign countries instead of in Saskatchewan.

Effective processes to monitor trade offices promote accountability and transparency of foreign operations to help ensure Saskatchewan obtains the expected value from its spending on trade offices.

## 3.0 AUDIT CONCLUSION

**We concluded for the period ended January 31, 2025, the Ministry of Trade and Export Development had effective processes, except in the following areas, to monitor international trade and investment offices.**

**The Ministry of Trade and Export Development needs to:**

- **Establish targets for key performance indicators to track progress and monitor success of trade offices**
- **Measure satisfaction of parties having worked with trade offices**
- **Document how it evaluates trade offices' key performance indicators to facilitate consistent measurement**
- **Enhance its public reporting of trade office performance**

**Figure 3—Audit Objective, Criteria, and Approach**

**Audit Objective:** Assess the effectiveness of the Ministry of Trade and Export Development's processes for monitoring international trade and investment offices.

**Audit Criteria:**

Processes to:

**1. Set a strategy for trade offices**

- Define objectives and measurable outcomes for trade offices (e.g., market priorities, key activities, performance measures and targets)
- Rationalize selection of trade office locations (e.g., how many, expected benefits)
- Maintain appropriate policies and procedures for trade offices (e.g., hiring, compensation, allowance expenses, unique foreign operating requirements, contracting service providers)
- Hire qualified staff (e.g., knowledge of Saskatchewan business needs, knowledge of foreign environment)

**2. Supervise trade offices' operations**

- Approve expenses in accordance with established policies (e.g., salaries, travel)
- Supervise trade office staff (e.g., manage priorities and performance)
- Ensure trade offices receive services consistent with agreements

### 3. Demonstrate trade office contributions

- Analyze trade office results against expectations (e.g., outcomes, performance measures, surveys)
- Adjust expected actions as required (e.g., performance measures, staff priorities, close or move offices)
- Report trade offices' key results to the public

#### Audit Approach:

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook—Assurance* (CSAE 3001). To evaluate the Ministry of Trade and Export Development's processes, we used the above criteria based on our related work, reviews of literature including reports of other auditors, and consultations with management. Ministry management agreed with the above criteria.

We examined the Ministry's policies and procedures relating to monitoring its international trade and investment offices. We interviewed key staff responsible for monitoring trade offices. We assessed Ministry rationale for establishing trade office locations. We tested a sample of trade office expenses to determine whether expenses were appropriate and properly reviewed and approved. We assessed its performance management process against good practice (e.g., chosen performance indicators, rationale, targets). We also assessed the Ministry's reports to senior management and the public.

## 4.0 KEY FINDINGS AND RECOMMENDATIONS

### 4.1 Appropriate Rationale for Trade Office Locations

The Ministry of Trade and Export Development had reasonable rationale for its trade office locations.

The Ministry began assessing potential locations for trade offices in 2019. It considered appropriate factors when determining where to open trade offices. **Figure 4** outlines the factors the Ministry considered.

**Figure 4—Factors Considered in Selecting Trade Office Locations**

- Existing value and volume of exports to potential countries and regions
- Market growth opportunities
- Geographic location (e.g., economic hub, regional hub, sector hub)
- Existence of trade agreements (e.g., certainty about tariffs, trade rules)
- Benefits of an office in the region
- Locations other provinces have trade offices

Source: Adapted from information provided by the Ministry of Trade and Export Development and [docs.legassembly.sk.ca/legdocs/Legislative%20Committees/ECO/Debates/20210424Debates-ECO-new+upload.pdf](https://docs.legassembly.sk.ca/legdocs/Legislative%20Committees/ECO/Debates/20210424Debates-ECO-new+upload.pdf) (27 March 2025).

We found the Ministry's research and analysis for its nine trade offices showed opportunities for each region including relevant information such as export data, and qualitative information supporting the benefits of trade offices in these locations. For example, the Ministry chose Singapore as it is a regional trade hub and financial centre for the southeast Asia region.

The Ministry's trade office locations are generally consistent with other provinces that have foreign trade offices. Four of Saskatchewan's trade office locations (i.e., Mexico City, New Delhi, London, and Tokyo) align with the locations of three other Canadian provinces.<sup>7</sup>

<sup>7</sup> We found other provinces have trade offices in the United States (US). Instead of establishing foreign trade offices in the US, the Ministry of Trade and Export Development has a branch specializing in US trade relations.



Our analysis found Saskatchewan is the only province with a trade office in the United Arab Emirates. We found this reasonable as trade (e.g., agricultural products) with Emirati companies is on the rise in Canada and reached \$3 billion in 2023, and Emirati companies represent some of the largest investors in the Canadian economy.<sup>8</sup> From January to October 2024, Saskatchewan exported \$322 million worth of agri-food products (e.g., lentils, canola, wheat) to the United Arab Emirates.<sup>9</sup>

Saskatchewan's top five export markets are: United States, China, Brazil, India, and Japan.<sup>10</sup> Of these five, Saskatchewan has trade offices in three of these markets (i.e., China, India, Japan), and its Mexico office supports South America including Brazil.

The Ministry appropriately obtained Cabinet approval via Order in Council for each proposed trade office before opening them.<sup>11</sup>

Appropriate rationale and selection of trade offices helps ensure Saskatchewan benefits from these offices leading to provincial economic growth.

## 4.2 Trade Office Objectives Determined

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The Ministry of Trade and Export Development appropriately set objectives for its trade offices and identified risks to achieving these objectives.

The Ministry's objectives for its trade offices are to:

- Grow trade
- Attract investment
- Support innovation
- Drive international engagement in key markets to advance Saskatchewan's Growth Plan 2020–30 goals<sup>12</sup>

We found the Ministry appropriately set its trade office objectives consistent with certain goals in the Saskatchewan Growth Plan. For example, its objective to attract investment aligns with one of the Growth Plan goals of growing private capital investment in Saskatchewan to \$16 billion annually. See **Section 4.8** for further information on how the Ministry uses these objectives to monitor trade office activities.

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<sup>8</sup> [oec.world/en/profile/bilateral-country/can/partner/are](https://oec.world/en/profile/bilateral-country/can/partner/are) (11 April 2025).

<sup>9</sup> [www.saskatchewan.ca/government/news-and-media/2024/december/17/value-of-agri-food-exports-to-united-arab-emirates-sees-increase-from-2023](https://www.saskatchewan.ca/government/news-and-media/2024/december/17/value-of-agri-food-exports-to-united-arab-emirates-sees-increase-from-2023) (19 March 2025).

<sup>10</sup> *Saskatchewan State of Trade Report 2023*, p. 11.

<sup>11</sup> Orders in Council 445-2020 (India), 446-2020 (Singapore), 447-2020 (Japan), 47-2021 (China), 430-2021 (United Arab Emirates), 431-2021 (Vietnam), 433-2021 (United Kingdom), 432-2021 (Mexico), 2-2023 (Germany).

<sup>12</sup> *Saskatchewan Growth Plan – The Next Decade of Growth 2020–2030* (22 March 2025).

The Ministry appropriately evaluated risks that may prevent its trade offices from achieving their objectives. We found the Ministry assessed an overall risk applicable to all trade offices regarding increasing uncertainty in the international trade and investment environment. It sufficiently analyzed information related to this risk (e.g., geopolitical tensions, growing uncertainty, supply chain risk). The Ministry also evaluated specific risks during 2024–25 when it identified opportunities and risks in the regions its trade offices support (e.g., international competition in a region).

Establishing appropriate trade office objectives help drive focus and give direction to reach established goals.

### 4.3 Trade Offices Support Regions and Reasonable Priorities Set

The Ministry of Trade and Export Development's trade offices support the regions they operate in, in addition to the countries they are in, which is important to seek maximum value from money spent on trade offices. It also set reasonable priorities for each region.

The Ministry clearly identified the regions or countries it expects its trade offices to support. It also clearly set market priorities (e.g., agricultural products, energy) for each trade office summarized in **Figure 5**.

**Figure 5—Regions Supported by Trade Offices and Market Priorities**

| Trade Office                             | Region/ Country Supported <sup>A</sup> | Market Priorities Examples  |
|--|--|---|
| New Delhi, India                         | India, Bangladesh                      | Agricultural products (e.g., peas, lentils), potash, uranium, and advanced research sectors           |
| Tokyo, Japan                             | Japan, South Korea                     | Emerging technologies, agricultural products (e.g., plant protein), energy                            |
| Singapore                                | ASEAN                                  | Agricultural products (e.g., plant protein, canola, pork), potash                                     |
| Ho Chi Minh City, Vietnam                | ASEAN                                  | Agricultural products, energy, and recruiting educated talent   |
| Dubai, United Arab Emirates              | Middle East and North Africa           | Agricultural products and technology, research sectors, energy, critical minerals                     |
| Mexico City, Mexico                      | Mexico, South America, Andean          | Agricultural technology, livestock, agricultural products, potash, mining, recruiting educated talent |
| London, United Kingdom (UK) <sup>B</sup> | UK, EU                                 | Mining, minerals, energy  |
| Berlin, Germany <sup>B</sup>             | EU                                     | Agricultural technology, manufacturing, mining  |
| Shanghai, China                          | China                                  | Agricultural products (e.g., canola, wheat, peas), potash, energy, advanced education                 |

Source: Adapted from Ministry of Trade and Export Development records.

<sup>A</sup> European Union (EU); Association of Southeast Asian Nations (ASEAN) includes Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam; Andean primarily consists of Bolivia, Colombia, Ecuador, and Peru.

<sup>B</sup> Trade offices that support the EU might assist with trade in other countries in the geographic region (e.g., Turkey, Norway, Scotland, Ukraine).

We found the Ministry's market priorities for each office to be reasonable and consistent with the demand for Saskatchewan products or opportunities available in each region (e.g., viable recruitment source, region currently invests in sectors Saskatchewan seeks to invest in).



Establishing appropriate market priorities enable trade offices to focus on key activities that can provide the most opportunity to strengthen Saskatchewan's economy.

## 4.4 Key Performance Indicators Generally Reasonable But Lacking Targets and Formal Evaluation Methodology

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The Ministry of Trade and Export Development established reasonable key performance indicators to evaluate the performance of its trade offices; however, it does not have a way to measure the satisfaction of parties having worked with its trade offices. The Ministry has not determined targets for its key performance indicators that clearly set out the results it expects trade offices to achieve. In addition, the Ministry lacks a formal methodology setting its measurement approach used for each performance indicator.

### 4.4.1 Key Performance Indicators Established But Missing Evaluation Feedback

Based on its research and discussions with other provinces, the Ministry of Trade and Export Development established 18 key performance indicators (KPIs) to assist in measuring whether it is achieving the objectives for its trade offices and contributing towards certain Saskatchewan Growth Plan goals.

We found the Ministry's KPIs are a good mix of outcome (e.g., value of new investment and trade deals [wins]) and output-oriented (e.g., number of trade missions supported) measures.

We evaluated the reasonableness of the Ministry's KPIs by reviewing performance indicators relating to trade office operations from other provinces (e.g., Alberta, Quebec), Global Affairs Canada, and other countries (e.g., New Zealand, United States, United Kingdom). We found the Ministry's KPIs consistent with good practice except it did not have a KPI for assessing feedback (e.g., survey results) from parties (e.g., foreign companies, workers, other governments or agencies) that worked with its trade offices.

The Ministry does not have a formal process to obtain feedback after working with other parties. Management indicated it occasionally received unprompted feedback from the parties noting how the trade offices helped them, and that it was rare for it to receive concerns about trade offices.

Without adequate procedures to obtain and evaluate feedback (both positive and negative) from external parties having worked with its trade offices, the Ministry is unable to determine whether it needs to improve its trade office activities and operations.

- 1. We recommend the Ministry of Trade and Export Development obtain and evaluate formal feedback (e.g., surveys) from parties that worked with its international trade and investment offices.**

### 4.4.2 Performance Targets Not Set

The Ministry of Trade and Export Development has not established targets for its key performance indicators setting out specifically what it expects trade offices to achieve in order to monitor trade office success.

We found Global Affairs Canada, for its international trade and investment activities, sets specific targets for each of its key performance indicators. For example, for 2023–24 it targeted at least 130 new foreign investments or expansions of existing international investments facilitated by its Trade Commissioner Service.<sup>13</sup> Sources of good practice indicate using review of historical data (e.g., trends) to set targets.<sup>14</sup>

The Ministry indicated it focused its efforts on establishing trade offices and it may take some time to have enough historical results to establish targets for some of its trade offices (e.g., German office operating for about two years at March 2025).

Targets clarify accountability and focus for trade office staff and provide transparency on how senior management assess trade office performance. Not having performance targets reduce the Ministry's ability to effectively monitor the success of its trade offices.

**2. We recommend the Ministry of Trade and Export Development establish targets for key performance indicators used to monitor the success of its international trade and investment offices.**

#### 4.4.3 Performance Measurement Methodology Not Formalized

The Ministry of Trade and Export Development does not have a formal, documented methodology for its KPIs including how to specifically track and measure its key performance indicators to ensure consistent and accurate reporting, and rationale for selection of the KPIs (e.g., benefits to Saskatchewan residents).

We reviewed performance measurement information publicly available for other jurisdictions including other provinces, Global Affairs Canada, and other countries. We found Global Affairs Canada had reasonable documentation of its performance measurement methodology and we consider it a source of good practice—see **Figure 6** for information Global Affairs Canada set for each KPI related to measuring performance of its Trade Commissioner Service.

**Figure 6—Information Documented for each Global Affairs Canada KPI**

|  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Key Performance Indicator (KPI)</li> <li>• Target</li> <li>• Date expected to achieve target</li> <li>• Actual result (numerical result)</li> <li>• Status (target met or not)</li> </ul> | <ul style="list-style-type: none"> <li>• Rationale for KPI</li> <li>• How to calculate the KPI</li> <li>• Baseline</li> <li>• Definitions necessary to understand KPI or methodology</li> </ul> |
|--|---|

Source: Adapted from information on Global Affairs Canada website [www.tbs-sct.canada.ca/ems-sgd/edb-bdd/index-eng.html#infographic/dept/126/results](http://www.tbs-sct.canada.ca/ems-sgd/edb-bdd/index-eng.html#infographic/dept/126/results) (23 March 2025).

In 2021, the Ministry identified it needed to document a formal performance measurement methodology that included formalizing and detailing its justification and approach to calculating each KPI. At the time of our audit, although the Ministry documented definitions for its KPIs, it had not yet formalized its performance measurement methodology. For example, it defined a trade win as a deal, contract, sale, or commercial agreement for clients resulting from support provided by a trade office.

<sup>13</sup> The Trade Commissioner Service helps Canadian businesses grow by connecting them with funding and support programs, international opportunities, and a network of trade commissioners in over 160 cities worldwide [www.tbs-sct.canada.ca/ems-sgd/edb-bdd/index-eng.html#infographic/dept/126/results](http://www.tbs-sct.canada.ca/ems-sgd/edb-bdd/index-eng.html#infographic/dept/126/results) (23 March 2025).

<sup>14</sup> [www.international.gc.ca/world-monde/funding-financement/results\\_based\\_management-gestion\\_axee\\_resultats-guide.aspx?lang=eng](http://www.international.gc.ca/world-monde/funding-financement/results_based_management-gestion_axee_resultats-guide.aspx?lang=eng), p. 82, (27 March 2025).



When assessing the Ministry's processes for measuring its KPIs, we found:

- Investment and trade wins are critical outcomes the trade offices work to achieve. We found the Ministry did not formally expect trade office staff to contact companies directly or set how it tracked anticipated dollar values of new investment and trade deals from parties working with trade offices. Based on good practice, we expect the Ministry to track that staff contacted parties (e.g., foreign buyer and Saskatchewan exporter) to obtain dollar amounts, and record whether parties chose not to disclose the value.<sup>15</sup>

We observed the Ministry's internal quarterly performance reports did report some dollar amounts for its anticipated investment and trade wins, and we corroborated with management that trade office staff do try to obtain these values but do not track their attempts.

- Also, for investment wins, the Ministry only measures the investment win when a deal is finalized; it does not measure the time spent or progress during the work to generate the win.<sup>16</sup> A win can take years to secure and a significant amount of time to negotiate.

In 2024–25, the Ministry hired a consultant to review its KPIs who recommended a new model to measure its investment win KPI showing the effort to generate the win.

Lack of a formal KPI measurement methodology increases the risk that the Ministry inconsistently or inaccurately measures (e.g., in the event of staff turnover) key performance indicators. Also, without tracking more expansive data on investment wins it is difficult for the Ministry to ensure it assesses complete performance results.

**3. We recommend the Ministry of Trade and Export Development formally document its methodology for measuring the key performance indicators of its international trade and investment offices.**

## 4.5 Quarterly Key Performance Reported to Senior Management

The Ministry of Trade and Export Development reasonably evaluates the performance of its trade offices quarterly and reports key information to senior management.

The Ministry currently uses two systems to track KPI data: its Customer Relationship Management (CRM) database and a KPI spreadsheet. The Ministry uses its CRM database to track all projects in progress and certain activity information (e.g., number of leads or contacts generated). The Ministry tracks all other KPI data in its KPI spreadsheet (e.g., number of trade wins, anticipated value of trade wins). Trade office staff update the data in both systems.

On a quarterly basis, the Directors review the data and create a report for senior management (e.g., Executive Director, Assistant Deputy Minister, Deputy Minister) to evaluate trade office performance based on tracked KPI data. The quarterly reports provide the KPI results for the trade offices overall, and for each office. For two quarterly reports tested, we found the reports appropriately summarized the results for the quarter,

<sup>15</sup> Disclosing the dollar value of new investment and/or trade deals assisted by trade offices is voluntary.

<sup>16</sup> This method is consistent with how Global Affairs Canada measures its similar KPI.

compared results to previous quarters, and highlighted for each trade office any outcomes or successes for the quarter. The reports also included reasonable trend analysis (e.g., summarized changes in KPI result from previous quarter).

The Executive Director approved the reports. As the Ministry has not identified targets for its KPIs (see **Section 4.4.2**), it is difficult to demonstrate whether trade offices fully met expectations.

We found the data used to create the quarterly reports reliable (i.e., data agreed to sufficient supporting information). For any KPIs that did not have a result in a quarter, management provided reasonable explanations as to why the metric may not be met (e.g., if that KPI is not a focus for a particular trade office).

We noted, given the two different systems to track KPI data, it is labour intensive to create the quarterly reports. Also, this increases the risk of errors in reporting. At March 2025, the Ministry indicated it sought approval for a new IT application to track all trade office KPI information in one system (i.e., replace spreadsheets), which could create efficiencies for staff to prepare reports.

In addition to quarterly KPI reporting, management also periodically (e.g., quarterly, as needed) reviews trends in trade data to help evaluate whether trade offices achieve expectations (see example at **Figure 7**). We found the Ministry's trend analysis and source of data reasonable.

The Ministry is unable to review similar detailed data for foreign direct investments as it does for exports because there is no similarly established international practice for tracking foreign investments like there is for trade (e.g., exports).

We analyzed Ministry trade data outlining the trend of exports to countries and regions with a trade office prior to and after opening each trade office—see **Figures 7** and **8**. We generally found significant increases in the value of trade exports to countries and regions trade offices prioritize.

As shown in **Figure 7**, we found an increase in the value of exports to countries with trade offices from 2018 (Ministry baseline year to assess potential trade office locations) to 2023, except for Japan and Vietnam. Japan saw a decrease in exports of about 10% and Vietnam a decrease of 26%. This is not necessarily concerning as we are aware exports are not the sole focus (other key market priorities) of those trade offices (e.g., seeking Japanese foreign direct investments, recruiting Vietnamese talent).

**Figure 7—Change in Export Values to Countries with Trade Offices from 2018–23**

| Trade Office Location | 2018<br>(baseline) | 2023    | %<br>Change |
|-----------------------|--------------------|---------|-------------|
|                       | (in millions)      |         |             |
| China                 | \$4,600            | \$5,500 | 20%         |
| India                 | 629                | 1,300   | 110%        |
| Japan                 | 1,100              | 1,000   | -10%        |
| Mexico                | 820                | 962     | 17%         |



| Trade Office Location | 2018<br>(baseline) | 2023            | %<br>Change |
|-----------------------|--------------------|-----------------|-------------|
|                       | (in millions)      |                 |             |
| United Kingdom        | 83                 | 557             | 575%        |
| Germany               | 59                 | 515             | 776%        |
| United Arab Emirates  | 293                | 365             | 25%         |
| Vietnam               | 126                | 93              | -26%        |
| Singapore             | 8                  | 10              | 22%         |
| <b>Total</b>          | <b>\$7,718</b>     | <b>\$10,302</b> | <b>34%</b>  |

Source: Adapted from information provided by the Ministry of Trade and Export Development.

Also, as shown in **Figure 8**, the value of Saskatchewan exports to regions supported by trade offices increased. We found, for the five-year period from 2018 to 2023, regions where Ministry trade offices operate showed significant increases in the value of Saskatchewan's trade exports. For example, exports including minerals (e.g., uranium) to the European Union increased by 261% from 2018 to 2023.

**Figure 8—Change in Value of Saskatchewan Exports by Region from 2018–23**

| Region Supported             | Trade Office         | 2018<br>(baseline) | 2023    | %<br>Change |
|------------------------------|----------------------|--------------------|---------|-------------|
|                              |                      | (in millions)      |         |             |
| European Union               | UK, Germany          | \$688              | \$2,500 | 261%        |
| Middle East and North Africa | United Arab Emirates | 1,100              | 1,900   | 71%         |
| ASEAN                        | Singapore, Vietnam   | 1,300              | 1,600   | 19%         |
| Andean                       | Mexico               | 812                | 1,400   | 69%         |

Source: Adapted from information provided by the Ministry of Trade and Export Development.

Collecting reliable data on KPIs and exports allow for relevant and accurate reporting of trade office results. Regularly assessing results enables senior management to monitor trends and take action where trade offices are not meeting expectations.

## 4.6 Limited Public Reporting

The Ministry of Trade and Export Development reports limited information about its trade offices' performance to the public.

The Ministry does not have established guidance on what trade office performance information to communicate publicly. We expected the Ministry would determine rationale for which performance information (e.g., KPIs, results) would be of most value to the public to show trade office performance, what level of information should be reported (e.g., trade offices overall or individually) and the extent of detail to provide (while respecting confidentiality of information).

We evaluated the reasonableness of the Ministry's public reporting by reviewing reporting used by other jurisdictions (e.g., other provinces, Global Affairs Canada, New Zealand). We determined Global Affairs Canada's (GAC) public reporting to be good practice. As

described in **Section 4.4.3**, GAC reported detailed information about each KPI on its website. Also, in its annual report, GAC reported each KPI including targets and actual outcomes.<sup>17</sup>

The Ministry reports some trade office information to the public through ad hoc quarterly trade office outcome reports, its annual report, and news releases.

### Quarterly Outcome Reports

The Ministry's quarterly outcome reports of its trade offices note examples of international successes for the quarter. While we found the information included aligns with some of its KPIs (e.g., number of trade missions supported, number of new trade deals, number of education partnerships facilitated), these reports do not report consistent or complete KPI information, and it is sometimes difficult to identify which KPI the information relates to.<sup>18</sup> Also, we found the reports sometimes switch between reporting results for the quarter and for the whole year causing confusion for a reader.

We found, for two public quarterly reports tested, information reported was sufficiently supported.

For 2024–25, we found the Ministry only released one quarterly report for April to June 2024 (released on August 13, 2024). The Ministry did not release the second quarterly outcome report due to the provincial election in fall 2024 and had not released the third quarterly report (to December 2024) by mid-March 2025.

### Annual Report

The Ministry reports on trade office activities in its annual report. However, all performance information in the Ministry's annual report (e.g., 2023–24 annual report) reports on the Saskatchewan Growth Plan goals and results; it does not report performance information specific to its trade offices.<sup>19</sup>

### News Releases

In addition, we found the Ministry occasionally issues news releases relating to trade offices.<sup>20</sup>

Without sufficient public reporting, Saskatchewan residents may not understand what the trade offices do, why additional costs for operating trade offices are beneficial to Saskatchewan's economy, and whether trade offices are achieving results expected or not.

## 4. We recommend the Ministry of Trade and Export Development report key information (e.g., key performance indicators and results) publicly on the performance of its international trade and investment offices.

<sup>17</sup> *Global Affairs Canada's 2023–24 Departmental Results Report*, [www.international.gc.ca/transparence-transparence/departemental-results-reports-rapport-resultats-ministeriels/2023-2024.aspx?lang=eng](http://www.international.gc.ca/transparence-transparence/departemental-results-reports-rapport-resultats-ministeriels/2023-2024.aspx?lang=eng) (23 March 2025).

<sup>18</sup> *Saskatchewan Caps Off Successful Year Internationally*, [investsk.ca/2024/04/23/saskatchewan-caps-off-successful-year-internationally/](http://investsk.ca/2024/04/23/saskatchewan-caps-off-successful-year-internationally/) (25 March 2025).

<sup>19</sup> Ministry of Trade and Export Development, *Annual Report 2023–24*, p. 5.

<sup>20</sup> [www.saskatchewan.ca/government/news-and-media/2024/september/25/saskatchewan-exports-to-latin-america-reach-record-54-billion-in-2023](http://www.saskatchewan.ca/government/news-and-media/2024/september/25/saskatchewan-exports-to-latin-america-reach-record-54-billion-in-2023) (18 March 2025).



## 4.7 Adequate Policies and Procedures for Trade Office Operation Established

The Ministry of Trade and Export Development established sufficient policies and procedures for trade office operations.

### 4.7.1 International Service Guidelines and Conflict of Interest Policies Appropriate

#### International Service Guidelines

The Ministry created the International Service Guidelines “to provide a framework for Saskatchewan’s network of international trade and investment offices and employment of Saskatchewan International Managing Directors.”<sup>21</sup>

We found the Ministry based its Guidelines on policies established by either the Government of Saskatchewan or the Federal Government (i.e., National Joint Council Foreign Service Directive, Global Affairs Canada Technical Assistance Handbook).<sup>22</sup> Key policies (e.g., relocation leave, provincial health coverage) appropriately accommodate the operations taking place outside of Canada.

All trade offices follow the same policies; but underlying rates (e.g., travel rate) may change depending on the trade office location. See **Figure 9** for an example of rates.

#### Figure 9—Example of Travel Rates

Policy 1.4 of the International Service Guidelines note that “Saskatchewan Employees abroad are subject to Section 4405 of the Government of Saskatchewan Financial Administration Manual (Employee Travel).” Section 4405 notes it will use the National Joint Council rates for international travel.

The per diem rate used in the travel claim will differ depending on the country staff is travelling to. For example, the daily per diem rate for meals in Berlin, Germany is 133.45 EURO (\$208.34 CAD) compared to New Delhi, India of 11,330 Indian Rupee (INR) (\$186.83 CAD).

Source: *Financial Administration Manual*, [publications.saskatchewan.ca/#/categories/5953](https://publications.saskatchewan.ca/#/categories/5953) (27 March 2025). Adapted from [www.njc-cnm.gc.ca/directive/app\\_d.php?lang=en&drv\\_id=81&country\\_id=0&country\\_name=india&city\\_name=](https://www.njc-cnm.gc.ca/directive/app_d.php?lang=en&drv_id=81&country_id=0&country_name=india&city_name=) (19 March 2025).

The Deputy Minister approved the International Service Guidelines in September 2020 prior to trade offices opening. Since the creation of the Guidelines, staff continue to make changes as needed. Any significant changes to the Guidelines (i.e., new policies) require Deputy Minister approval. We found the Deputy Minister approved the latest significant policy change in 2022 (i.e., related to providing financial assistance to the Managing Directors for dependent children’s education).

#### Conflict of Interest Policies

Trade office Managing Directors follow the Global Affairs Canada (GAC) and the Saskatchewan Public Service Commission (PSC)’s conflict of interest policies, while locally engaged staff only follow GAC policies. The PSC policy provides guidance on what activities outside of work can lead to actual, perceived, or potential conflicts of interest. In

<sup>21</sup> Ministry of Trade and Export Development. *Trade and Export Development International Service Guidelines*. p. 3.

<sup>22</sup> National Joint Council Foreign Service Directive, [www.njc-cnm.gc.ca/directive/fsd-dse/en](https://www.njc-cnm.gc.ca/directive/fsd-dse/en) (24 March 2025).

particular, the policy notes “investments, prospects of future employment or business opportunities, strong political or personal beliefs, or public statements as a private interest that may give rise to conflicts.”<sup>23</sup> These four points are relevant to the Managing Directors as they are directly involved in seeking new business opportunities.

Staff are required to complete mandatory conflict of interest training and to read, understand, and comply with these policies as part of onboarding training. Management indicated staff have not reported any conflicts of interest since opening its trade offices.

GAC’s conflict of interest policy is generally consistent with the PSC policy.

Having clear established policies for staff to follow reduce the risk of the Ministry incurring inappropriate expenses or providing insufficient direction to staff.

#### 4.7.2 Appropriate Policies to Safeguard Technology Assets

Trade office staff follow the Global Affairs Canada and the Ministry of SaskBuilds and Procurement Information Technology Division’s security policies (e.g., passwords, acceptable use).

Managing Directors and locally engaged staff have a Government of Saskatchewan laptop, a GAC laptop, and GAC cell phone. Trade office staff must follow the same policies to safeguard assets as used by staff located in Saskatchewan.

In addition to following the Government of Saskatchewan’s technology safeguarding policies, the agreement with GAC also provides heightened IT security at Canadian embassies. In the Canadian embassies where a trade office is located (e.g., Germany), trade office staff cannot use Saskatchewan-issued devices but rather must use GAC-issued devices. Whereas, in the Canadian consulates (e.g., United Arab Emirates), Saskatchewan-issued devices are allowed with specific permission.

Having a process for safeguarding Government of Saskatchewan technology assets and information when abroad reduces the risk of unauthorized access to information.

## 4.8 Trade Office Staff Sufficiently Supervised

The Ministry of Trade and Export Development sufficiently supervises trade office staff activities and provides feedback to staff.

The Director and Managing Director work together to determine each trade office’s priorities and include these priority activities in the trade office’s annual plan along with the Managing Director’s annual performance plan.

**Figure 10** outlines how the Ministry communicates the expected trade office activities to its trade office staff. The Ministry communicates to the trade office staff the markets/regions to focus on and how this work ties to the trade office objectives and priorities and overall Saskatchewan Growth Plan goals.

<sup>23</sup> [taskroom.saskatchewan.ca/manager-resources/human-resource-manual/section-800-employee-relations-/section-801-conflict-of-interest](https://taskroom.saskatchewan.ca/manager-resources/human-resource-manual/section-800-employee-relations-/section-801-conflict-of-interest) (19 March 2025).

**Figure 10—Communication of Trade Office Priorities**

Source: Adapted from information provided by the Ministry of Trade and Export Development.

We reviewed the 2024–25 individual trade office plans for three locations and found the office plans appropriately outlined specific activities the trade office planned to achieve for the year. In addition, we reviewed the performance plans of the Managing Directors responsible for these three trade offices. We found information in the plans sufficiently tied to trade office objectives and expected activities, and we observed evidence the appropriate individuals (e.g., employee, supervisor) signed the assessment.

Additionally, the Directors have weekly meetings with the Managing Directors to discuss priorities and any actions required. We reviewed the documented notes from meetings we tested.

In October 2023, trade office staff began providing formal weekly updates to Directors on activities and priorities focused on during the week. For 45 weekly updates tested (five per trade office), we found:

- Discussion of activities related to expectations established in trade office plans
- The Executive Director reviewed the weekly updates

In addition, during 2024–25, the Ministry produced a comprehensive market intelligence report. Its market intelligence report provided information on opportunities and risks of the regions to help guide staff activities. We found it analyzed 11 regions (nine trade offices locations/regions, the United States, and the Kingdom of Saudia Arabia) and outlined specific recommended activities (e.g., specific tradeshow to attend), risks, and opportunities. It expected to incorporate these opportunities and recommended activities into its 2025–26 trade office plans.

Senior management also used its quarterly review of performance reports (e.g., KPI results) described in **Section 4.5** to supervise staff.

Adequate and timely supervision of trade office staff and activities helps ensure trade offices conduct operations as expected and achieve expected results.

## 4.9 Trade Office Expenses in Accordance with Established Policies

The Ministry of Trade and Export Development’s trade office expenses were in accordance with policies. Trade office staff are required to follow the same policies as staff working in Saskatchewan (e.g., Financial Administration Manual, delegated signing authority) other than unique policies in the International Service Guidelines.

## Business Expenses

The Ministry provides the Managing Directors with a purchase card for travel and miscellaneous purchases (e.g., tradeshow items). Managing Directors follow the same purchase card policies and training as staff in Saskatchewan. In addition to purchase card expenses, the Managing Director may incur expenses for home leave (e.g., per International Service Guidelines, Managing Directors are entitled to an expense-paid trip once per year to return to Canada to visit family) or family remuneration (e.g., cost for children to attend elementary or high school in country of the trade office). See **Figure 11** for actual costs trade offices incurred in 2023–24, with the majority of expenses relating to salaries and accommodations.

**Figure 11—Actual Trade Office Expenses by Type for 2023–24**

|                             | Salary        | Accommodations/<br>Common Services <sup>A</sup> | Travel | Other <sup>B</sup> | Total |
|-----------------------------|---------------|---|--------|--------------------|-------|
|                             | (in millions) |   |        |                    |       |
| Total for all trade offices | \$2.6         | \$3.4   | \$0.4  | \$1.3              | \$7.7 |
| Percent of total cost       | 35%           | 45%   | 5%     | 15%                |       |

Source: Adapted from information provided by the Ministry of Trade and Export Development.

<sup>A</sup> Common services include: human resource management, security, information technology, transportation.

<sup>B</sup> Other includes: trade show and meeting expenses, office supplies, etc.

We tested 30 Managing Director's expenses (purchase card and non-purchase card expenses) and found:

- All items were for reasonable business purposes or allowable expenses (e.g., not used to purchase alcohol).
- Managing Directors obtained prior approval as required for certain purchases (e.g., annual travel costs to return to Canada, tradeshow event items).
- Ten items related to travel. We found all 10 travel-related items had the appropriate individuals approve the 'travel prior approval form' before travel occurred, per diem rates were in accordance with the National Joint Council travel rates or supported with attached receipts, and the individual prepared their trip report outlining the activities completed upon return.
- Appropriate staff reviewed and approved the expenses.

Furthermore, the Ministry makes payments to other vendors for costs incurred by the trade offices. We tested five payments made to other vendors (see **Section 4.11** for Global Affairs Canada payments) and found:

- Management attached sufficient support for the payments (e.g., receipts, invoices, business expense prior approval form)
- Staff received appropriate prior approval for the purchases (e.g., signed agreements)
- Evidence provided showing goods or services received, and payments properly approved (including obtaining Order in Council approval where required)



- Sufficient explanations provided where no quotes or tendering occurred

### **Managing Director Benefit Allowances (post allowance)**

The Managing Directors may be eligible to receive a monthly post allowance beginning once deployed to a trade office. A post allowance considers the cost of living and hardship that may occur from working and living internationally (varying levels of hardship conditions depending on the country). The rates used in the calculation come from various sources (e.g., Statistics Canada, National Joint Council).

We tested post allowances provided to Managing Directors since they began at their respective trade office. We found:

- Only one of eight 2024–25 post allowance calculations were calculated incorrectly, resulting in a \$645 overpayment to the individual. At mid-March 2025, this amount was not yet repaid.<sup>24</sup>
- The Ministry used the correct hardship rates outlined by the National Joint Council for all items tested, except for the overpayment above.
- The Executive Director and the Assistant Deputy Minister approved the 2024–25 post allowance calculations.<sup>25</sup>

Appropriate review and approval of expenses help ensure amounts paid are appropriate, reduce the risk of fraud, and help ensure the Ministry obtains value for its spending on trade offices.

## **4.10 Qualified Staff Oversee and Operate Trade Offices**

The Ministry of Trade and Export Development uses qualified staff to oversee and work in its trade offices.

For all key positions (e.g., Executive Director, Director, Managing Director, locally engaged staff), we found their job descriptions outlined key responsibilities (e.g., assist in development of market strategies, conduct complex research and trend analysis, analyze financial and macro-economic issues) and job qualifications.

We tested eight individuals in key positions (e.g., Executive Director), and found that seven individuals held the appropriate qualifications for the position consistent with the requirements of the job description.<sup>26</sup> We found one individual had the required experience but was in the process of completing the educational requirements.

The Government of Saskatchewan has standard onboarding and ongoing training offered to all staff (e.g., IT policies, conflict of interest). There is no specialized training provided upon hiring for trade office staff (e.g., Managing Director) as the Ministry expects individuals

<sup>24</sup> There were only eight Managing Directors in 2024–25 because one position was vacant.

<sup>25</sup> For the post allowance calculations tested prior to 2024–25, we found the Ministry of Trade and Export Development correctly calculated the allowances. We found management was unable to locate the Executive Director and Assistant Deputy Minister approval. We did not consider this significant because we found the benefits paid were appropriate.

<sup>26</sup> For example, the Managing Director job description requires a degree in commerce, business, trade, or international relations, and minimum of seven years work experience in commerce, trade, or investment in the private or public sector.

hired to possess the required skills. Trade office staff complete voluntary training as needed to stay current on trade and investment news (e.g., webinars).

Using qualified staff to oversee and work in the trade offices helps ensure trade offices achieve the expected results, operate in accordance with Ministry expectations, and successfully operate in foreign countries.

## 4.11 Trade Offices Receive Services Consistent with Agreement

The Ministry of Trade and Export Development receives services from Global Affairs Canada (GAC) consistent with its service agreement.

Eight of nine trade offices are co-located in Global Affairs Canada's Canadian embassies or consulates. The remaining trade office (London, United Kingdom) is in a building operated by the Government of Quebec.<sup>27</sup>

The Ministry and GAC have a Memorandum of Understanding (MOU) on operations and support for the trade offices. The MOU outlines key services provided to the Ministry such as:

- Human resource management (e.g., hiring locally engaged staff)
- Office space and supplies for Saskatchewan trade office staff (e.g., cell phone, computer, basic office supplies, internet, meeting space)
- Personal housing accommodation for Managing Directors
- Making international payments on behalf of the Ministry

We found the MOU included components expected in service agreements consistent with good practice (e.g., basis for payment, reporting requirements, dispute resolution). In addition, we found the Ministry received the services outlined in the MOU. The Ministry pays GAC on an annual basis for the locally engaged staff salaries and accommodation for all the trade offices.

For payments made to GAC, we tested 10 items (e.g., locally engaged staff salaries and overtime, travel advances, cell phone charges, accommodation) and found:

- Management attached receipts, invoices, and business expense prior approval forms, if applicable, to support the amounts tested.
- Seven items had amounts related to travel. We found staff appropriately obtained prior approval, expenses incurred were based on either the National Joint Council rates or receipts were attached, and the individual completed a trip report upon completion of travel.
- All items had evidence of the International Office Branch staff review and approval.

<sup>27</sup> The Ministry of Trade and Export Development has an agreement with the Government of Quebec to utilize office space in its building in London. Quebec does not provide any additional services (e.g., transportation, internet) other than the building space. The Ministry pays for these additional services through the Managing Director's purchase card as Global Affairs Canada is not responsible for these services since the Ministry's trade office is not located in a Global Affairs Canada building.



- For the nine items expected, we saw appropriate evidence of GAC’s review on the support (e.g., invoices, locally engaged staff overtime spreadsheet).

Having a sufficient service agreement allows the Ministry to effectively operate in foreign countries by leveraging the Federal Government’s knowledge and experience for operating in international markets. It also allows the Ministry to effectively monitor whether services are provided as expected.

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