

Report of the Canadian Parliamentary Delegation of the Canada-Europe Parliamentary Association to the Council of Europe Parliamentary Assembly (PACE)

Meeting of the Committee on Economic Affairs and Development
London, United Kingdom
January 19-20, 2006

and

First Part of the 2006 Ordinary Session of the Parliamentary Assembly of the Council of Europe Strasbourg, France
January 23-27, 2006

The Hon. Lorna Milne, Senator, travelled to London, England, as the Canadian delegate to the annual meeting of the Committee on Economic Affairs and Development of the Parliamentary Assembly of the Council of Europe (PACE) at the European Bank for Reconstruction and Development (EBRD).

Meeting of the committee on economic affairs and development London, United Kingdom, 19-20 January 2006

The Hon. Lorna Milne, Senator, travelled to London, England, as the Canadian delegate to the annual meeting of the Committee on Economic Affairs and Development of the Parliamentary Assembly of the Council of Europe (PACE) at the European Bank for Reconstruction and Development (EBRD). She was accompanied by association secretary Philippe Méla and advisor Marcus Pistor.

The purpose of this annual meeting is to engage senior EBRD officials in discussions of ongoing and future EBRD activities in the transition economies of the countries of Central and Eastern Europe and the former Soviet Union. The results of the meeting and information provided by EBRD officials form the basis of the Committee's annual report on "The contribution of the European Bank for Reconstruction and Development (EBRD) to economic development in central and eastern Europe," which will be debated during the June PACE session in Strasbourg.

During her visit to London Senator Milne was briefed by Scott Clark, the Canadian director at the EBRD, on Canada's involvement and position in current debates about the future of the Bank. She also participated in a regular committee meeting and in a visit to the London offices of Swiss Re to discuss the reinsurance industry.

A. Briefing by Mr. Scott Clark, Executive Director for Canada at the EBRD

The delegation received an excellent briefing from Scott Clark, executive director for Canada and Morocco at the EBRD, and his advisor, Michelle Kaminski. The briefing focused on the Bank's medium-term future, in particular the Third Capital Resources Review currently underway, which will determine the resources available for investments in the period of 2006-2010. One of the key questions in this review, which will have to be approved by the annual general meeting in May, is the volume of investments foreseen for the eight countries that joined the European Union (EU) in 2004 – the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia – and Romania and Bulgaria which are expected to join in 2007. The EU and most of its members want to see a continuing strong presence of the Bank in EU accession countries, arguing that substantial 'transition gaps' remain. Other EBRD shareholders, notably Canada, the United States, the United Kingdom, and Australia, favour a significant and speedy reduction in the volume of its business in EU accession countries and a shift of focus and resources to countries with less developed market economies.

Canada supports winding up operations in the EU accession countries and encouraging a shift south and east in accordance with the EBRD's transition mandate. On the question of whether the Bank should increase its involvement in Russia, the government believes that investments are already at the prudential limit and that the

slide in reform efforts and an increase in state interference do not make such an increase advisable.

Discussions around the Third Capital Resources Review reflect the broader political consideration of the EBRD's future as a multilateral institution, especially for non European shareholders, whose interest in maintaining a multilateral investment bank focused on Europe and the former Soviet Union may be declining for several reasons: the objectives set out in its mandate have been largely achieved in many of the main transition countries of central and eastern Europe; the EU is playing an increasing role in the remaining transition economies especially in the Balkans and appears to be interested in tying the EBRD more closely to its own investment and broader economic strategies; other post-communist countries continue to present serious obstacles to increased involvement by the EBRD, in terms of political and/or economic conditions; and Russia is apparently reversing some of its economic reforms and pursuing an economic policy less dependent on international donors. According to Mr. Clark, the timing of the EBRD's demise will likely be determined by the United States, "unless Russia itself decides to withdraw from being a country of operation." (1)

Several other issues were discussed during the briefing, including the application of Article 1 of the Agreement Establishing the EBRD which states that "the purpose of the Bank shall be to foster the transition ... in ... countries committed to and applying the principles of multiparty democracy, pluralism and market economics." ⁽²⁾ Views among shareholders differ with regard to how strict its application should be with Canada taking perhaps the strongest view in favour of strict interpretation, in particular with respect to Belarus, Turkmenistan and Uzbekistan.

The possible involvement of the EBRD in the Sakhalin II project, the world's biggest oil and gas project, was also discussed in some detail, with Mr. Clark noting that this is widely seen as a test of the Bank's environmental policy. According to the EBRD Web site: "The second phase of Sakhalin II involves construction of two production and drilling platforms offshore, and pipelines that would run underwater to the northern tip of Sakhalin Island, and then overland to the southern end of the island to oil and gas export terminals and a Liquefied Natural Gas plant." (3) Much of this oil and gas would be shipped down along the western coast of Canada and the United States.

The project is controversial because of its potential impact on marine life and the local subsistence economy, on salmon spawning rivers (in part because of the danger posed by uncontained spills from the pipeline where it crosses these rivers), on the nesting grounds of an endangered variety of eagle and on the last known population of the endangered Western Grey Whales. Environmental and conservation NGOs and other critics have raised serious concerns both about the potential impact of the project and about the alleged failure of the project's consortium, the Sakhalin Energy Investment Company Ltd. which is headed by Royal Dutch Shell, ⁽⁴⁾ to implement a proper environmental assessment, including its failure to perform a proper baseline study. The EBRD, which has been asked for project finance by the consortium, has expressed similar concerns and has not yet made a decision about its involvement. In December 2005, the Bank announced that it "considers that the company's extensive documentation on environmental, social, health and safety impacts of Sakhalin II (Phase 2) is 'fit for the purpose of consultation.' Sakhalin Energy's latest Environmental

Impact Assessment will now be published and the general public will be invited to comment, providing important input to determine if the project could meet the Bank's basic banking and environmental requirements and be eligible for financing." (5)

B. Meeting of the PACE Committee for Economic Affairs and Development With EBRD Officials

Committee meetings at the EBRD featured a full agenda of presentations by and discussions with Bank officials. Parliamentarians and staff also had the opportunity to engage in informal discussions with EBRD officials during a luncheon hosted by the Bank.

Program for Meetings With Senior EBRD Officials

| 09:30 – 09:35 | Jean Lemierre, President of the EBRD, welcomes the Committee and Mr. Evgeni Kirilov, chairman of the Committee replies |
|---------------|--|
| 09:35 – 10:05 | Address by President Lemierre |
| 10:05 – 10:10 | Fabrizio Saccomanni, Vice-President Risk Management, takes the chair |
| 10:10 – 10:50 | Economic Developments in Transition Countries in 2005 Sam Frankhauser, Director Policy Studies and Sector Strategy |
| 10:50 – 11:30 | Turn Around Management and Business Advisory Services Programmes Charlotte Salford, Director TAM & BAS Programmes |
| 11:30 – 12:20 | Evaluation in the EBRD Fredrik Korfker, Chief Evaluator, Evaluation Department |
| 12:20 – 12:30 | Conclusions from the Chairs |

The detailed, informative presentations by EBRD officials ⁽⁶⁾ were followed by discussions with Committee members and Canadian delegates, who raised a number of issues, including: energy policy in light of current tensions between Russia and countries of the former Soviet Union over gas and oil supply and prices, challenges facing the Russian economy, developments in Ukraine, and the involvement of the EBRD in the Western Balkans where the future of Montenegro and Kosovo remain uncertain. Senator Milne raised several issues about Russia with President Lemierre. In response to her question about the apparent increase in state intervention in Russia, he argued that this is primarily a problem in the gas and oil sector and that other sectors were still relatively free of state intervention. He then addressed the issue of the EBRD's risk assessment and its impact on the Bank's decision to invest further in that country by noting that the EBRD is "not yet at the prudential limit in Russia and we are not going to increase the limit." Finally, Mr. Lemierre stated that he shared Senator

Milne's concerns about the Sakhalin II project, in particular the failure of Sakhalin Energy Investment to do a proper environmental assessment. Noting that the EBRD would not reach a decision on whether to fund the project until April or May of this year at the earliest and that he believed that the "NGOs are right on this one," he explained that the Bank has been working with Shell and with NGOs to ensure that the consortium is consulting with them on this project.

Senator Milne also participated in the discussion on Turn Around Management (TAM) and Business Advisory Services (BAS) programs ⁽⁷⁾ by Charlotte Salford, expressing a particular interest in the process by which the EBRD recruits experienced managers from advanced market economies for these programs. Ms. Salford, director TAM & BAS Programmes, explained that the EBRD tries to recruit former and retired chief executive officers (CEOs) from advanced market economies. For example, in 2005 she interviewed over 250 former CEOs during a visit to Canada. Following an evaluation process, the names of qualified former CEOs are added to a data base which is used to find experienced CEOs for specific projects in EBRD countries of operation.

C. Meeting of the PACE Committee for Economic Affairs and Development

Following the meetings with EBRD officials, the committee met to discuss draft reports on economic development in Ukraine and Europe's interest in the continued economic development of Russia, to hear an oral report on the Parliamentary Conference on the World Trade Organization in Hong Kong (December 2005), to discuss the committee priorities for 2006 and relations with the European Parliament, and to consider the possibility of preparing a report on hedge funds.

D. Non-EBRD Committee Activities: Meeting at the Swiss Re

Finally, the Committee held a half day of meetings at the London offices of Swiss Re, "one of the world's leading reinsurers and the world's largest life and health reinsurer." The meetings took place at 30 St. Mary Axe, the new innovative office building designed by renowned architect Norman Foster. They focused on the history of the re-insurance industry, the challenges it faces in a globalized economy and emerging risks.

Program

| 14:15 – 15:00 | Visit of the building |
|---------------|--|
| 15:00 – 15:15 | Welcome and introduction John Fitzpatrick, Group Executive Board Member |
| 15:15 – 15:45 | Emerging Risks Annabelle Hett, Head of Emerging Risk Management |

Topics:

- Changing risk landscape
 - New risks
 - Increasing speed of change
 - o Public opinion

Are future risks insurable?
 Swiss Re's approach to identifying and handling emerging risks

15:45 – 16:15 International Reinsurance Market
Thomas Hess, Head of Economic Research and Consulting

Topics:

- Economic environment
- Underwriting performance
- Regaining financial strength drive to profitability
- Embarking on new markets and solutions
- Market outlook

16:15 – 16:45 Reinsurance regulation
Michael Koller, Head of Group Regulatory Affairs

Topics:

• Facing a fast changing regulatory and accounting environment

o Capital requirement: Solvency II Directive

Corporate Governance: Sarbanes-Oxley Act

Risk Management: Operational Risk

Accounting: IFRS and IAS

• Group supervision

Challenges for a financial services company

Swiss Re's position and assessment

E. Background: The EBRD

The European Bank for Reconstruction and Development was founded in 1991 in the wake of the collapse of communist regimes in Central and Eastern Europe. Its purpose is "to foster the transition towards open, market-oriented economies in Central and South-eastern Europe, as well as in the successor states of the former Soviet Union, and to promote private and entrepreneurial initiative in those countries that are committed to the fundamental principles of multi-party democracy, pluralism and a market economy." (8) The Bank provides project finance (equity, loans, and loan guarantees), primarily to the private sector, but also to governments in 27 countries.

The Bank's mandate requires it to work only in countries committed to human rights and democratic principles. In addition, EBRD investments must reflect its commitment to strong corporate governance and respect for the environment. Specifically, its mandate states:

Every EBRD investment must:

help move a country closer to a full market economy: the transition impact;

- take risk that supports private investors and does not crowd them out; and
- apply sound banking principles.

Through its investments, the EBRD promotes:

- structural and sectoral reforms;
- competition, privatization and entrepreneurship;
- stronger financial institutions and legal systems;
- infrastructure development needed to support the private sector; and
- adoption of strong corporate governance, including environmental sensitivity.

Functioning as a catalyst of change, the EBRD:

- promotes co-financing and foreign direct investment;
- mobilizes domestic capital; and

provides technical assistance. (9)

Canada is the eighth largest shareholder – tied with Spain and following the other G-7 countries and Russia – contributing 3.4% of the Bank's capital. The Minister of Finance is a Governor of the EBRD; and one of 23 Directors on the Board of Directors is appointed by the Canadian government. (10)

First part of the 2006 ordinary session of the parliamentary assembly of the council of Europe Strasbourg, France, 23-27 January 2006

The Hon. Lorna Milne, Senator, travelled to Strasbourg to participate in the winter session of the Parliamentary Assembly of the Council of Europe (PACE), in which Canada enjoys observer status along with Israel and Mexico. She was accompanied by association secretary Philippe Méla and advisor Marcus Pistor and was joined in Strasbourg by Ambassador John McNee, Permanent Observer of Canada to the Council of Europe, and Alain Hausser, Deputy Permanent Observer of Canada to the Council of Europe.

A. Overview

The winter session featured a full order of business, ⁽¹¹⁾ with the re-election of its President, Mr. René van der Linden, and of committee chairpersons and a wide range of topics debated in committees, ⁽¹²⁾ political groups, ⁽¹³⁾ and in the Assembly. (14) The Assembly held regular debates on the following topics:

- Progress report of the Bureau of the Assembly and the Standing Committee;
- Observation of the referendum on constitutional reforms in Armenia;
- Observation of the presidential election in Kazakhstan (4 December 2005);
- Parliamentary dimension of the United Nations;
- Europe's contribution to improving water management;
- Implementation of Resolution 1415 (2005) on the honouring of obligations and commitments by Georgia;
- Integration of immigrant women in Europe;
- Human rights violations in the Chechen Republic: the Committee of Ministers' responsibility vis-à-vis the Assembly's concerns;
- Contested credentials of the national delegation of Azerbaijan;
- Need for international condemnation of the crimes of totalitarian communist regimes;
- Policy of return for failed asylum seekers in the Netherlands;
- The concept of "nation";
- Relocation of economic activities abroad and European economic development;
- Implications for Europe of the economic resurgence of China; and
- Draft Protocol on the avoidance of statelessness in relation to state succession.

The Assembly also convened a debate under urgent procedure on the situation in Belarus on the eve of the presidential election and a current affairs debate on alleged secret detentions in Council of Europe member states, a topic addressed also in a report by Mr. Dick Marty, a Swiss PACE member, which was released during the session. (15) Mr. Marty had been asked in November 2005 to conduct an inquiry, "[f]ollowing allegations in the Washington Post and from Human Rights Watch of the existence of secret CIA detention centres in Romania and Poland." (16) Finally, the Assembly heard from several political leaders:

- Mr. Terry Davis, Secretary General of the Council of Europe;
- Mr. Jan Eliasson, President of the sixtieth session of the United Nations General Assembly;
- Mr. Serguei Stanishev, Prime Minister of Bulgaria;
- Mr. Enrique Jackson Ramírez, President of the Senate of Mexico; and
- Mr. Mihai-Răzvan Ungureanu, Minister for Foreign Affairs of Romania and Chairperson of the Committee of Ministers of the Council of Europe.

Transcripts and summaries of the debates, the reports discussed, and the resolutions and recommendations adopted are available on the Parliamentary Assembly's Web site: http://assembly.coe.int/.

B. Canadian Activities during the Session

Senator Milne intervened in the debate on the "Parliamentary dimension of the United Nations," a report based in part on discussions held by the Political Affairs Committee and its rapporteur, Ms. De Zulueta (Italy) with the House of Commons Standing Committee on Foreign Affairs and International Trade and Mr. Paul Heinbecker, Canada's former Ambassador to the United Nations, during their visit to Ottawa in October 2005. Noting that "the momentum behind United Nations reform has slowed dramatically because key member governments [have] failed to demonstrate the necessary political will to achieve urgently needed reforms," she argued that the prospects for the more far-reaching reforms proposed in the report and resolution are not good. Nevertheless, parliamentarians can "push for substantial reforms that aim at increasing and strengthening parliamentary involvement in the UN ... through our involvement in interparliamentary bodies such as the IPU and this Assembly or our actions to hold national governments more accountable, [which] constitute important stepping stones towards more far reaching democratic accountability at the UN." Senator Milne argued that such efforts are needed to maintain the strong public support for the United Nations in Canada and elsewhere. She also pointed to the successes of the Canadian reform agenda, in particular with regard to improving the effectiveness and transparency of the UN and the adoption at last September's UN summit of the Responsibility to Protect doctrine, which has been championed by the Canadian government for several years. (17)

Senator Milne also participated actively in meetings of committees (Political Affairs; Environment, Agriculture and Local and Regional Affairs; and Economic Affairs and Development), her political group (the Alliance of Liberals and Democrats for Europe)

and an exchange of views between PACE President René van der Linden and the chairpersons of national delegations on relations between the Council of Europe and the European Union and on the priorities for PACE and its committees for 2006. And she met with Canada's Permanent Observer to the Council of Europe, Ambassador John McNee, and his deputy, Alain Hausser.

As during past session, Senator Milne was invited to meet with the Secretary General of the Council of Europe, Mr. Terry Davis. This allowed for a fruitful discussion of the outcome of the federal elections in Canada. Mr. Davis was particularly interested in the possible impact of the change in government on Canada's relations with the Council of Europe, as well as in various aspects of Canada's electoral system. Senator Milne used the opportunity to inform him about the successful visit of the PACE Political Affairs Committee to Ottawa in October 2005, noting in particular the positive reaction by PACE members to the discussions on human security and UN reform. The discussion then turned to the issue of the alleged secret detentions in Council of Europe members states and the follow-up to the report by Senator Dick Marty.

Finally, Senator Milne met with Mr. Walter Schmied, chairman of the Committee on the Environment, Agriculture and Local and Regional Affairs, the committee's secretary and the head of the PACE environment secretariat to discuss next steps in the drafting of the committee's report and draft recommendation on seal hunting. The committee had hoped to discuss the seal hunt again during this PACE session, based on additional information it had requested, in particular a report on the Atlantic Seal Forum which was held in St. John's, Newfoundland, on 7 and 8 November 2005. However, this report was not available in time and discussions in the committee were postponed to its next meeting on 28 February in Paris, when the rapporteur is expected to present a revised report. The discussion with Mr. Schmied focused on outstanding issues concerning the seal hunt and on possible scenarios for preparing a final report and draft recommendation. The Bureau's reference to the committee, asking it to prepare a report and adopt a draft recommendation, expires at the end of April 2006. (18) While it is possible for the committee to request an extension for a few months if there are significant reasons – such as major new developments or a change in the rapporteur – extensions are not routinely granted by the Bureau. Also, Mr. Nessa, the rapporteur would like to have a recommendation adopted by the end of April. As a result of Mr. Nessa's commitments in the Italian election campaign – the Italian general election will be held on 9 April 2006 - the committee is not expected to discuss the revised report before its meetings during the spring session of PACE (10-13 April). At that time, it will also debate and vote on a draft recommendation to be prepared by the secretariat. The Assembly debate and vote on the recommendation will then probably be scheduled for the summer session (26-30 June).

Respectfully submitted,

Hon. Senator Lorna Milne

Background: the council of Europe

The Council of Europe is an intergovernmental organisation which aims:

- to protect human rights, pluralist democracy and the rule of law;
- to promote awareness and encourage the development of Europe's cultural identity and diversity;
- to seek solutions to problems facing European society (discrimination against minorities, xenophobia, intolerance, environmental protection, human cloning, AIDS, drugs, organised crime, etc.); and

to help consolidate democratic stability in Europe by backing political, legislative and constitutional reform. (19)

Founded in 1949, the Council of Europe has now reached a membership of 46 countries from the Azores to Azerbaijan, and from Iceland to Cyprus. The Council's main objective is to promote democratic development and human rights, and to hold member governments accountable for their performance in these areas. However, it is also very active in fostering international cooperation and policy coordination in a number of other areas, including legal cooperation, education, culture, heritage, environmental protection, health care, and social cohesion. The Council of Europe is responsible for the development of over 190 legally binding European treaties or conventions, many of which are open to non-member states, in policy areas such as human rights, the fight against organised crime, the prevention of torture, data protection, and cultural co-operation. The Council's main institutions are the Committee of Ministers (the CoE's decision-making body, composed of member states' foreign ministers or their deputies), the Parliamentary Assembly, the Commissioner for Human Rights, the European Human Rights Court, and the Congress of Local and Regional Authorities.

The Parliamentary Assembly consists of 315 members and 315 substitutes, who are elected or appointed by the national parliaments of the 46 Council of Europe member states from among their members. The Assembly elects the Secretary General of the Council of Europe, the judges of the European Court of Human Rights and the Council's Commissioner for Human Rights. It is consulted on all new international treaties drafted by the Council, holds the Council and member governments accountable, engages in studies of a range of issues of common interest to Europeans, and provides a forum for debate for national parliamentarians. The Assembly has played an important role in the process of democratization in Central and Eastern Europe and actively monitors developments in member countries, including national elections. It meets four times a year in Strasbourg, with committee meetings taking place more frequently. Council and Assembly decisions and debates are often reported widely in the European media. (20)

The Council of Europe and its Parliamentary Assembly bring together policy- and decision-makers from a range of politically, culturally, and geographically diverse countries. Together, the Council and Assembly provide the primary forum for the

formation of a trans European political community committed to democracy and human rights. The Parliamentary Assembly also provides parliamentary oversight functions for several key international organizations, including the OECD, the European Bank for Reconstruction and Development (EBRD) and the International Organization for Migration (IOM). This wide ranging role in international policy-making and in the promotion and protection of democracy and human rights makes the Council and Assembly an important venue for pursuing and advancing Canada's multilateral and bilateral engagement in Europe.

Canada is an observer to both the Committee of Ministers, where it has participated actively in a number of policy areas (the other observers are the Holy See, Japan, Mexico, and the United States), and the Parliamentary Assembly (where the other observers are Israel and Mexico). (21)

End notes

- 1. According to the EBRD: "As at 31 August 2005, the European Bank for Reconstruction and Development (EBRD) had signed 228 investments in Russia totalling almost €6.526 billion. Alongside EBRD funding, an additional €11.6 billion has been mobilised. A total of 81% of investments are in the private sector." ("EBRD activities in Russia," EBRD Information, http://www.ebrd.com/pubs/factsh/country/russia.pdf. In 2004, investments in Russia represented 30% of EBRD commitments (EBRD, Annual report 2004: Annual review and Financial report, p. 2, http://www.ebrd.com/pubs/general/ar04.htm).
- 2. http://www.ebrd.com/about/index.htm (Mr. Clark's emphasis).
- 3. "EBRD launches consultations on Sakhalin II oil and gas project," EBRD Press Release, 14 December 2005, http://www.ebrd.com/new/pressrel/2005/175dec14.htm.
- 4. According to the Web site of the Sakhalin Energy Investment Company Ltd.: "The shareholders in Sakhalin Energy are: Shell Sakhalin Holdings B.V. with 55% interest (parent company Royal Dutch Shell plc), Mitsui Sakhalin Holdings B.V. with 25% (parent company Mitsui & Co., Ltd.) and Diamond Gas Sakhalin B.V. with 20% (parent company Mitsubishi Corporation)." ("Sakhalin Energy welcomes EBRD's announcement Sakhalin II Phase 2 project is fit for purpose," Press Release, 15 December 2005, http://www.sakhalinenergy.com/en/media.asp?p=home&yr=2005)
- 5. Ibid. For detailed information about the Sakhalin II project and the EBRD's involvement, see:
 - http://www.ebrd.com/country/sector/natural/projects/sakhalin/index.htm.
- 6. Information on each of these subjects is available on the EBRD Web site: http://www.ebrd.com/.
- 7. "The TurnAround Management (TAM) Programme aims to develop commercial and technical know how at the senior management level of small and medium sized enterprises by providing industry specific advice to potentially viable enterprises," http://www.ebrd.com/apply/tambas/index.htm "The Business

- Advisory Services Programme (BAS) develops the professional capacity of local consultants. They, in turn, provide SMEs with expert advice on business performance, such as commercial skills and production quality standards," http://www.ebrd.com/apply/tambas/index.htm.
- 8. Department of Finance Canada, International Trade and Finance Branch, "Report on Operations Under the European Bank for Reconstruction and Development Agreement Act 2004," March 2005, http://www.fin.gc.ca/toce/2005/ebrd04_e.html.
- 9. http://www.ebrd.com/about/index.htm.
- 10. For information on Canada's involvement in the EBRD see the Department of Finance's "Report on Operations Under the European Bank for Reconstruction and Development Agreement Act 2004," March 2005, http://www.fin.gc.ca/toce/2005/ebrd04_e.html, and "The EBRD and Canada," EBRD Information, http://www.ebrd.com/pubs/factsh/investor/canada_pdf.
- 11. The Order of Business is available at http://assembly.coe.int/Sessions/2006/Agenda/ECALSES2006_1.PDF.
- 12. There are 10 standing committees dealing with substantive matters: the Political Affairs Committee; the Committee on Legal Affairs and Human Rights; the Committee on Economic Affairs and Development; the Social, Health and Family Affairs Committee; the Committee on Migration, Refugees and Demography; the Committee on Culture, Science and Education; the Committee on the Environment, Agriculture and Local and Regional Affairs; the Committee on Equal Opportunities for Women and Men; the Committee on Rules of Procedure and Immunities; and the Committee on the Honouring of Obligations and Commitments by Member States of the Council of Europe.
- 13. A political group is the equivalent of a parliamentary party or caucus. There are five political groups in PACE: the Socialist Group (SOC), the Group of the European People's Party (EPP/CD), the European Democratic Group (EDG), the Liberal, Democratic and Reformers Group (LDR), and the Group of the Unified European Left (UEL).
- 14. Regular Assembly debates focus on a draft resolution (a decision or statement by the Assembly) and/or recommendation (a proposal addressed to the Committee of Ministers), as well as an explanatory memorandum, which are prepared by a rapporteur for the relevant standing committee. The committee adopts and usually amends the resolution prior to the Assembly debate. Assembly debates open with a statement from the rapporteur(s), followed by statements from representatives of the five political groups, after which the debate is opened to other speakers. Speakers have to register in advance. Speakers unable to participate in the debate due to time constraints can submit their intervention in writing, so it becomes part of the official record. "Recommendations contain proposals addressed to the Committee of Ministers, the implementation of which is within the competence of governments." "... Resolutions embody decisions by the Assembly on questions, which it is empowered to put into effect or expressions of view, for which it alone is responsible,"

http://assembly.coe.int/ASP/Doc/DocumentGuide_E.asp.

- 15. http://assembly.coe.int/CommitteeDocs/2006/20060124_Jdoc032006_E.pdf.
- 16. "Alleged secret detentions in Council of Europe member states," Council of Europe Briefing Note, http://assembly.coe.int/ASP/APFeaturesManager/defaultArtSiteView.asp?ArtId=3 62.
- 17. The text of Senator Milne's speech is available at: http://assembly.coe.int/main.asp?Link=/documents/records/2006/e/0604131400e ad1.htm. The adopted resolution is available at: http://assembly.coe.int/Documents/AdoptedText/ta06/ERES1476.htm.
- 18. The committee does not vote on the report (or "explanatory memorandum") which is prepared by Mr. Nessa, the rapporteur, but only on the draft resolution to be prepared by the secretariat in consultation with the rapporteur. Canadian delegates will be able to participate in the committee discussion of amendments, though not in the votes. And at least one Canadian delegate will likely be able to speak in the assembly debate on the resolution. However, assembly rules do not normally allow observers to participate in the discussion of amendments in assembly debates, where there is usually an opportunity only for one member to speak in favour of an amendment and one against, after which the committee chair is asked for the committee's opinion.
- 19. Council of Europe Web site, http://www.coe.int/T/E/Com/About_COE/. For a detailed discussion of the Council's history and role, see The Council of Europe, 800 million Europeans, available on that Web site.
- 20. "The Assembly in brief," http://assembly.coe.int/Communication/Brochure/Bro01-e.pdf.
- 21. Canadian officials from several federal government departments and agencies and from one provincial government participate in more than 20 meetings annually of committees, expert groups, and steering committees of the Council of Europe. Canadian parliamentarians attend all four parts of the annual session of the Parliamentary Assembly, as well as parliamentary committee meetings at the EBRD in London and the OECD in Paris.

Travel Costs

ASSOCIATION Canada-Europe Parliamentary Association

ACTIVITY Meeting of the Committee on Economic

Affairs and Development at the European Bank for Reconstruction and Development

(EBRD)

and

First Part of the 2006 Ordinary Session of the Parliamentary Assembly of the Council

of Europe

DESTINATION London, United Kingdom and

Strasbourg, France

DATES January 19-20, 2006 and

January 23-27, 2006

SENATORS Hon. Lorna Milne, Senator

MEMBERS

STAFF Mr. Philippe Méla, Association Secretary

Mr. Marcus Pistor, Advisor

TRANSPORTATION AIR \$15,175.10

GROUND \$ 709.10

ACCOMMODATION \$7,669.15

HOSPITALITY \$0

PER DIEMS \$ 2,757.88

OFFICIAL GIFTS \$ 0

MISCELLANEOUS/REGISTRATION MEETING ROOMS \$ 77.74

FEES CURRENCY EXCHANGE LOST \$ 12.63

MISCELLANEOUS \$89.36

TOTAL \$ 26,490.96