

Report of the Canadian Parliamentary Delegation to the Bilateral Visit to the Bolivarian Republic of Venezuela Canadian Section of ParlAmericas

> Caracas, Venezuela November 13-18, 2011

# Report

A delegation of three parliamentarians representing the Canadian Section of ParlAmericas travelled to Caracas, Venezuela from 13 to 18 November 2011. The delegation was led by the Honourable Pierrette Ringuette, Senator; also participating were the Honourable Lawrence MacAulay, P.C., M.P., and Mrs. Paulina Ayala, M.P. The parliamentarians were assisted by Mr. Leif-Erik Aune, Secretary to the Delegation, and Mr. Andre Barnes, Library of Parliament Analyst to the Delegation.

The purpose of this bilateral visit was to strengthen parliamentary ties between Canada and Venezuela, to promote ParlAmericas, and to discuss issues of mutual importance between the two countries. Canada and Venezuela enjoy strong historical ties, having held unbroken diplomatic relations since February 1948 when the Canadian Consulate General was opened in Caracas. Five years later, that office was elevated to an Embassy, and work began to cultivate Canada's expanding trade and investment ties with Venezuela.

Today this trade relationship counts among Canada's strongest in the hemisphere. In 2010, Canadian merchandise exports to Venezuela totalled \$544 million, making that country Canada's fourth largest export market in Latin America and the Caribbean (excluding Mexico). The \$1.31 billion in bilateral trade between the two countries, in 2010, makes Venezuela Canada's sixth largest trading partner in the hemisphere (excluding the U.S. and Mexico). The Canadian delegation was, therefore, interested in identifying and furthering areas of economic collaboration, such as agriculture, natural resources, housing development, and oil and gas.

The delegation was also interested in exploring the possibility of setting the foundation for educational exchanges, partnerships and technical capacity-building between Canada and Venezuela. As two countries endowed with a wealth of natural resources, Canada and Venezuela have, over time, amassed a concomitant wealth of technical expertise in respect of stewardship of natural resources. Both countries further possess a wealth of experience in implementing plans and policies meant to put these natural resources to work in order to create prosperity for their citizens. The Canadian delegation was keen on sharing Canada's perspective on these matters, as they were interested in hearing and learning from their Venezuelan counterparts.

An important function of ParlAmericas is to serve as a liaison between the Parliaments of the Americas. The bilateral visit provided the Canadian delegation with an invaluable opportunity to cultivate positive inter-parliamentary relations between Canada and Venezuela. It was also an opportunity to promote ParlAmericas, to which Venezuela has contributed financially. The delegation was interested in using this opportunity to share best practices with their legislative counterparts, by focusing on the challenges and opportunities that serve as common ground for all elected representatives.

#### Meeting with the Ambassador and Political and Trade Program Managers

On 14 November 2011, the Canadian delegation met with Mr. Paul Gibbard, Ambassador of Canada to Venezuela, his political and trade program managers, as well as the Embassy's security manager, at the Canadian Embassy in Caracas. Delegates were first given a security briefing by Ms. Mary Blois, Embassy security manager, and were instructed on best practices to avoid placing themselves at unnecessary risk. A lack of citizen security in Caracas remains a grave problem, with homicides, kidnappings and robberies occurring with alarming frequency. The government had recently increased its efforts in order to better ensure the safety of Venezuelans and visitors to the country, but much remained to be desired in this area. In response to questions by the delegates as to approaches taken by the Embassy to ensure the safety of its employees, Ms. Blois noted that the security managers of embassies such as the United Kingdom, Switzerland, Germany and Denmark met and communicated actively and frequently. It was also noted that the Royal Canadian Mounted Police had contributed its expertise to the citizen security problems in Venezuela by participating in a recent international police commissioners' conference in Venezuela.

Ambassador Gibbard briefed the delegation on the political situation in Venezuela, which he characterized as very complicated and complex. It was noted that, despite the government of Venezuela's intentions to create a new 21<sup>st</sup> century form of socialist government, the system remained overly centralized. In this respect, the country's constitutional system of checks and balances had been, in many ways, eroded by a dominant executive. Ambassador Gibbard put forward that the visit by the Canadian delegation served as meaningful reinforcement of the independence of the National Assembly. While the government and its policies had in the last several years experienced flagging popularity, President Chavez's personal approval ratings, meanwhile, remained unusually high. The chief accomplishment of President Chavez's government has been to improve the living standard of the poor and marginalized through universal access to social programs (i.e., health and education). The opposition, for its part, was a coalition composed of diverse groups, including parties of the extreme right (who have in the past advocated non-democratic methods of seizing power) and extreme left (i.e., the Marxist-Leninist party). It was noted that the vast majority of the membership of the opposition was presently composed of a moderate middle. A high degree of polarization in political discourse existed in Venezuela; however, these differences were often set aside at a working level. Elections were seen as fundamental to the legitimacy of President Chavez's tenure, with 13 elections or referenda having already occurred since he has been in power. Questions arose as to the fairness of these elections, and it was noted that international monitors have, for the most part, found Venezuela's elections to have been conducted in a fair manner. Situations had, nonetheless, arisen where the system itself was manipulated by the government in order to achieve self-benefitting ends, such as the frequent and arbitrary disgualification of opposition candidates. As an interesting note on the political barometer of Venezuela, Ambassador Gibbard commented that all of the candidates at the forthcoming opposition primaries would present themselves as centre-left, when in reality, at least two of the leading candidates were from centre-right parties. Similarly, political parties along with the population itself, were all supportive of a strong role for the state in economic matters, although little consensus existed as to which sectors ought to be considered priorities and which ought to be state-controlled.

Ms. Christina Prefontaine, Political Counsellor, set out the embassy's approach to establishing relationships with non-governmental organizations (NGOs). Three general priorities existed for the Americas: democracy, prosperity and security. Funding for NGOs was provided to a broad range of NGOs whose activities were in-line with

Canadian values, through the Canada Fund (which the Canadian International Development Agency (CIDA) would be transferring to Foreign Affairs and International Trade Canada (DFAIT)). The climate for assisting NGOs in Venezuela was complicated. The Venezuelan government tended to mistrust NGOs, as some NGOs had, in the past, aligned themselves with the opposition in being critical of the government, while at least one NGO had in fact transformed itself into an opposition party. Sen. Ringuette voiced strong concerns about the Embassy needing to be extremely careful in its selection of which NGO(s) it supported, so as not to put itself in a difficult position with the Venezuelan government.

### Meeting with the Venezuela-Canada Chamber of Commerce

Following their briefing with the Ambassador on 14 November 2011, the Canadian delegation met with members of the Venezuela–Canada Chamber of Commerce for a working lunch at the Canadian Ambassador's official residence. The business climate in Venezuela was discussed with Mr. Eric Machum, past President of the Chamber of Commerce; Mr. Victor Tovar, Chair of the Chamber of Commerce; Mr. Manuel Torres, member of the Chamber of Commerce; Ambassador Gibbard; and Mr. Guy Salesse, Senior Trade Commissioner at the Canadian Embassy in Caracas.

Consensus appeared to exist among the members of the Venezuela Chamber of Commerce that, at present, businesses in Venezuela were operating under sub-optimal conditions brought about political decisions made by the government. The climate in which businesses operated in Venezuela was heavily influenced by politics. It was important for businesses operating in Venezuela to be aware that a distinction existed between decisions that made sense politically and decisions that made sense in a business-context, and that often decisions with a political rationale took precedence over those that were in the best interests of the business community. Each agreed, however, that prosperity could be realized in Venezuela by remaining patient and taking the long view, as profitable industry had taken place in the past and would take place again in the future. It was noted that, presently, consultation between a business and its lawyers and accountants was especially important because the rules and laws of the country had been prone to rapid, and in some respects, seemingly arbitrary changes. For example, it had not been uncommon for land and property, in Venezuela, to be unilaterally taken over by the government. It was noted, though, that times had already begun to change incrementally in a positive fashion. An example was cited of a port owner who had had his property and equipment seized, only to recently have been approached by the government to inquire whether he would like to rent it back, as the government had come to realize that it did not possess the know-how and/or expertise to operate and maintain a profitable port.

The lunch closed with Sen. Ringuette thanking the members of the Venezuela–Canada Chamber of Commerce for their views, as these had enabled the delegates to gain a better sense of the economic climate and priorities in the country.

#### Meeting with Venezuelan Academics/Political Experts

Following its meeting on 14 November 2011 with the Venezuela–Canada Chamber of Commerce, the Canadian delegation held a roundtable at the Ambassador's official

residence with Venezuelan academics/political experts. The academics/political experts included Dr. Steve Ellner, Dr. Angel Oropeza, and Professor Rodolfo Magallanes.

The professors took the opportunity to, each in his own turn, set out views on the state of political affairs in Venezuela. Agreement existed among them that the strength of the present government in Venezuela was its social programs, as these had elevated formerly marginalized segments of Venezuelan society and included them in politically active ways. In this respect, the opposition parties had yet to show themselves as able to offer Venezuelans an integrated set of proposals to compete with that offered by the government. A weak point for the government had been, however, a shortage of clear and coherent economic policies. In deciding to remain flexible, the government had demonstrated a lack of fixed rules and institutional stability.

The 2012 presidential election in Venezuela elicited many questions on the part of the delegates, enquiring as to the health and prospects of President Chavez. It was noted that the polls at present indicated that the election would be close. In response to a question posed by Mr. MacAuley, as to outcomes should President Chavez not win, it was put forward that while the future was uncertain, the trend in politics in Venezuela has been for a number of years towards moderance and respect for electoral outcomes. Mrs. Ayala put forward that the Venezuelan media and its political parties needed to be strengthened in order to prevent violence in the event of the turnover of a government as the result of an election.

In respect of the privatizations that had occurred under President Chavez's tenure as president, it was noted by the academics that during the economic downturn in the 1990s, sector after sector of the economy in Venezuela had been bought out by multinational corporations, causing citizens to despair that they had lost control over their own economy. The present-day nationalizations ought to, therefore, be viewed as appeasing the desire on the part of the populace to regain control over their economy and key resources.

The meeting concluded with Sen. Ringuette thanking the host and guests, on behalf of the Canadian delegation. She noted that their frank and open perspectives were invaluable to the delegation, as their insights had helped to crystallize policy areas that could be bridged during the forthcoming days of bilateral discussions with Venezuelan parliamentarians.

#### Meeting with Venezuelan Members of the Latin American Parliament (Parlatino)

The Canadian delegation met with Venezuelan members of Parlatino, on 15 November 2011, for a working breakfast hosted on the precinct of the Venezuelan National Assembly. The meeting was chaired by Mr. Rodrigo Cabezas, Deputy and head of the Venezuelan delegation in Parlatino. Also in attendance was Mr. Roy Daza, Deputy; Mr. Walter Gavidia, Deputy; Mr. José Ramon Sanchez, Deputy; Ms. Delsa Solorzano, Deputy; Ms. Carolus Wimmer, Deputy; Dalia Yanez, Deputy; and Mr. Timoteo Zambrano, Deputy.

The discussions began with Mr. Cabezas greeting the Canadian delegates and providing them with background information on Parlatino. As an institution first founded in 1964, members of Parlatino actively promoted the movement towards ever closer

integration in South America and the Caribbean. Parliaments, as a requirement for membership in Parlatino, had to have members that had been democratically elected by popular vote. Mr. Cabezas further set out his perspectives on regional integration. He noted that integration in Latin America was dynamic in nature and its goals were long term. In his view, the keys to success in terms of foreign relations between countries were co-operation, solidarity, and integration. It was noted that past economic difficulties had served as a lesson that such problems could not be overcome alone. In this regard, the Venezuelan parliamentarians were quick to indicate the importance with which they held their participation in the Community of Latin Americas (ALBA). They noted that in December, CELAC was set to meet, and that further integration would take place between the 24 member-countries. It was also made clear that, in their view, a bilateral framework of mutual respect between countries was an important prerequisite to deepening their economic ties.

Economic areas where cooperation could be deepened between Canada and Venezuela were also touched upon. It was noted that as the Orinoco oil belt bore heavy crude similar to Canada's western oil sands, there existed a clear opportunity for information sharing and technological exchanges in this field. The Canadian delegates indicated that Canada would be open to sharing its technological know-how with Venezuela, via technical capacity-building, partnerships, and educational exchanges. A discussion took place about educational exchanges between Canada and Venezuela. Sen. Ringette proposed the possibility of retired university professors becoming engaged in teaching in Venezuela; and Mrs. Ayala put forward the idea of an educational exchange that would allow Venezuelan students to study in Canada. Sen. Ringette further noted that, as parliamentarians, they had a shared mandate to improve the equality of opportunity of their citizens. She praised the strides that Venezuela had made to better the health and education of its citizens, while noting that a vibrant business community was required to support social programs. Mr. MacAulay noted that Canada and Venezuela had much to offer each other, and indicated that he was interested in hearing how Venezuelan parliamentarians dealt with issues common to both countries, such as housing and human rights.

The Canadian delegates underlined on several occasions that the appointment of a Venezuelan ambassador to Canada would be warmly welcomed and would greatly assist in the continuity of the dialogue between Venezuela and Canada.

The meeting concluded with parliamentarians from both countries commenting that such meetings served as excellent opportunities to have direct communication with one another. On behalf of the Canadian delegation, Sen. Ringuette thanked the Venezuelan members of Parlatino and indicated that she hoped that their meeting would serve as a building block for future meetings.

#### Meeting with Chairs of Committees of the National Assembly of Venezuela

Following its meeting with Venezuelan members of Parlatino, on 15 November 2011, the Canadian delegation met with chairs and members of Venezuelan standing committees. Attending this meeting were Mr. Saul Ortega, Chair of the Foreign Affairs Committee; Mr. Luis Acuña, Chair of the Oil and Energy Committee; Ms. Marleny

Contreras, Chair of the Venezuela–Canada Friendship Group at the National Assembly; and Ms. Liris Sol Velasquez, member of the Family Committee.

The Canadian delegates were officially welcomed by Mr. Saul Ortega. In his remarks, he noted that he and his colleagues viewed the meeting as important, as they wished to deepen their relationship with Canada. He indicated that the President of the National Assembly, Mr. Fernando Soto-Rojas, had made a point of encouraging deputies to form friendship groups and pursue parliamentary diplomacy, as this was viewed as a practical way to represent Venezuelan citizens, foster integration, and engage in discussions that would yield benefits for all countries involved. On behalf of the Canadian delegates, Sen. Ringuette thanked the deputies for meeting with the delegation. She noted that Canada and Venezuela shared many goals, such as the desire to improve quality of life and access to education. She also put forward that, as parliamentary counterparts, important issues could be discussed. In order to formalize the continuance of this dialogue, she noted, however, that Canadians hoped a Venezuelan ambassador to Canada would soon be appointed.

During the discussion that ensued, current issues and common points of interest were raised. Mr. Acuña described two areas where cooperation and exchanges of technical information between Canada and Venezuela could occur. First, an increase in the standard of living of Venezuelans had created higher consumption, especially in respect of electric power, and the government was seeking solutions to meet this increased demand. Also, the government had recently initiated plans to build two million houses over the next two years. In addition to the houses, roads and schools would be built, all of which would require extensive urban planning. The Venezuelan deputies noted that they were open to international input on these projects and that they were aware of Canada's technical expertise in these fields. Challenges facing Venezuela were also brought up, such as overcrowding in cities, urbanization, and the challenges presented by rising commodity prices.

The Venezuelan deputies further noted that, in their view, the challenge for Venezuela was to make economic and social progress, and investments in human capital, in an efficient manner. Successes on these fronts were outlined, such as increased diversity in the National Assembly, as shown by greater involvement of women and aboriginals in important roles, improvements in their health system, increases in university-level graduation, inclusion of the poor and marginalized sectors of society. Other goals that were noted included a desire to improve food production, reduce and/or eradicate certain diseases, including AIDS and yellow fever, increase basic immunizations, and invest further in preventative medicine. They noted that economic justice was not simply a priority among Venezuelan deputies, but one shared by many countries in South America.

Sen. Ringuette noted that the low production of its own food in Venezuela, reportedly 4%, was worrisome to hear, and an offer was made to use the Canadian delegates to make connections in Canada in order to help them boost their food production. Mr. MacAulay added that Canadians had much to share in terms of experience in the fields of electricity production and distribution, and mining. He noted also that he was interested in hearing their approach to dealing with issues common to both countries, such as housing and human rights. Mrs. Ayala noted that Venezuela was presently

living a critical period in their history. She noted that Canada had much to offer in terms of technical training, important for building houses and its attendant infrastructure.

The meeting concluded with both Venezuelans and Canadians evincing a desire to see that a number of the items discussed during the meeting be furthered into concrete details at a diplomatic level. Sen. Ringuette thanked the deputies for having taken the time to meet with the Canadian delegates. She stated that Canadians had much to offer Venezuelans, as well as much to learn from them. As was the case with Canada, she noted that sound management of resources and wealth in Venezuela was crucial for the prosperity of future generations.

## Site Visit to El Sistema

On the afternoon of 15 November 2011, the Canadian delegation toured two sites that were part of Venezuela's system of youth orchestras, the *Fundación del Estrado para el Sistema Nacional de las Orquestas Junveniles e Infantiles de Venezuela*, known colloquially as *El Sistema*. The delegates were greeted by Mr. David Astana, founding member of the Simon Bolivar Symphony Orchestra; Ms. Karina Ochoa, senior teacher for chamber music programs; Mr. Rodrigo Guerrero, deputy director international affairs and institutional development; and Ms. Yosbel Duche, director of the Faith and Joy Los Mayas pre-school.

It was explained to the delegates that *El Sistema* was a social program that taught music in all of its forms to 468,000 students in 284 schools across the country. The general age range for the program was seven to 15-year olds, though some schools welcomed children as young as two years old. The program principally targeted very poor neighbourhoods, offering youth music as an option to counter the potential allure of involvement in gangs and crime. In this regard, *El Sistema*, beyond musical instruction, fostered pride and confidence in its participants, and provided them with a better sense of community. During the site tour, it was proudly noted that a number of past students had returned to become teachers. It was stated by Mr. Guerrero that the goal was to increase capacity and enrolment to allow one million youths to participate in *El Sistema*. Also of note, New Brunswick has adopted a plan to expand and replicate the *El Sistema* program throughout that province.

# Meeting with President of the Venezuelan National Assembly

On 16 November 2011, the Canadian delegation had a morning meeting with President of the Venezuelan National Assembly, Mr. Fernando Soto-Rojas, at the National Assembly of Venezuela. President Soto-Rojas began the meeting by welcoming the Canadian delegation to Venezuela. He provided the delegation with his views on parliamentary diplomacy and international relations, noting that the economic balance between countries was rapidly evolving, that borders were opening, and that dialogue ought to replace armed conflict. He stated that he shared Simon Bolivar's viewpoint that an alliance could be forged between all the peoples of the world. Among his goals in the National Assembly, he had sought to build a respectful relationship with the opposition, who had refused to field candidates during the general election of 2005, but had done so in 2010. On behalf of the Canadian delegation, Sen. Ringuette thanked President Soto-Rojas for the leading role that he had played in opening the doors for the Canadian delegation's visit to Caracas. She noted that Canada and Venezuela possessed strong historical ties, and that the two countries, through closer engagement, could share lessons concerning common challenges, and improve the equality of opportunity of its citizens, as well as the quality of life for future generations. Sen. Ringuette also asked that he convey to the Minister of Foreign Affairs the desire of Canadians that a Venezuelan Ambassador to Canada be appointed. The meeting concluded with Sen. Ringuette inviting President Soto-Rojas to visit Ottawa.

#### Meeting with the Venezuela-Canada Parliamentary Friendship Group

Following its morning meeting, on 16 November 2011, with President Soto-Rojas, the Canadian delegation was accompanied by President Soto-Rojas to an official signing ceremony involving the Venezuela–Canada Parliamentary Friendship Group. Also present at this ceremony was Mr. Paul Gibbard, Canadian Ambassador to Venezuela; Mr. Saul Ortega, Chair of the Foreign Affairs Committee; Ms. Marleny Contreras, Head of the Venezuela–Canada Friendship Group; Ms. Maria Elena Delgado, Friendship Group Secretary; Ms. Liris Sol Velásquez, Deputy; Mr. Victor Clark, Deputy; Ms. Janeth Arocha, Director of the Office for North American Affairs, Foreign Affairs; and Ms. Ana Carolina Da Silva, Director of International Affairs at the National Assembly.

The purpose of the signing ceremony was to formally re-constitute the Venezuela– Canada Parliamentary Friendship Group. Originally founded in July 2006, the group had lapsed in recent years into inactivity. President Soto-Rojas opened the ceremony by offering some comments on international relations post-World War II. He also affirmed the importance of the role of parliament in the framework of the rule of law. He indicated that systematic efforts needed to be made to guarantee the right of people to live in free and sovereign states, with governments elected under fair and participative electoral regimes.

Mr. Ortega expressed a desire to see an official working level program be pursued between Venezuela and Canada to deepen our diplomatic relations. Ms. Contreras noted that Venezuela and Canada have long been friends, and that through the signing ceremony, they were committing to strengthening and consolidating existing links. On behalf of the Canadian delegation, Sen. Ringuette noted that it was an honour to take part in the signing ceremony. She noted that great strides could be taken through dialogue to further equality of opportunity, and peaceful relations, which would ensure the prosperity of future generations, both in Venezuela and Canada. She stated that today's event was an excellent first step. Ambassador Gibbard thanked the members of the Venezuelan National Assembly for their warm hospitality toward the Canadian delegation. He noted that it was a priority of the Canadian government to strengthen relations with South America, and that many opportunities existed between Venezuela and Canada for sharing and working together for mutual prosperity. He hoped that the Venezuela–Canada Parliamentary Friendship Group would carry on this important work.

The delegates then rose and signed two identical documents, officially re-constituting the Venezuela–Canada Parliamentary Friendship Group. One document would remain

in the Venezuelan National Assembly while the other would be sent to the Canadian Parliament by way of the Canadian Embassy in Venezuela.

Respectfully submitted,

Mr. Randy Hoback, M.P. Chair Canadian Section of ParlAmericas

# **Travel Costs**

ASSOCIATION	Canadian Section of ParlAmericas
ACTIVITY	Bilateral Visit to the Bolivarian Republic of Venezuela
DESTINATION	Caracas, Venezuela
DATES	November 13-18, 2011
DELEGATION	
SENATE	Honourable Pierrette Ringuette, Senator
HOUSE OF COMMONS	Honourable Lawrence MacAulay, P.C., M.P. and Mrs. Paulina Ayala, M.P.
STAFF	Mr. Leif-Erik Aune, Executive secretary and Mr. Andre Barnes, Analyst
TRANSPORTATION	\$18,779.92
ACCOMMODATION	\$6,228.08
HOSPITALITY	\$1,181.34
PER DIEMS	\$2,989.08
OFFICIAL GIFTS	\$775.99
MISCELLANEOUS / REGISTRATION FEES	\$4,897.27
TOTAL	\$34,851.68