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**Report of the Canadian Parliamentary Delegation
respecting its Mission to the next two countries to hold
the rotating Presidency of the Council of the European Union
and its participation at the Second Part
of the 2015 Ordinary Session
of the Parliamentary Assembly of the Council of Europe**

Canada-Europe Parliamentary Association

**The Hague, Kingdom of The Netherlands;
Luxembourg, Grand Duchy of Luxembourg
and Strasbourg, France**

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Report

From 13 to 24 April 2015, the Canada-Europe Parliamentary Association (CEPA) sent a delegation of six parliamentarians to The Hague, Kingdom of the Netherlands; Luxembourg, Grand Duchy of Luxembourg; and Strasbourg, France as part of a mission to the next two countries to hold the rotating Presidency of the Council of the European Union, and to participate in the second part of the 2015 Ordinary Session of the Parliamentary Assembly of the Council of Europe (PACE). The delegates were Mr. David Tilson, MP, President of CEPA and head of the delegation; Hon. Percy Downe, Senator; Hon. Michel Rivard, Senator; Mr. Corneliu Chisu, MP; Mr. Don Davies, MP; and Ms. Marie-Claude Morin, MP. The delegation was accompanied by Association Secretary, Ms. Guyanne Desforges, and by Association Advisor, Mr. Maxime-Olivier Thibodeau.

PARLIAMENTARY MISSION TO THE KINGDOM OF THE NETHERLANDS

From 13 to 15 April, the delegation participated in a parliamentary mission to the Kingdom of the Netherlands, the country that will hold the rotating Presidency of the Council of the European Union from January to June 2016. During that mission, the delegation met with diplomats, Dutch government officials, parliamentarians, officials from Europol, Eurojust, the Social-Economic Council, local think tanks, representatives of the European Commission (EC), as well as business and labour groups. The discussions held during these meetings pertained to the Netherlands' priorities for its upcoming Presidency, Canadian positions on issues related to the European Union (EU), policy debates and developments within the EU more generally, as well as bilateral relations between Canada and the Netherlands.

A. Briefing with Canada's Ambassador to the Netherlands

The delegation began its mission in a meeting with His Excellency James Lambert, Canada's Ambassador to the Netherlands, and the staff of the Canadian embassy. Ambassador Lambert recalled that 2015 marks the 70th anniversary of the Netherlands' liberation by Canadian troops. He also noted that the King of the Netherlands, who would be in Canada with the Queen in May, said that the proximity between the two countries will remain strong. The Ambassador recalled that there are one million Canadians of Dutch descent in Canada, and that they are very much integrated into Canadian society. He stressed that Canada and the Netherlands are like-minded, on issues such as trade, human rights, youth radicalization, economic growth, for example, and that they share the same values.

Regarding the Canada-Europe Comprehensive Economic and Trade Agreement (CETA), Ambassador Lambert highlighted an issue that would remain an element of the delegation's discussions during the entirety of its mission: the Investor-State Dispute Settlement (ISDS) provision in the Transatlantic Trade and Investment Partnership

(TTIP), the free trade agreement between the EU and the United States that is currently being negotiated. Opposition to this provision in TTIP is spreading to CETA, which has a similar dispute settlement mechanism. The Ambassador said that certain groups have expressed the concern that including an ISDS provision in CETA would make it more difficult to not include it in TTIP. He noted that the opposition to the inclusion of an ISDS provision in TTIP is not necessarily related to ISDS itself and comes, for example, from the fear that hormone-fed animals would be allowed in Europe and that everyone would be working for Walmart, according to Ambassador Lambert. He stressed that this fear is not based on facts and logic: the EU has ISDS provisions in many of its free trade agreements and Canada, for its part, needs to have the certainty that its companies would not be expropriated.

In answering questions from the delegation, the Ambassador and his staff noted that the Netherlands considers that because of its complexity, CETA is a mixed agreement – which means that it would require ratification by national parliaments, as well as the European Parliament, to enter into force – and that the Court of Justice of the EU's pending decision on the nature of the free trade agreement between Singapore and the EU should help to shed more light on this issue. According to the Ambassador, one of the options that the EU has regarding the implementation of CETA would be to start applying it immediately, assuming that the EU member states would ratify the agreement eventually.

Ambassador Lambert brought the delegates' attention to the fact that the Netherlands is the second export market in the EU, it is the first market for agri-food export, it has an efficient distribution network, and its people can work in French and English. It also has important investors, such as Shell, that have an interest in CETA. He noted that the Fuel Quality Directive issue being resolved, Canada can now become an exporter of fuel to the EU. He also noted that on the renewable energy side, Northland, a company based in Toronto, has invested in a \$6 billion package for an offshore wind power project that will provide electricity to one-fourth of the Netherlands' population.

According to the Ambassador, the fact that the Dutch are worried about hydraulic fracturing and the use of coal could lead eventually to a greater dependence on energy imports. He noted that Shell is also involved in Russia and that 40% of EU imports of petroleum go through the Rotterdam port. The issue of energy security led to a discussion of the crash of a Malaysia Airlines airplane (MH17) on 17 July 2014, which was carrying a majority of Dutch passengers and was shot down at the Russia-Ukraine border. Since that event, the Netherlands is at the forefront of sanctions against Russia, according to the Ambassador.

Ambassador Lambert mentioned that although the Netherlands is well-placed to foster relations with Canada during its incoming Presidency of the Council of the EU, it is important to note that the Presidency is not as powerful as it was before the *Treaty of Lisbon*.

B. Meeting with the Secretary-General of the Permanent Court of Arbitration

The delegation then met Mr. Hugo Siblesz, Secretary-General of the Permanent Court of Arbitration (PCA). Mr. Siblesz informed the delegation that the PCA had 95 cases at present, which involve arbitration, as well as mediation and conciliation between states around the globe.

Mr. Siblesz informed the delegation that there were six inter-state disputes before the PCA at present and that inter-governmental organizations can also refer a matter to the Court. Mr. Siblesz noted that the first case before the PCA involving private entities was in 1930 and involved a dispute between a company based in the United States and China. Since then, close to 90 cases have involved private entities. Mr. Siblesz also noted that some cases heard by the PCA are public while others are private.

Over the years, Canadian cases before the PCA have mostly involved investment issues. Regarding the current debate around the ISDS provision in CETA, which would allow private investors to launch the arbitration process for a dispute regarding the application of CETA, Mr. Siblesz recalled that this process already exists within the framework of the North American Free Trade Agreement (NAFTA). Since arbitration and the “fair and equitable treatment” of an investor has been an issue that the trade unions, among others, have focused on in the context of TTIP negotiations, Mr. Siblesz considers that some good could come out of this debate by improving the arbitration process.

Mr. Siblesz noted that many cases before the PCA are heard in the jurisdiction most closely related to the dispute, including in Canada. While Canada is a strong supporter of the PCA, being a member of its Council, for example, Mr. Siblesz noted that it currently has only one member of the PCA, although it is entitled to have three more members. Nominations for these positions are put forward by the Canadian government.

C. Meeting with Dutch Academics, Think Tanks and Political Parties

Together with Ambassador Lambert and his staff, the delegation met with Dutch academics, think tanks and political parties to discuss Dutch EU policy as well as political developments in the Netherlands and within the EU. The Dutch participants were Dr. Adriaan Schout, from the Clingendael Netherlands Institute of International Relations; Ms. Suzan Cornelissen, from the Foundation Max van der Stoep; Mr. Sijbren de Jong, from The Hague Centre for Strategic Studies; Mr. André Gerrits, from Leiden University; Mr. Patrick van Schie, from TeldersStichting (VVD, the “People’s Party for Freedom and Democracy”); Ms. Fleur de Beaufort, also from TeldersStichting; Mr. Jan M. Wiersma, from Wiardi Beckman Stichting (PvdA, the “Labour Party”); Mr. Hubert Beusmans, from the CDA Wetenschappelijk Instituut; Ms. Jieskje Hollander, from the Mr. Hans van Mierlo Stichting (D66).

Mr. Wiersma noted that although the Presidency of the Council of the EU is not what it used to be before the *Treaty of Lisbon*, it can still be used to put forward certain priorities, such as those identified by the EU. He added that the Netherlands is particularly interested by the situation in Ukraine and the situation with respect to the Islamic State (IS) in Syria and Iraq.

Regarding the issue of the ISDS provision in CETA and the influence of the TTIP negotiations on the public opinion in Europe, Ms. Hollander noted that her party is concerned about the preservation of democratic rights and about the threat that the arbitration mechanism poses to national sovereignty. Dr. Schout added that the growth of international trade outside of the EU will put pressure on European environmental and social standards.

Regarding the crisis in Ukraine and sanctions on Russia, Mr. Gerrits noted that a large portion of the Dutch population considers that their government has not been decisive enough regarding the MH17 airplane crash. According to Mr. Gerrits, the fact that Russia will not give up Crimea creates the need for a better strategy than economic sanctions on Russia - one which offers no way out.

Mr. de Jong argued that Dutch business interests in energy could lead to an uncomfortable position with respect to Russia. He also evoked the risk that some EU member states might want to unravel sanctions against Russia for strategic reasons related to energy. Mr. de Jong also mentioned Gazprom’s current difficult situation, including the fact that the European Commission is accusing it of not respecting competition law. Mr. de Jong considers that Russia is currently selling its energy at a low price, which weakens its position. He argued that the presence of pipelines in Turkey in itself is good for the EU; the problem is that Iranian gas supplies are coming in from Turkey. Mr. de Jong explained that if Iran and Azerbaijan are not democratic countries, they are important for geo-politics reasons. Regarding natural gas, he argued that technically, only two countries would be able to replace the supply of Russian gas:

Iran and Turkmenistan. He added that choosing Turkmenistan would mean partnering with North Korea.

Regarding local energy resources, Mr. Wiersma noted that some shale gas production in the North of the Netherlands has created some earthquakes. Mr. Gerrits added that Russia has been a very reliable partner for the Netherlands when it comes to energy supply. According to Mr. de Jong, Canada's future as an exporter of energy lies with Eastern European countries that might be willing to pay a premium for Canadian energy. He argued that West European countries such as the Netherlands would have to convince their population that Canadian energy is worth paying more for, which is unlikely to succeed.

Dr. Schout stated that it is Germany that holds the power within the EU, and that it is willing to use it. He considers that if the EU is not in as strong position as it was before, there are still only 20 to 25% of Eurosceptics in the European population. Mr. Wiersma added that there is still a vast majority of pro-EU Members of European Parliament (MEPs) in the European Parliament. Mr. Wiersma asserted that if the EU falls, it will fall slowly. He argued that when it comes to decision-making, only six out of 28 members are important in the EU, which explains the Netherlands' more modest position. Mr. van Schie argued that Eurosceptics are not necessarily anti-EU. He added that the upcoming elections in the United Kingdom are very important because if David Cameron wins, he would be in line with the Dutch position regarding the EU. According to Mr. van Schie, some changes to the *Treaty of Lisbon* might be needed in answer to issues that have been identified by the United Kingdom. Ms. Hollander wished for the Dutch government to be more ambitious with regards to its European objectives.

D. Meeting with European Commission's Representation Office in The Hague

The delegation met with Mr. Andy Klom, the Representative of the European Commission in The Hague and Ms. Maria Silvia Gatta, the Head of the European Commission Politics sector, to discuss the role of the European Commission's Representation Office and relations between the Dutch Government, the Dutch Parliament and European institutions such as the European Commission.

Mr. Klom explained that the mandate of the European Commission's Representation Office is five-fold. It consists of:

1. maintaining contact with central and local governments;
2. having a presence in the press and in the media in general;
3. applying public diplomacy, which involves having a dialogue with the civil society;
4. supervising the economy – in particular with regards to the Greek debt crisis – which involves maintaining a close contact with Dutch institutions; and
5. maintaining protocol services.

Mr. Klom explained that representation offices are directly under the EC's President, who is Jean-Claude Juncker at present. If EU member states do not respect EU law, the EC has powers to force them to respect it. One possibility is to bring the matter to the Court of Justice of the EU, which hears 4,500 of such cases every year.

Answering questions from the delegates, Mr. Klom explained that the *Treaty of Lisbon* gives powers to the EU and provides mixed competences in certain sectors, such as migration, where member states need to be in agreement. The *Treaty of Lisbon* provides that free trade negotiations are a competence that belongs to the EU. Mr. Klom explained that trade agreements are a strong core competence of the EU, which can be explained by the idea of a single market at the source of the EU.

Regarding CETA's implementation and ratification, Mr. Klom noted that it first needs to be translated in the 24 languages of the EU. The European Parliament only gets the agreement in its final form for its consideration. The European Parliament's approval is needed for the agreement to go forward; this approval would be expressed by a majority of votes. Mr. Klom argued that if CETA is considered to be a mixed agreement, one member state could defeat it, but that would be inconsistent with the positions that have already been expressed by the member states. Regarding the issue of CETA's ratification by each of the 28 member states, Mr. Klom stressed that this would only apply if it is found to be a mixed agreement. According to Mr. Klom, CETA could not be partially implemented: either there is an agreement or there is not.

Mr. Klom explained that the European Parliament consults regularly with the 28 national parliaments, but it is not part of a constitutional process. The EC meets with national governments every week, while national parliaments get their information from their own government.

Regarding the status of TTIP negotiations, Mr. Klom explained that the 9th round of negotiations was scheduled that month and that the EC is going as fast as possible, its objective being that the negotiations would be finalized before the end of the year. However, he acknowledged that there were a number of issues that are growing and disturbing the political consensus. In answer to questions from the delegation about the fact that TTIP is being linked to CETA, Mr. Klom explained that CETA is usually unknown to the people opposing TTIP and argued that there are false stories circulating on TTIP, misconceptions that the EU is conceding many important elements to the United States. According to Mr. Klom, the opposition to TTIP is more about politics than about content.

Regarding migration, Mr. Klom recalled that President Juncker declared that a new strategy was needed. Mr. Klom also noted that the movements of population inside the EU must be differentiated from the migration that comes from outside of the EU.

Mr. Klom explained the role of Frans Timmermans, a former Dutch Minister of Foreign Affairs and European Affairs who is currently the First Vice-President of Better

Regulation, Interinstitutional Relations, the Rule of Law and the Charter of Fundamental Rights at the European Commission. According to Mr. Klom, Mr. Juncker's five strategic priorities as a candidate to the EC's Presidency became ten priorities as the President of the EC. These ten priorities, which include the conclusion of a free trade agreement with the United States, are considered to be Mr. Juncker's political contract. After Mr. Juncker received the EC's approval to modify his priorities in this way, he changed the rules of the EC to focus its work on his ten priorities and appointed seven vice-presidents to achieve that objective. Mr. Timmermans is charged with a large portfolio that includes the new migration package. He also needs to verify if the subsidiarity test is met and if EU law is being respected and if issues in question are better dealt with by national parliaments. Mr. Klom added that Mr. Timmermans' role on Better Regulation relates to three priorities identified by the Dutch Presidency of the Council of the EU (improving EU legislation, reducing the administrative burden and costs at the national level, and creating growth and jobs).

E. Meeting with the President of the Senate of the Netherlands

The delegation, together with Ambassador Lambert and his staff, met with Ms. Ankie Broekers-Knol, President of the Senate. President Broekers-Knol recalled the liberation of the Netherlands by Canadian troops 70 years ago and the 75th anniversary of diplomatic relations between the two countries. She noted the state visit of the Netherlands' majesties to Canada in May, followed by academic and economic missions. She also mentioned the million people of Dutch descent in Canada. She asserted that the Dutch Parliament gives significant value to the shared history of the two countries.

President Broekers-Knol explained that the Dutch Senate was a *Chambre de réflexion* (Chamber of reflection), similar to the Canadian Senate, which is often called a "Chamber of sober second thought". The Dutch Senate has a legislative role, and it has the power to refuse legislation coming from the House of Representatives. She also mentioned that there is currently a debate in the Netherlands on the relevance of the Senate and on whether it has too much power.

In answer to questions from the delegation, President Broekers-Knol explained that Dutch Senators were once appointed by the King, but they are now elected by provincial states. She also explained that in the Dutch legislative process, the Senate accepts or rejects bills coming from the House of Representatives in their entirety. For example, the Senate voted down two House of Representatives bills in 2014. A constitutional change based on two-thirds majorities in both houses would be needed to change the Dutch Senate. Finally, President Broekers-Knol noted that although 20% of the Dutch population wish to abolish the Senate, it is nevertheless the house of the Dutch Parliament that is the most respected by the population.

F. Meeting with Senior Officials of the Ministry of Foreign Affairs of the Netherlands

The delegation, together with Ambassador Lambert and his staff, met with Mr. Mathias Walters, Mr. Ronald Roosdorp, and Mr. Fred Dan, senior officials from the Ministry of Foreign Affairs, to discuss the Dutch perspective on issues concerning Canada and the EU, Dutch priorities for its Presidency of the Council of the EU, and the status of CETA.

Regarding CETA, Mr. Roosdorp argued that if negotiations have ended, the discussions about CETA have not. The TTIP negotiations have changed the situation; they brought a lot of attention to CETA. The current discussions in the Netherlands pertain to animal welfare, food and chemical safety, as well as the ISDS provision. He considers that the ISDS provision in CETA is very good: it protects the governments' right to regulate and it does not allow claims from companies that have not invested, for example. The TTIP negotiations have changed the attitude towards the ISDS provision in CETA, because of the fear of the aggressive litigation customs in the United States. Mr. Roosdorp explained that the EC made the ISDS provision in CETA open to comments because it wants to improve it in TTIP, which means that it also needs to improve it in CETA. He added that if 2016 is the goal for signing CETA, the current delay is due to its inter-linkage with TTIP.

In answering the delegation's questions, Mr. Roosdorp recalled that the CETA negotiations are closed, but that the agreement has not yet been signed. He believes that the EC made a mistake by opening to comments the ISDS provision in CETA. That situation allowed some nongovernmental organizations (NGOs) to come out against CETA and these organizations are now expecting some changes. He asserted that the Netherlands' position on CETA is that it should be ratified as soon as possible and that it should not be held hostage because of TTIP. According to Mr. Roosdorp, the discussion about CETA and TTIP is more emotional than logical. He recalled that there is no clear opposition to CETA from any EU member state and that the Netherlands does not agree with the member states that consider CETA to be a mixed agreement.

Regarding the preparation of the Netherlands' Presidency of the Council of the EU, Mr. Fred Dan recalled that the Presidency is less powerful than during the last Dutch Presidency in 2004. He recalled the themes for the Presidency of the Netherlands:

1. EU legislation needs more focus, along with better, simpler regulation;
2. Innovation and growth, in particular with regards to the digital agenda;
3. Connecting EU legislation with civil society.

These themes all fall within a broader urban agenda which try to bring these themes in line with urban development. According to Mr. Dan, the foreseeable elements that will be on the Dutch Presidency's agenda are: a review of the EU agenda, pressure from the Netherlands for a more integrated EU policy, and the neighbourhood policy (relations with neighbouring countries).

G. Meeting with Wim Geerts, Political Director of the Ministry of Foreign Affairs of the Netherlands and former Dutch Ambassador to Canada

The delegation met with Mr. Wim Geerts, who is the Political Director of the Ministry of Foreign Affairs of the Netherlands and a former Dutch Ambassador to Canada, and Ms. Maryem van den Heuvel, Director of the Western Hemisphere Department of the Ministry of Foreign Affairs, to discuss relations between Canada and the Netherlands.

Mr. Geerts recalled that the Netherlands is the second largest investor in Canada. He also stated that the two countries share the same values and understand each other culturally. He explained that he is in charge of files such as instability in Eastern Europe, IS, Yemen, the Ukraine-Russia crisis, and the crash of the MH17 airplane.

In answering questions from the delegation, Mr. Geerts said that dealing with Russia is a top priority in the EU, as well as for NATO and the OSCE. He recalled that the Netherlands has condemned the Russian invasion in unequivocal terms and that it will not lift sanctions until Crimea is given back to Ukraine. While the EU has been trying to come to an agreement through the *Minsk Agreements*, I and II, Ukraine is under serious economic pressure at a time when reform is needed. Mr. Geerts argued that Russia may be seeking another frozen conflict.

According to Mr. Geerts, when it comes to the Ukraine-Russia crisis, the 28 countries of the EU are divided into three groups:

1. the toughest group, including countries such as the Baltic States, Poland, Sweden, the United Kingdom (to some extent);
2. the middle group, which comprises most countries; and
3. the “soft belly” group, including Greece (which is in a vulnerable position because of its desire to maintain friendly relations with Russia).

According to Mr. Geerts, President Putin would not act in a way that would trigger article 5 of NATO’s *Washington Treaty*, which provides the right to collective defence. However, he argued that if provoked, NATO would not hesitate to respond. Mr. Geerts considers that Russia’s reaction has been very disappointing so far: it is not serious; discussions are not happening. He noted that there are expectations that international law will apply to the conflict. According to Mr. Geerts, Russia is suffering at present due to low oil prices, oligarchs are taking their money outside of the country, and low foreign investment. He argued that at this rate, the situation could continue four or five years. Mr. Geerts considers that there needs to be increased pressure around President Putin, with surgical intervention to hurt him strategically. Ms. van den Heuvel added that more allies are needed against Russia, from South America, for example.

Regarding the crisis in Syria and Iraq, Mr. Geerts explained that the Netherlands is part of a coalition against IS in Iraq and that there is a possibility of becoming involved in Syria as well. He also explained that the Netherlands, like the United States, has invoked article 51 of the Charter of the United Nations, which provides the right to self-

defence, to justify its intervention against IS. Mr. Geerts stated that the Netherlands is also part of a large humanitarian effort in Iraq and that it is pressuring the Iraqi government to become more inclusive, e.g. not only having Shiite members. He also mentioned the problem of internally displaced persons in Syria, and the problem in surrounding countries. According to Mr. Geerts, the coalition must attack IS' funding to defeat it. He noted that IS' territory has been reduced and that it is also losing ground on a military level. He also noted that the members of the coalition need to make an effort to prevent their nationals from leaving their country to go fight for IS in Syria or Iraq. Regarding Turkey, which is a very important corridor for fighters joining IS, Mr. Geerts argued that after a mediocre start the country is becoming more serious in its efforts to stop fighters wanting to join IS.. He stated that more diplomatic efforts might be needed.

H. Meeting with Officers of the Social-Economic Council

The delegation met with Mr. Roland Zwiers and Mr. Bart van Riel, both Senior Economic Affairs Officers at the Social-Economic Council (SER), an advisory and consultative body of representatives of employers and trade unions as well as independent experts, to discuss economic, labour and social policy developments in the Netherlands and in Europe and perspectives on the Netherlands' priorities for its upcoming Presidency of the Council of the EU.

Mr. Zwiers explained that SER receives its funding from private businesses; it is independent from the government. SER employs approximately 100 people. Mr. Zwiers also explained that the Netherlands has a different approach than the Anglo-Saxon countries which do not share public policy work with social partners such as the SER. Mr. van Riel added that the difference between the two systems also lies in their electoral systems, the Netherlands having a proportional representation system. Mr. van Riel explained that in the Netherlands no party is strong enough to impose its views, which means that the government always needs civil society's support to implement a reform. Groups like SER try to reach a consensus on certain issues. He added that before parliament enacts legislation, it needs to know where it's going: hence SER's role.

Mr. Zwiers explained that the government can also ask SER directly for its advice on certain public policy issues. SER's added value appears when it can show that the government's civil society social partners have looked at a given problem; it has an even greater added value if it can come up with a common set of recommendations on how to address that problem.

Regarding collective bargaining, Mr. Zwiers explained that it is done according to a three-level system:

1. the first level, where SER operates;
2. the sector level, where collective bargaining occurs; and

3. the company level.

According to Mr. Zwiers, separating levels according to that system is done in a long-term perspective: it has allowed the current collective bargaining regime to last for fifty years. He noted that there is a very small number of days where people are on strike in the Netherlands. Also, there is no non-union sector of activity. Mr. Zwiers added that there is national coherence stemming from that system; wealth being spread quite evenly across the country. He mentioned a source of concern in that regard: the differences between native Dutch and Turkish – or Moroccan – immigrants, for example, in their labour situation; the native Dutch being in a far better situation. He recalled that there is freedom of labour mobility in the EU. Mr. van Riel added that there are many Polish workers in the Dutch agriculture sector, which is not very popular with the Dutch. According to Mr. Zwiers, labour mobility creates a dilemma for Dutch trade unions which are trying to combine solidarity with efficiency.

Regarding the Netherlands' Presidency of the Council of the EU, Mr. Zwiers mentioned the action plan for labour mobility, which includes social security measures, labour conditions, and fiscal issues. He also mentioned that SER is working with the Dutch government on the banking union, as well as the energy union.

I. Meeting with Officers of the Confederation of Netherlands Industry and Employers

The delegation met with Mr. Marhijn Visser, Deputy Director of International Economic Affairs, and Mr. Paul van Kempen, Senior Advisor Economic Affairs and Financial Sector at the Confederation of Netherlands Industry and Employers, known as VNO-NCW, the largest employers' organisation in the Netherlands, to discuss economic, labour and social policy developments in the Netherlands and in Europe and perspectives on the Netherlands' priorities for its upcoming Presidency of the Council of the EU.

Regarding the economic policy in the EU, Mr. Visser considers that much work has been done to achieve stability but that there is still work to do. He noted that VNO-NCW has always supported the banking union, which will be fully implemented in eight years. Mr. Visser argued that a great compromise has been achieved among the 18 EU countries that are part of the banking union. About the supervision of the banking sector, he explained that the nature of supervision differs depending on the different sectors that are supervised, such as the insurance and the financial sectors. He also noted a difference in cultures among the different members, pertaining to the details of supervision and the management of data, for example. According to Mr. Visser, the cost of supervision for banks in Italy is twice as much as in the Netherlands. It would also be generally less efficient in Southern countries.

In answering questions from the delegation, Mr. Visser said that the EU banking union nevertheless derives from a national competence. He wondered if the European Central

Bank really needs all the information that it requires from the member states. He also noted that the Dutch government adds its own legislation to the EU supervisor rules. According to Mr. Visser, there is a political consensus on the EU resolution regarding the banking union: the maximum possible has been done for now. However, he argued that following the financial crisis, and after comparing the situation in the EU with the situation in the United States, we still do not know what would happen if a new financial crisis occurred.

Answering the delegation's questions about the Dutch Presidency agenda, Mr. van Kempen explained that President Juncker's plan involves drawing investment from the private sector as much as possible. According to Mr. van Kempen, the most important topics for the Dutch Presidency are the capital market, the energy sector and the digital market.

Regarding CETA, Mr. van Kempen stated that VNO-NCW is very supportive of the agreement. According to Mr. van Kempen, the debate on TTIP is influenced by NGOs that consider that the ISDS provisions limit the power of governments in favour of private companies. He also echoed earlier comments that this debate is more emotional than rational. Mr. van Kempen anticipates that the EC's position could be that if a change of the ISDS provision in TTIP is needed, it should go back to change the ISDS provision in CETA as well. He cited an official statement in the European Parliament that it could go back to Canada with a new ISDS provision proposal.

J. Meeting with Europol Officials

The delegation met with Mr. Paul Descôteaux, an Royal Canadian Mounted Police agent on detachment to Europol; Mr. Brian Donald, Chief of Staff; Mr. Michael Häuser, Head of Strategic and External Affairs; and Mr. Manuel Navarrete, Head of Counter Terrorism and Financial Intelligence, to discuss Europol's role and tasks, its external relations and cooperation with upcoming Presidencies of the Council of the EU, as well as its counter-terrorism activities.

Mr. Donald explained that Europol was born from a political agreement in the late 1990's to create a drug fighting unit in the EU; its mandate has expanded since then to cover every kind of crime. The *Treaty of Lisbon* changed justice from a member states competence to a EU competence. Mr. Donald explained that Europol's budget comes from the EU budget. He also explained that Europol is a hybrid, having the European Parliament, which is more privacy-minded, and the member states, which have competence over national security and are more security-minded, as co-legislators with regards to the legislation that applies to Europol. Mr. Donald explained that Europol has a limited role in counter-terrorism, where it represents approximately 10% of its activities. Regarding the issue of youth radicalization and home-grown fighters who leave their country to fight in Syria, Mr. Donald argued that this requires a different type of intelligence and investigation than that required for Europol's usual activities.

Regarding Europol's role and tasks, Mr. Donald explained that there are three main sectors of activities: information; operational support; and coordination.

As an example of a major Europol operation, Mr. Donald cited "Operation Archimedes", which was an intelligence-fed operation coordinated in 34 different countries simultaneously that involved actions at hundreds of locations between 15 and 23 September 2014. According to Mr. Donald, it had a real impact on organized crime, mostly because it received a lot of attention.

Answering questions from the delegation, Mr. Donald explained that Europol has no executive powers; it brings operations together by providing liaison services. Under EU legislation, Europol officers cannot disclose information in prosecution procedures unless given permission by the Director of Europol. The organization concentrates its efforts on high value targets in which member states are interested. Regarding financial crime, Mr. Donald said that Europol has good intelligence about tax havens, such as in Luxembourg. He highlighted the link between tax havens, organized crime and terrorism financing. He added that in police operations regarding the banking sector, the right formalities must be followed in order to succeed. Mr. Donald explained that under the *Terrorist Financing Tracking Programme Agreement* between the EU and the United States Europol authorizes requests – following a "reasonable suspicion" threshold – from the United States asking for information pertaining to certain EU member states. He considers that it is a very effective system. Mr. Donald presented Europol as the most technology-advanced European institution; one that is very well regarded and has a bright future ahead, because of the excellence of its staff. However, he noted that Europol is getting no new funding while it has cut jobs, but the demand is increasing at the same time. He also noted that Europol cannot spend money as it sees fit: it is the EC that decides where money is spent from a political perspective.

Mr. Häuser explained that Europol currently has 918 staff. Demand for Europol is growing exponentially as it is increasingly recognized by law enforcement authorities in member states. He also mentioned that Europol has 11 operational cooperation agreements, including one with Canada. These agreements have strong data protection requirements, according to Mr. Häuser. He explained that the process for entering into an operational cooperation agreement has four steps:

1. the party to the agreement must be on the European Council list;
2. a data protection assessment must be performed;
3. the negotiation phase; and
4. the finalization phase.

Mr. Häuser added that Europol has also 15 strategic agreements, which involve no exchange of data.

Mr. Navarrete informed the delegation about the latest developments in Europol's counter-terrorism activities. He gave an overview of terrorist activities in 2014 related to

Europol's work, where four people died, 201 terrorist attacks occurred, and 774 individuals were arrested. According to Mr. Navarrete, IS, Al-Qaida, and affiliated groups have the intent, the capability and the resources to carry out terrorist attacks against the EU and the Western World. He noted that lone combatants and small-scale attacks are increasing. He also noted that, rather than amending their criminal law, some member states are taking administrative measures to prevent their nationals from leaving their country to become foreign fighters.

Mr. Navarrete recently noticed an increase in the exchange of information between member states and Europol. He also mentioned that Europol is working in cooperation with Interpol. Mr. Navarrete explained that Europol's challenges, which are taken from the Riga Declaration of March 2015, consist of:

- making full use of existing tools;
- exchanging information;
- improving the exchange of information between member states and Europol;
- providing analytical support; and
- increasing its work on Internet. (The official start of Europol Internet Referral Unit is on July 1st, 2015. This aspect is particularly important, because Europol received a mandate to work on Internet content: the "Check the Web" project.)

Finally, Mr. Navarrete added another challenge to the list, which is the judicial response following Europol's work: the prosecution of crimes in the EU member states.

K. Meeting with Eurojust Officials

The delegation met with Mr. Jonas Arvidsson, Assistant to the National Member for Sweden and Member of the Financial and Economic Crime Team; Ms. Michèle Coninx, President of Eurojust, National Member for Belgium and Chair of the Counter Terrorism Team; and Mr. António Cluny, National Member for Portugal and Member of the External Relations Team, to discuss, among other things, the role of Eurojust in the investigations and prosecutions of cross-border crimes, its relationship with other European organizations, such as Europol, and its relations with Canada.

Mr. Arvidsson explained that Eurojust does not have any real powers: it coordinates efforts regarding serious cross-border and organized crime. Eurojust is similar to Europol in the way that it is also a "help desk": Europol acts at the intelligence level, while Eurojust connects different judicial authorities and helps member states prosecute criminals. Eurojust is made up of 28 national members, who are experienced prosecutors, judges, or police officers of equivalent competence. According to Mr. Arvidsson, Eurojust's added value lies in the efficiency it provides by allowing to get answers very quickly from colleagues regarding the legal system of that member state,

as well as the fact that it coordinates the work of judicial authorities from 28 member states, representing more than 500 million people, that need to deal with the dark side of the freedom of movement within the EU: illegal goods (drugs, weapons, counterfeit goods), people, services, and capital. Mr. Arvidsson explained that Eurojust has cooperation agreements with Europol and the United States, for example. Eurojust has a contact point with Canada, which operates from Brussels.

Ms. Coninx presented her three objectives for the judicial response to terrorism:

1. stimulating and improving judicial coordination among member states;
2. improving international judicial cooperation; and
3. providing support to national authorities.

She explained that these objectives take place on three levels: 1) the 28 member states; 2) the concerned member states; and 3) the judicial and law enforcement authorities of the concerned member states.

Ms. Coninx also explained that deciding which is the best placed jurisdiction to handle a case is part of the coordination meetings that Eurojust has internally. She recalled that Eurojust's recommendations are not binding for member states.

The discussion with Ms. Coninx concerned the fact that Canada has a contact point with Eurojust but no cooperation agreement. In that regard, Ms. Coninx noted that the decision to initiate the process of entering into a cooperation agreement with Eurojust belongs to the Canadian government. Ms. Coninx also informed the delegation that Eurojust's budget, which comes from the EC, has been reduced while the demand for its services has increased.

Regarding Eurojust's relations with third countries like Canada, Mr. Cluny explained that the organization has competence to assist investigations and prosecutions concerning only a member state and a third state in accordance with article 3(2) of the Eurojust Council Decision, which provides that the request must come from a member state's competent authority, there must be a cooperation agreement between Eurojust and a third state, or there must be an "essential interest" in providing the assistance to that third state. According to Mr. Cluny, the problem with working with contact points, which is Canada's situation with Eurojust, is that acting as a contact point is not the main occupation of the people designated by their country, which makes cooperation less efficient.

L. Meeting with Members of the European Affairs, Foreign Affairs, Foreign Trade and Development Cooperation, and Defence Committees of the Dutch Parliament

The delegation met with members of the House of Representatives Mr. Han ten Broeke (VVD), Mr. Martijn van Helvert (CDA), Ms. Marit Majij (PvdA), Mr. Joost Taverne (VVD), Mr. Fred Teeven (VVD), Mr. Jan Vos (PvdA), Ms. Esther Ouwehand (PvdD), and with

Senator Nico Schrijver (PvdA) to discuss the role of the Dutch parliament regarding priorities for the Presidency of the Council of the EU, the role of the parliament in achieving these priorities, the relation between the Presidency of the Council of the EU and the European Parliament, the role of the Dutch parliament in the ratification and implementation of CETA, as well as Canada-Netherlands relations.

Mr. ten Broeke noted that Canada and the Netherlands collaborate in NATO and that the debate on the crisis in Iraq and Syria is similar in the two countries. Regarding the ISDS provision in CETA and the influence of TTIP negotiations, Ms. Maij argued that the difficulty is that attention is focused on TTIP, not CETA. According to her, TTIP has allowed some latent concerns regarding CETA to come up. These concerns are related to food security, agriculture, and the general idea that an ISDS provision should not be necessary if the judicial systems of the respective parties are sufficient and respect the rule of law. According to Mr. ten Broeke, it is in the Netherlands' interest to ratify CETA as soon as possible. Senator Schrijver argued that before ratifying CETA, the Netherlands must await the outcome of the Court of Justice of the EU on the Singapore free trade agreement. He mentioned that there is no reason to be worried about ISDS, as dispute settlement for banking issues is a Dutch idea. He added that in the Netherlands, three levels of internal procedures would need to be exhausted before a case is able to go to international arbitration. Senator Schrijver also noted that NAFTA has an ISDS provision.

Regarding the Netherlands' priorities for its upcoming Presidency of the Council of the EU, Ms. Maij identified two important issues:

1. the rule of law and democratic governance: she considers that some countries forget this criteria after becoming a member state of the EU; and
2. ways to cooperate in the energy market to reduce the EU's dependency on foreign energy.

Mr. van Helvert expressed his disagreement with the government with regards to its Presidency priorities, arguing that infrastructure should be a priority.

PARLIAMENTARY MISSION TO THE GRAND DUCHY OF LUXEMBOURG

On 16 and 17 April, the delegation participated in a parliamentary mission to the Grand Duchy of Luxembourg, the country that will hold the rotating Presidency of the Council of the European Union from July to December 2015. During that mission, the delegation met with diplomats, government officials, parliamentarians, as well as representatives of Canadian businesses present in Luxembourg. The discussions held during these meetings pertained to Luxembourg's priorities for its upcoming Presidency, Canadian positions on issues related to the European Union, policy debates and developments within the EU more generally, as well as bilateral relations between Canada and Luxembourg.

A. Meeting with Members of the Foreign Affairs Committee of the Chamber of Deputies of Luxembourg

The delegation, accompanied by His Excellency Denis Robert, Ambassador of Canada in Luxembourg; his staff; and Ms. Ines Luna, Protocol officer of the International Relations department at the Luxembourg Chamber of Deputies, met with Mr. Marc Angel, Chairman of the Foreign Affairs Committee; Mr. Eugène Berger, Ms. Claudia Dall'Agnol, Mr. Marc Spautz, Mr. Gusty Graas, Mr. Claude Wiseler, Mr. Fernand Kartheiser, Mr. Serge Wilmes, Members of the Foreign Affairs Committee; and Ms. Rita Brors, Secretary of the Foreign Affairs Committee Public Relations.

Mr. Angel welcomed the delegation by highlighting the fact that there are many areas where Canada and Luxembourg fight together, giving the example of the international Court of Justice. Regarding CETA, Mr. Angel expressed the hope that it will be considered a mixed agreement. He also noted that the TTIP negotiations brought attention on the ISDS provision. According to Mr. Angel, TTIP "poisoned" the discussion about CETA. Mr. Angel said that concerns have been raised by certain groups, NGOs for example, about the need for an ISDS provision in a context where parties trust each other's justice system. He added that debates are happening on this issue in national parliaments and that it is important to remember their role within the EU. Mr. Angel acknowledged the importance of the Court of Justice of the EU's decision regarding the Singapore free trade agreement in determining whether CETA is a mixed agreement, but also insisted on the importance of a letter from the speakers of every European national parliament stating that CETA should be considered as a mixed agreement that needs to be ratified by the national parliaments.

Mr. Kartheiser asked the delegation about the impact of Canada getting out of the Kyoto Protocol and how the crisis in Ukraine affects the Canadian energy market.

B. Meeting with an Official of the Court of Justice of the European Union

The delegation, together with Ambassador Robert and his staff, and Ms. Luna, met with Mr. Dieter Kraus, Chief of Staff of the President of the Court of Justice of the EU to discuss the role and responsibilities of the Court.

Mr. Kraus explained that the Court of Justice of the European Union is actually composed of three courts:

1. the Court of Justice: hears cases from national courts, though it is not an appeal court for any of them and it cannot quash their decisions. However, national courts can ask the Court of Justice for an opinion on EU legislation;
2. the General Court: hears appeals pertaining to intellectual property cases as well as access to information cases; and
3. the Staff Tribunal: deals with matters regarding civil servants of the EU.

Mr. Kraus explained that, on average, a case takes 15 to 18 months; it needs to be translated in the 24 languages of the EU; and the Court asks the 28 member states if they want to submit comments. For example, in the opinion of the Court on the accession of the EU to the *European Convention on Human Rights*, all 28 member states sent comments. About that case, Mr. Kraus said that the EU tried to construct an accession agreement that would interfere as little as possible with the European Court of Human Rights (ECHR) in Strasbourg, but that it did not succeed. The ECHR, which is a branch of the Council of Europe, supervises the compliance of the *European Convention on Human Rights* by its 47 member states. As well, the *Treaty of Lisbon* provides an obligation for the EU to comply with the *European Convention on Human Rights*, hence the accession process. According to Mr. Kraus, if the EU insists on including certain provisions, it would make it difficult for countries like Russia and Turkey to agree. Mr. Kraus stated that the current debate is whether preserving the EU legal system is more important than acceding to the *European Convention on Human Rights*. Mr. Kraus considers that the Court's work is done; discussions are now happening in Brussels between the European Parliament and national parliaments on how they will solve this issue.

The delegation asked Mr. Kraus about the impact of outside opinions on the decisions of the Court, giving the example of the letter from the speakers of every European national parliament stating that CETA should be considered to be a mixed agreement. Mr. Kraus explained that outside opinions are considered by the Court only if they are part of its procedures. Regarding the caseload of the Court, Mr. Kraus explained that it concerns mostly issues related to the free movement of people and asylum. Mr. Kraus noted that after the *Treaty of Lisbon* and the adoption of the EU Charter of Fundamental Rights, the Court has been dealing with more issues related to fundamental rights in general, and particularly with data retention. He said that the agreement that was signed in June 2014 by the Council of the EU and Canada on the sharing of passenger name record (PNR) data and was referred to the Court for an opinion on whether it is in line

with the EU Treaties and Charter of Fundamental Rights by respecting the rights to privacy and data protection, raises interesting questions in that regard.

C. Meeting with Mr. Jean Asselborn, Minister of Foreign Affairs of Luxembourg

The delegation, together with Ambassador Robert and his staff, and Ms. Luna, met with Mr. Jean Asselborn, Minister of Foreign Affairs of Luxembourg, to discuss Luxembourg's perspective on issues concerning Canada and the EU, Luxembourg's priorities for its Presidency of the Council of the EU, and the status of CETA. Mr. Asselborn noted that this Presidency will be different than Luxembourg's last Presidency in 2005, because of the changes brought by the *Treaty of Lisbon*.

According to Mr. Asselborn, important events will have an impact on Luxembourg's Presidency, such as the elections in the United Kingdom in May, elections in Spain and Portugal, and the problem of Greek debt, which can only be solved within the Eurozone but for which time is running out. Regarding CETA, Mr. Asselborn considers that the discussion on TTIP will necessarily tie both agreements together. The biggest problem for Luxembourg's Presidency, according to Mr. Asselborn, will be refugees coming to the EU from Africa. He estimated that in July and August of this year, half a billion people will try to come to Europe through Eritrea, Ethiopia, Sudan, Darfur, and Libya. Mr. Asselborn considers that in addition to being the biggest problem of Luxembourg's Presidency, it could be a humanitarian tragedy.

Regarding CETA, Mr. Asselborn stated that TTIP has been linked to CETA, even if the ISDS provisions in both agreements are different. He noted the opposition to the ISDS provision from civil society in Luxembourg, including churches, trade unions, and NGOs. Mr. Asselborn made two recommendations of modifications to CETA in order to offer a solution to those opposing the agreement: move the parties' right to regulate from the preamble to the body of the text; and in the ISDS provision, add a right to appeal after arbitration.

Regarding the ISDS provision, Mr. Asselborn noted that EU countries are separated in three groups: countries that trade with South American countries, such as Spain and Portugal, that are in favour of ISDS because they want to make sure that their investments are protected; countries that want to get rid of it; and countries that are trying to find a solution. Mr. Asselborn's opinion is that the prognostic for the EU economy is not very positive and that CETA would help the European economy.

D. Meeting with His Excellency Mr. Mars Di Bartolomeo, President of the Chamber of Deputies of Luxembourg

The delegation, together with Ambassador Robert and his staff, and Ms. Luna, met with His Excellency Mr. Mars Di Bartolomeo, President of the Chamber of Deputies. President Di Bartolomeo noted that the social security and health systems of Luxembourg and Canada are similar and that they have cultural ties. He mentioned the

terrorist attack on the Canadian Parliament in October 2014 and the Paris terrorist attacks as an attack on our values. He insisted on the importance of reacting to this attack without forgetting the fundamental rights and values that both countries share.

Regarding CETA, President Di Bartolomeo recalled that the Parliament of Luxembourg considers CETA to be a mixed agreement and that it wants to be involved in the discussions about the agreement as well as involved in the decision on its ratification. He noted that the discussion about CETA has been compromised by the TTIP negotiations. According to President Di Bartolomeo, the Parliament of Luxembourg does not want to leave it to the EC and European Parliament alone. He argued that if the EC had explained issues regarding CETA earlier, it would not be facing this opposition today. According to President Di Bartolomeo, Luxembourg's Presidency of the Council of the EU will not try to block CETA's ratification.

President Di Bartolomeo also raised the issue of housing, noting that the population of Luxembourg is growing very quickly, that 70% of workers in Luxembourg come from outside of the country, and that 45% of residents in Luxembourg are not originally from the country.

E. Meeting with the Committee on Economic Affairs of the Parliament of Luxembourg

The delegation, together with Ambassador Robert and his staff, and Ms. Luna, met with Ms. Joëlle Elvinger, Vice Chair of the Committee on Economic Affairs; Mr. André Bauler, member of the Committee on Economic Affairs; Mr. Roy Reding, member of the Committee on Economic Affairs; Mr. Eugène Berger, MP; Mr. Marcel Oberweis, MP; and Ms. Marianne Weycker, Secretary of the Committee to discuss the role of the parliament of Luxembourg regarding priorities for the Presidency of the Council of the EU, the role of the parliament in achieving these priorities, the relation between the Presidency of the Council of the EU and the European Parliament, the role of the Parliament of Luxembourg in the ratification and implementation of CETA, as well as Canada-Luxembourg relations.

Ms. Elvinger explained that the Committee on Economic Affairs deals with the transposition of European Directives into national legislation that have an impact on the economy and the energy sector. It also deals with intellectual property – it prepared a draft law on copyright, for example – and certain financial issues, which are otherwise dealt with by the Finance Committee.

Regarding CETA, Ms. Elvinger noted that Luxembourg is in favour of the agreement and considers it to be a mixed agreement. She also noted that the TTIP negotiations are leading to much lobbying and transmission of information meant to scare people in an unjustified manner. Ms. Elvinger stated that during Luxembourg's Presidency, it will present CETA as an advantage for the European economy.

In answering questions from the delegation, Mr. Berger said that it is difficult to determine when CETA would be ratified. Member states can take as long as they want, and the ratification process is not the same in every country. Regarding the role of the Presidency in CETA's ratification, Mr. Oberweis argued that the situation has changed with regards to Russia and noted that the United States is reconciling with Cuba and is working in a North-South dynamic. He wondered if Canada is really focusing on Europe with CETA, or if it is really looking at China and the Asian market. Mr. Reding noted that in Canada, provinces would be responsible for important matters covered by CETA. He added that in Europe, there is an effort to reduce red tape – which Luxembourg entirely supports – and he wondered if CETA would add to the bureaucratic burden.

Mr. Oberweis asked about Canada's position regarding the Paris Protocol on greenhouse gas emissions, and about the Northwest Passage: if all ships will be able to pass when it opens, or only Canadian ships.

F. Meeting with representatives of Husky Injection Molding Systems

The delegation, together with Ambassador Robert and his staff, and Ms. Luna, met with representatives of Husky Injection Molding Systems, a Canadian company that has a manufacturing facility in Luxembourg. Husky's representatives explained that the company's corporate headquarters are in Bolton, Ontario, and that it has manufacturing facilities in Luxembourg, Vermont, Shanghai, Austria, Switzerland, India and the Czech Republic.

Husky was founded by Robert Schade in 1953 and is today the largest injection molding plastic company in the world. It has clients everywhere in the world; its biggest client being the beverage packaging industry. Husky opened a manufacturing facility in Luxembourg in 1984; it has 860 employees and its production represents approximately one-third of Husky's overall sales. Husky's representatives noted that the company's share of the European market in that field is approximately 75%.

G. Meeting with representatives of RBC Investor and Treasury Services

The delegation, together with Ambassador Robert and his staff, and Ms. Luna, met with representatives of RBC Investor and Treasury Services, a Luxembourg subsidiary of the well-known Canadian bank. RBC's representatives noted that RBC has the strongest credit rating in the financial industry and explained that it has roughly 200 institutional clients in 19 countries. They stressed the fact that their work is limited to administering investment funds: they are not actually investing in these funds, which is done by asset managers. RBC's representatives mentioned the reasons for establishing the bank's investor and treasury services branch in Luxembourg:

- it is an important player in the fund industry;
- it derives many benefits from European regulations;

- after the United States, it is first in the world with regards to the fund industry;
- it has acquired a strong expertise in the fund industry;
- it is a stable political location;
- it has become the “back office” of international fund managers; and
- it has specialized technical employees who can work in many different languages.

In answering questions from the delegation about RBC’s absence from countries that have joined the EU more recently, representatives explained that the company prefers to serve these countries from Luxembourg because the financial regulator in Luxembourg is recognized, which facilitates the distribution of RBC’s funds all over the world. As an example of Luxembourg’s importance in the financial industry, RBC’s representatives mentioned the fact that the five biggest Chinese banks now have their European headquarters in Luxembourg.

PARTICIPATION IN THE SECOND PART OF THE 2015 ORDINARY SESSION OF THE PARLIAMENTARY ASSEMBLY OF THE COUNCIL OF EUROPE

From 20 to 24 April, the delegation travelled to Strasbourg to participate in the second part-session of the Parliamentary Assembly of the Council of Europe, in which Canada enjoys observer status, along with Israel and Mexico. The delegation was joined in Strasbourg by Mr. Alan Bowman, Deputy Head of Canada’s Mission to the European Union and Canada’s Permanent Observer to the Council of Europe.

A. Background: The Council of Europe

1. Mandate and Function of the Council of Europe

The Council of Europe is an intergovernmental organization whose aims are:

- 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 find common solutions to the challenges facing European society, such as discrimination against minorities, xenophobia, intolerance, bioethics and cloning, terrorism, trafficking in human beings, organised crime and corruption, cybercrime, violence against children; and
- to consolidate democratic stability in Europe by backing political, legislative and constitutional reform.

The Council’s main institutions are the Committee of Ministers (its decision making body, composed of member states’ foreign ministers or their deputies), the

Parliamentary Assembly, the Commissioner for Human Rights, the European Court of Human Rights and the Congress of Local and Regional Authorities¹.

2. Canada's Role at the Parliamentary Assembly of the Council of 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).

Canadian parliamentarians play an important role in the various political and intergovernmental institutions of Europe. Involvement by Canadian parliamentarians parallels Canada's diplomatic and ministerial efforts in Europe to promote Canadian interests there. Of particular importance are the parliamentary contacts at the Parliamentary Assembly of the Council of Europe and the opportunities for Canadian parliamentarians to participate in debates in the plenary Assembly and in the Committees of PACE.

Canadian parliamentary delegates have the opportunity to speak directly with parliamentary counterparts from member states of the Council of Europe. Each of the 28 member states of the European Union are also members of the Council of Europe. This is a valuable entry point for Canada to raise issues of common interest, defend national interests, explain misunderstandings, and address specific irritants in relations between Canada and specific member states. This is particularly important with respect to the next stage for CETA. Participation in PACE will continue to provide unique opportunities to promote the agreement to ensure its ratification and address any potential concerns by EU member states that are also member states of the Council of Europe. Canadian parliamentarians will continue to play a valuable role in this endeavour.

Although Canada is not entitled to vote on resolutions of the Assembly or draft resolutions in the committees (except with respect to matters relating to the Organization for Economic Co-operation and Development, of which Canada is a member), Canadian parliamentarians are entitled to speak to these matters. This provides a valuable opportunity to ensure Canadian interests in a particular matter are communicated in an important international forum. It also ensures that Canadian perspectives are considered in the Council of Europe's development of broad positions on international matters.

B. Overview of the Agenda of the Parliamentary Assembly of the Council of Europe

¹ More information on the mandate and function of the Council of Europe is available on the organization's website: <http://www.coe.int/en/>

During the second part-session, a wide range of topics were debated in the Assembly and in its committees and political groups. The Assembly held debates on the following:

- Progress report of the Bureau and the Standing Committee;
- Free debate;
- Mass surveillance;
- Joint debate: Budget and priorities of the Council of Europe for the biennium 2016-2017, and Expenditure of the Parliamentary Assembly for the biennium 2016-2017;
- Humanitarian consequences of the actions of the terrorist group known as “Islamic State”;
- Current affairs debate: The political and security situation in Ukraine and its implications;
- Discrimination against transgender people in Europe;
- Social services in Europe: legislation and practice of the removal of children from their families in Council of Europe member states;
- Debate under urgent procedure: Draft Additional Protocol to the Council of Europe Convention on the Prevention of Terrorism;
- Debate under urgent procedure: The human tragedy in the Mediterranean: immediate action needed;
- Drones and targeted killings: the need to uphold human rights and international law;
- Post-monitoring dialogue with Monaco;
- The reform of football governance;
- Equality and non-discrimination in the access to justice;
- The effectiveness of the *European Convention on Human Rights*: the Brighton Declaration and beyond.

The Assembly also heard from the following speakers:

- His Majesty the King of the Belgians;
- Mr. Thorbjørn Jagland, Secretary General of the Council of Europe;
- Mr. Didier Reynders, Minister for Foreign Affairs and European Affairs of Belgium, Chairperson of the Committee of Ministers;
- Mr. Nils Muižnieks, Council of Europe Human Rights Commissioner.

C. Canadian Activities during the Session

1. Overview

The members of the delegation actively participated in proceedings of the Parliamentary Assembly of the Council of Europe including plenary proceedings and committee meetings, in particular, the Committee on Political Affairs and Democracy; the Committee on Legal Affairs and Human Rights; the Committee on Migration, Refugees and Displaced Persons; the Committee on Equality and Non-Discrimination; the Committee on Culture, Science, Education and Media; and the Committee on Social Affairs, Health and Sustainable Development. In addition, the members attended meetings of the various political groups in the Assembly.

The delegation was briefed by Mr. Alan Bowman, and a special meeting was held with the Council of Europe Special Representative for Ukraine. Three special meetings were also held with representatives from member states of the Council of Europe to discuss bilateral and EU-related issues: Spain, Poland and Italy.

2. Briefing by Canada's Permanent Observer to the Council of Europe

Mr. Bowman provided the delegates with an update on developments in the EU of interest to Canada and the work of the Canadian Mission to the European Union in furthering those interests, as well as on Canada's role as an observer at the Committee of Ministers and at the Parliamentary Assembly of the Council of Europe. Mr. Bowman briefed the delegation on specific issues relating to Canada-Europe relations. In particular, he emphasized the importance of CETA and the issue of climate change.

Mr. Bowman explained that the Canadian Mission to the European Union has been engaging with its European counterpart recently on the issue of climate change. He recalled that the Paris conference on climate is scheduled for November 2015. He noted that the Canadian government has not yet released the measures by which all parties are asked to make commitments concerning their targets in relation with the Paris Protocol. Mr. Bowman mentioned that Canada is doing very well regarding the carbon capture related to the use of electricity. He noted that Europe is moving away from nuclear energy, using more coal and gas.

Regarding the ISDS provision in CETA and the influence of the TTIP negotiations, Mr. Bowman argued that there is more than a risk that the debate about TTIP takes over CETA. He also argued that the United States would probably not agree to an ISDS provision similar to the one in CETA. According to Mr. Bowman, the ISDS provision in CETA is better than any similar provision in other free trade agreements: it got rid of unnecessary elements, expropriation is not permitted, etc. He mentioned that the parties' right to regulate in CETA protects environmental and health care standards in the EU member states.

Regarding the advocacy work done by the Canadian embassy, Mr. Bowman explained that it communicates with the 28 member states through ambassadors and ministers' visits, events, and outreach. They have been focusing on the member states in Brussels and on the European Parliament, especially those who have been the principal source

of opposition to CETA. In that regard, Mr. Bowman specified that if CETA is considered a sole competence agreement, a majority of votes would be needed; if it is considered a mixed competence agreement, unanimity would be needed. According to Mr. Bowman, it is possible to send the agreement to the Court of Justice of the EU for an opinion, but in the end it would be the Council that decides if it is a sole or mixed competence agreement.

Regarding the next steps, Mr. Bowman argued that the work mostly needs to be done on the European side. Mr. Bowman does not expect the legal scrubbing and translation process to be done before fall. Once a final text is agreed upon, the College of Commissioners must agree to it before it is sent to the Council of the EU. The agreement could stay with the Council for 1 to 6 months, depending on the solution to the sole/mixed competence issue. Mr. Bowman speculated that the Council could agree on the text between November 2015 and February 2016. There is also a possibility of debate between the member states and the Council, and the possibility of delaying the vote on the agreement for political reasons. At the European Parliament level, the agreement needs to go through the International Trade Committee.

3. Meeting with the Special Advisor of the Secretary General of the Council of Europe for Ukraine

The delegation, accompanied by Mr. Bowman, met with Mr. Christos Giakoumopoulos, Special Advisor of the Secretary General of the Council of Europe for Ukraine, to discuss the situation in Ukraine. Mr. Giakoumopoulos stated that the most positive development in Ukraine is the fact that the reform process is now launched in a definite way, even if it is slower than what citizens expect. One of the reasons for this is the fact that Ukraine has two heads of state, a president and a prime minister, who come from different parties and who are competing. Mr. Giakoumopoulos also argued that the whole process is weakened by the Russian aggression.

Mr. Giakoumopoulos explained that the Council of Europe is involved in the reform process, but not in the security aspects in Ukraine. The Council of Europe works in three areas in Ukraine:

1. the new constitution, that will need to include a centralization process;
2. the reform of the judiciary, which is perceived as being extremely corrupt and inefficient; and
3. the human rights aspect, where the behaviour of the authorities is a source of concern.

Mr. Giakoumopoulos mentioned that Canada was instrumental in reforming the broadcasting system and on the issue of the safety of journalists. He also mentioned, as areas where work is needed in Ukraine, the protection of minorities, the social integration of internally displaced persons, who are mostly women and children, and the

post-conflict situation. According to Mr. Giakoumopoulos, these aspects weaken the social and economic situation in Ukraine.

Mr. Giakoumopoulos noted that Ukraine is working on increasing the capacity of investigative powers, but that it will take time. He mentioned a report from an international advisor that clearly shows what the problems are, the culture of impunity that goes beyond the parties. Mr. Giakoumopoulos also mentioned that Ukraine adopted a package of anti-corruption laws on which the OSCE is working; the Council of Europe will be more involved in the implementation aspect of this package. He noted that Ukraine's financial problems, the issue of corruption, and the crisis in the East will continue to be a priority for the government.

4. Meeting with the Spanish Delegation to PACE

A meeting was held with several members of the Spanish delegation to PACE primarily to discuss Spain's position on the ratification of CETA. Mr. Bowman also took part in this meeting. The Spanish delegation told the delegates that discussions on CETA among Spanish parliamentarians are very rare and that the agreement is unknown by the great majority of the population. The TTIP negotiations have been noticed by some groups that consider it to be against European values and social standards. The Spanish delegation noted that their government is very interested in improving bilateral relations with Canada and that it has supported CETA in Brussels.

The Spanish delegation raised concerns about the agriculture chapter in CETA. The Canadian delegation explained that there is nothing in CETA that would allow European rules to be changed: there would be no "hormone beef" allowed in Europe because of CETA, and since poultry has been excluded from the agreement, there would be no "chlorine chicken" either. Also, public health care is protected in CETA, which was a very important clause for both parties and which is different than TTIP.

5. Meeting with the Polish Delegation to PACE

A meeting was held with several members of the Polish delegation to PACE primarily to discuss Poland's position on the ratification of CETA. Mr. Bowman also took part in this meeting. The Polish delegation admitted that few people were interested in CETA in Poland. They noted that TTIP is the agreement that is getting attention. This situation led the Polish delegation to state that there is a need for better Canada-Poland bilateral relations, including at the Council of Europe. The Canadian delegation explained some differences between CETA and TTIP and highlighted the benefits for Poland in CETA regarding pharmaceutical products, which get an extended protection in CETA.

6. Meeting with the Italian Delegation to PACE

A meeting was held with several members of the Italian delegation to PACE primarily to discuss Italy's position on the ratification of CETA. Mr. Bowman also took part in this

meeting. According to the Italian delegation, the majority of the Italian parliament is in favour of CETA. The Italian delegation noted the traditionally good relations between Italy and Canada, in particular with regards to trade and culture, and that there should not be a problem with CETA's ratification. They acknowledged that TTIP was different than CETA and explained that their concerns regarding TTIP were related mostly to agriculture: food is important for trade, but also culturally, in Italy. The Canadian delegation explained that on agriculture, Canada and the EU are very like-minded and that the geographical indications in CETA are very favourable to Italy.

D. Canadian Intervention in Assembly Debates

Canadian delegates were active participants in Assembly debates during the part-session, making 15 interventions in debates on a range of a broad range of topics. All delegates presented at least one speech. The Canadian delegates' speeches are reproduced below.

a. Monday, 20 April 2015

- **Free Debate**

Mr. David Tilson delivered a speech on the Canadian legislative response to terrorism, in the context of the free debate².

Mr. Corneliu Chisu delivered a speech on the Rouge National Urban Park, also in the context of the free debate³.

b. Tuesday, 21 April 2015

- **Mass Surveillance**

Mr. Don Davies delivered a speech in the context of the debate on mass surveillance⁴.

- **Humanitarian Consequences of the Actions of the Terrorist Group Known as "Islamic State"**

Mr. Corneliu Chisu delivered a speech in the context of the debate on the humanitarian consequences of the actions of the terrorist group known as "Islamic State"⁵.

Senator Percy Downe also spoke to this issue⁶.

² Mr. Tilson's speech is available on the Parliamentary Assembly's website: <http://assembly.coe.int/Documents/Records/2015/E/1504201500E.htm>

³ Mr. Chisu's speech is available on the Parliamentary Assembly's website: <http://assembly.coe.int/Documents/Records/2015/E/1504201500E.htm>

⁴ Mr. Davies' speech is available on the Parliamentary Assembly's website: <http://assembly.coe.int/Documents/Records/2015/E/1504211000E.htm>

⁵ Mr. Chisu's speech is available on the Parliamentary Assembly's website: <http://assembly.coe.int/Documents/Records/2015/E/1504211530E.htm>

⁶ Senator Downe's speech is available on the Parliamentary Assembly's website: <http://assembly.coe.int/Documents/Records/2015/E/1504211530E.htm>

c. Wednesday, 22 April 2015

- **Current Affairs Debate: the Political and Security Situation in Ukraine and its Implications**

Mr. David Tilson delivered a speech on the political and security situation in Ukraine and its implications, in the context of the current affairs debate⁷.

Mr. Corneliu Chisu also spoke to this issue⁸.

- **Discrimination against transgender people in Europe**

Mr. Don Davies delivered a speech in the context of the debate on discrimination against transgender people in Europe⁹.

Ms. Marie-Claude Morin also spoke to this issue¹⁰.

- **Social services in Europe: legislation and practice of the removal of children from their families in Council of Europe member states**

Senator Michel Rivard delivered a speech in the context of the debate on social services in Europe: legislation and practice of the removal of children from their families in Council of Europe member States¹¹.

d. Thursday, 23 April 2015

- **Debate Under Urgent Procedure: The Human Tragedy in the Mediterranean: Immediate Action Needed**

Senator Michel Rivard delivered a speech, in the context of the debate under urgent procedure, on the human tragedy in the Mediterranean: immediate action needed¹².

- **Drones and targeted killings: the need to uphold human rights and international law**

Senator Percy Downe delivered a speech in the context of the debate on drones and targeted killings: the need to uphold human rights and international law¹³.

Senator Michel Rivard also spoke to this issue¹⁴.

⁷ Mr. Tilson's speech is available on the Parliamentary Assembly's website.
<http://assembly.coe.int/Documents/Records/2015/E/1504221000E.htm>

⁸ Mr. Chisu's speech is available on the Parliamentary Assembly's website.
<http://assembly.coe.int/Documents/Records/2015/E/1504221000E.htm>

⁹ Mr. Davies' speech is available on the Parliamentary Assembly's website.
<http://assembly.coe.int/Documents/Records/2015/E/1504221630E.htm>

¹⁰ Ms. Morin's speech is available on the Parliamentary Assembly's website.
<http://assembly.coe.int/Documents/Records/2015/E/1504221630E.htm>

¹¹ Senator Rivard's speech is available on the Parliamentary Assembly's website.
<http://assembly.coe.int/Documents/Records/2015/E/1504221630E.htm>

¹² Senator Rivard's speech is available on the Parliamentary Assembly's website.
<http://assembly.coe.int/Documents/Records/2015/E/1504231000E.htm>

¹³ Senator Downe's speech is available on the Parliamentary Assembly's website.
<http://assembly.coe.int/Documents/Records/2015/E/1504231530E.htm>

e. Friday, 24 April 2015

- **Equality and non-discrimination in the access to justice**

Ms. Marie-Claude Morin delivered a speech in the context of the debate on equality and non-discrimination in the access to justice¹⁵.

- **The effectiveness of the European Convention on Human Rights: the Brighton Declaration and beyond**

Ms. Marie-Claude Morin delivered a speech in the context of the debate on the effectiveness of the *European Convention on Human Rights*: the Brighton Declaration and beyond¹⁶.

Respectfully submitted,

Mr. David Tilson, M.P., President
Canada-Europe Parliamentary Association

¹⁴ Senator Rivard's speech is available on the Parliamentary Assembly's website.

<http://assembly.coe.int/Documents/Records/2015/E/1504231530E.htm>

¹⁵ Ms. Morin's speech is available on the Parliamentary Assembly's website.

<http://assembly.coe.int/Documents/Records/2015/E/1504241000E.htm>

¹⁶ Ms. Morin's speech is available on the Parliamentary Assembly's website.

<http://assembly.coe.int/Documents/Records/2015/E/1504241000E.htm>

Travel Costs

ASSOCIATION	Canada-Europe Parliamentary Association
ACTIVITY	Mission to the next two countries to hold the rotating Presidency of the Council of the EU and Second Part of the 2015 Ordinary Session of the PACE
DESTINATION	The Hague, Netherlands; Luxembourg, Luxembourg and Strasbourg, France
DATES	April 13-24, 2014
DELEGATION	
SENATE	Hon. Percy Downe, Senator Hon. Michel Rivard, Senator
HOUSE OF COMMONS	Mr. David Tilson, MP, President of the Association and head of the delegation Mr. Corneliu Chisu, MP Mr. Don Davies, MP Ms. Marie-Claude Morin, MP
STAFF	Ms. Guyanne Desforges Association Secretary Mr. Maxime-Olivier Thibodeau Association Advisor
TRANSPORTATION	\$46,103.09
ACCOMMODATION	\$20,615.48
HOSPITALITY	\$551.07
PER DIEMS	\$12,379.52
OFFICIAL GIFTS	\$1,475.89
MISCELLANEOUS / REGISTRATION FEES	\$408.53
TOTAL	\$81,533.58

