



**Report of the Canadian Parliamentary Delegation
to the**

**I. Parliamentary Mission to the Country that will next
hold the Presidency of the Council of the European Union**

II. Visit to Normandy

**III. Meeting of the Committee on Economic Affairs and
Development of the Council of Europe Parliamentary
Assembly at the Organization for Economic
Co-operation and Development (OECD)**

**IV. Third Part of the 2008 Ordinary Session of the
Parliamentary Assembly of the Council of Europe**

Canada-Europe Parliamentary Association

Paris, Normandy and Strasbourg, France

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Report

INTRODUCTION

A delegation of four parliamentarians from the Canada-Europe Parliamentary Association travelled to France for meetings in Paris on the French Presidency of the Council of the European Union, a visit to the Canadian Juno Beach Centre and meetings in Normandy, a meeting of the Committee on Economic Affairs and Development of the Council of Europe Parliamentary Assembly (PACE) at the Organization for Economic Co-operation and Development (OECD) in Paris, and the Third Part of the 2008 Ordinary Session of PACE in Strasbourg. The delegation was led by Association President David Tilson, M.P., and included from the Senate the Hon. Yoine Goldstein and the Hon. Marcel Prud'homme, and from the House of Commons Mr. Scott Simms, M.P. The delegation was accompanied by association secretary Philippe Méla and advisor Marcus Pistor.

In preparation for the visit, the delegation met with H.E. Daniel Jouanneau, Ambassador of France to Canada, and with H.E. Dorian Prince, Ambassador and Head of the Delegation of the European Commission to Canada. Delegates also received an excellent briefing from officials from the Department of Foreign Affairs and International Trade (DFAIT), the Department of Citizenship and Immigration and the Department of Canadian Heritage. In Paris, the delegation was briefed by H.E. Marc Lortie, Canadian Ambassador to France, and by Sébastien Beaulieu, First Secretary at the Canadian Permanent Delegation to the OECD. Delegates were joined in Strasbourg by François LaRochelle, Canada's Deputy Permanent Observer to the Council of Europe, who briefed them on recent developments at the Council and on Canada's involvement.

I. PARLIAMENTARY MISSION TO THE COUNTRY THAT WILL NEXT HOLD THE PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION

A. Background

Since 2002, the Canada-Europe Parliamentary Association has sent delegations to most of the countries holding the rotating Presidency of the Council of the European Union (henceforth EU Presidency).¹ Since 2005, these visits have taken place in the months leading up to a country's EU Presidency, when the program for the six-month Presidency is still being developed. For example, in April 2007, a delegation visited Portugal, which led the EU from July to December 2007, and in September 2007, another delegation travelled to Slovenia, which held the Presidency in the first half of 2008. Visit programs include high-level meetings with parliamentarians, government officials, and experts. The primary focus is on the upcoming EU Presidency and on Canada-EU relations. With the significant role of Presidency countries in defining the agenda for bilateral relations and with the increasing involvement of national parliaments in the EU policy-making system, these meetings provide an important opportunity for Canadian parliamentarians to raise awareness in host countries of Canadian positions on key issues, as well as to learn about policy debates and developments in the EU. In addition, the program usually includes meetings on bilateral relations between Canada and the host country, as well as items on policy issues of particular importance to each Presidency country.

¹ "The Council of the European Union ... is the Union's main decision-making body. Its meetings are attended by Member State ministers, and it is thus the institution which represents the Member States. ... The Council meets in different configurations (nine in all), bringing together the competent Member State ministers: General Affairs and External Relations; Economic and Financial Affairs; Employment, Social Policy, Health and Consumer Affairs; Competitiveness; Cooperation in the fields of Justice and Home Affairs (JHA); Transport, Telecommunications and Energy; Agriculture and Fisheries; Environment; Education, Youth and Culture.

Each country of the European Union presides over the Council for six months, by rotation. ... Decisions are prepared by the Committee of Permanent Representatives of the Member States (Coreper), assisted by working groups of national government officials.

The Council, together with the European Parliament, acts in a legislative and budgetary capacity. It is also the lead institution for decision-making on the common foreign and security policy (CFSP), and on the coordination of economic policies (intergovernmental approach), as well as being the holder of executive power, which it generally delegates to the Commission. In most cases, the Council's decisions, based on proposals from the Commission, are taken jointly with the European Parliament under the codecision procedure. Depending on the subject, the Council takes decisions by simple majority, qualified majority or unanimity, although the qualified majority is more widely used (agriculture, single market, environment, transport, employment, health, etc.)," http://europa.eu/scadplus/glossary/eu_council_en.htm; http://europa.eu/scadplus/glossary/union_presidency_en.htm.

B. Program and Summary of Discussions

1. Meeting with the Parliamentary Friendship Group France-Canada, French Senate

At a working breakfast with the Senate's Parliamentary Friendship Group France - Canada, Canadian delegates met with six Senators to discuss bilateral relations, the EU, NATO, Canadian immigration and integration policies, and the Canadian federal system. The French delegation was led by Senator Marcel-Pierre Cléach, President of the Friendship Group, and included Senators Louis Duvernois (Vice-President of the Group), Joseph Kerguéris (Vice-President), Gisèle Gauthier (Secretary), Alain Vasselle, and Pierre Fauchon. They were particularly interested in Canada's immigration and integration policies and programs, including family re-unification in the context of the immigration points system. They also asked Canadian delegates about barriers to labour migration and, more specifically, why Québec was able to negotiate an agreement with France on mutual recognition of skilled workers' competencies, while the federal government had not negotiated a similar agreement. In response to these questions, Canadian delegates explained how the federal-provincial division of powers shaped the ability of the different levels of government to make policies in this and other areas and how this affects the negotiation of international agreements. The discussion then turned to bilateral relations, particularly cooperation in the area of fiscal reform.

Canadian delegates also asked their French counterparts to share their views on the impact of the Irish referendum (12 June 2008), where Irish electors voted against ratification of the EU Reform Treaty (Lisbon Treaty),² on the future of the EU and the French EU Presidency. Finally, participants discussed the future of NATO and President Sarkozy's September 2007 announcement that France is ready to rejoin NATO's integrated military command structure, from which it withdrew in 1966. This issue illustrated the need to understand the future of the EU and NATO, as well as other European institutions such as the Organization for Security and Co-operation in Europe and the Council of Europe, as closely linked in considering both the future of Europe's security architecture – and the role of the United States and Canada in it – and the role of Europe in addressing emerging global security challenges.

2. Meeting with Marc Laffineur, Vice-President of the National Assembly and Chair of the National Assembly's France-Canada Interparliamentary Association

The meeting with National Assembly Vice-President Marc Laffineur, part of which was attended by Assembly Member Sandrine Hurel, began with a discussion of France's EU Presidency. Mr. Laffineur explained that the French government has four key priorities: securing a common EU immigration policy, further developing and implementing an integrated energy security and climate change policy, deepening integration and coordination in the area of defence and security, and reviewing the Common Agriculture

² In 2007, the EU's heads of state and government signed a new treaty (known as the Lisbon Treaty), which, if ratified, would make significant changes to EU institutions and to the respective roles of the EP and national parliaments. To come into force, the Lisbon Treaty has to be ratified by all 27 EU members states. Twenty-three countries have already ratified the Treaty (as of July 15). However, on 12 June 2008, Irish voters rejected the Lisbon Treaty in a referendum.

Policy (CAP) in the face of rising food prices. In response to a question about climate change policy, he argued that carbon trading is not an appropriate approach and that a tax on fossil energy consumption is a more effective policy response. In addition, he suggested that Europe needs to increase its efforts to develop renewable energies while also making nuclear energy a key part of the solution. Canadian and French parliamentarians took a notably different view of the CAP in general and of agriculture subsidies, with Mr. Laffineur arguing that Europe had substantially lowered subsidies and that they were much higher in Canada and the US, while Canadian participants suggested that EU agriculture policies and trade barriers have been a serious obstacle to progress at the Doha Round of WTO trade negotiations.

With regard to European Security and Defence Policy (ESDP) and the Irish 'No' to the Lisbon Treaty, Mr. Laffineur noted that this could be a serious obstacle to achieving France's goals in this priority area. He explained that there is a difficult debate in Europe about the extent of political and economic integration and the relationship between the two. For France, a closer political union involving more effective decision-making and a more developed Common Foreign and Security Policy (CFSP) and ESDP is seen as central to the future of the European integration process. The ability of Europeans to take the lead in defending Europe from security threats and to contribute meaningfully to international responses to global security challenges depends on closer coordination of EU members states' foreign and defence policies, more and better coordinated resources, as well as close cooperation with NATO. The Lisbon Treaty's institutional reforms are needed to achieve these goals. The discussion then turned to the international mission in Afghanistan: Canadian delegates explained Canada's involvement and expressed their appreciation of France's recent announcement to send additional troops to Afghanistan. Both sides noted that Afghanistan is a difficult, even controversial, subject, and Mr. Laffineur ended the discussion by pointing out that Europe and the United States do not share the same approach to the mission.

3. Meeting with Olivier Louis and Philippe Moreau-Defarges of the French Institute for International Relations (Institut français des relations internationales, IFRI)

The French Institute of International Relations is "France's leading independent international relations center dedicated to policy-oriented research and analysis of global political affairs."³ The discussion with Olivier Louis, researcher responsible for the IFRI programs for India and South Asia and the French EU Presidency, and Philippe Moreau Defarges, expert in European integration and global governance, began with a discussion of the implications of the Irish rejection of the Lisbon Treaty. While this was seen as a setback for the EU, both experts argued that the crisis could be overcome. France's initial approach, supported by other European powers, is to convince the remaining EU members to ratify the treaty in order to put pressure on Ireland and the Czech Republic, another country where ratification is facing serious obstacles. They also told delegates that the Treaty would not necessarily be rejected if one or more member states fail to ratify it, provided that four fifth of them do ratify the Treaty. In that case, it would be up to the European Council, the EU's meeting of heads of state or government, to decide how to proceed. In the meantime, the Irish 'No' represents a

³ About IFRI, http://www.ifri.org/frontDispatcher/ifri/a_propos?language=us.

serious obstacle to at least one of France's EU Presidency priorities: a strengthened ESDP. However, both experts argued that a more integrated EU defence policy is unlikely in any case, since Europeans support retaining the U.S. protective umbrella and are unwilling to commit the necessary resources for independent security and defence capabilities to support such a policy.

The discussion then turned to other topics, including comparisons between Canada and the EU, labour mobility, the international protection of human rights in particular with regard to the Beijing Olympics, and the seal hunt. Responding to a question on the seal hunt, Mr. Moreau Defarges explained that European reactions, including initiatives by several countries in the EU to ban the import and trade of seal products, should be seen in the context of major debates about animal rights. In this as in other policy areas, Europe is trying to set global norms that correspond to European values.

4. Meeting with Gaëtane Ricard-Nihoul, Secretary-General, Confrontation Europe

Gaëtane Ricard-Nihoul began her wide-ranging presentation with a detailed description of her think-tank's work in the context of ongoing debates in France about the future of the European Union and France's role in the European integration project. Pointing to the Irish referendum and problems with the ratification of past treaties in referenda in France and elsewhere, she argued that the EU and various initiatives to reform its institutions and deepen integration in core policy areas had not advanced a vision that could be understood by voters. 'Europe' remains an elite project; it has not been treated or debated as a democratic project. The purpose of Confrontation Europe is to help start this debate of European integration as a democratic project that reflects the concerns of ordinary citizens, including for example with regard to Europe's response to globalization. And a central element of her organizations approach is educating citizens about the EU, how it works and the benefits it has brought for ordinary citizens. Ms. Ricard-Nihoul expressed concern about a possible strategy to pressure Ireland to simply hold a second referendum by having (almost) all other EU member states ratify the Lisbon Treaty, arguing that this would underestimate the current crisis and that there is an urgent need to discuss the reasons for this crisis.

Ms. Ricard-Nihoul also commented on the four priorities of the French EU Presidency. With regard to energy security and climate change, she noted that President Sarkozy must push an integrated EU policy package through during the French Presidency. However, there are significant differences between national energy mixes and policies which need to be reconciled. Immigration is also a difficult subject: while there is a need for skilled immigrants, many Europeans oppose increased immigration, in part at least because of relatively high unemployment. 'Selected immigration' may be more acceptable. Commenting on French plans to strengthen cooperation and integration in the area of security and defence, Ms. Ricard-Nihoul argued that there is not much France can do during its Presidency term, although pushing for greater spending commitments along with better coordination to improve the efficiency of defence spending could yield some results. Finally, on the topic of CAP, she noted that reforms would yield only small savings (as a percentage of total government spending in Europe) while requiring proponents of reform to spend substantial political capital.

5. Meeting at the Centre for Analysis and Forecasting (Centre d'Analyse et de Prévision, C.A.P.), Ministry of Foreign and European Affairs

Founded in 1973, the purpose of the Centre for Analysis and Forecasting is to provide the Minister of Foreign Affairs with independent and interdisciplinary analyses of the international policy environment; develop strategic foreign policy recommendations or options, especially concerning issues that cover several international policy areas; ensure a presence in national and international discussions, conferences and networks dealing with international policy; and provide advice to the Ministry concerning its adaptation to the changing European and international environment with regard to its organization and the hiring and the training of diplomatic staff. The Centre draws its staff from a

number of government departments – foreign and European affairs, defence, education, finance – as well as the French Space Agency, the National Political Science Foundation (Fondation Nationale des Sciences Politiques), the private sector, and other institutions.⁴

The delegation met with Muriel Domenach, Deputy Director of C.A.P., and experts in transatlantic relations, Afghanistan, multilateral institutions, crisis management, energy security, and climate change. After hearing a presentation on C.A.P.'s purpose and activities, delegates asked about France's engagement in Afghanistan and the experts' views on the international mission in that country. Noting that the Afghanistan mission is an excellent example of cooperation between Canada and France, one expert argued that the international community had done about half "of what we need to do." To ensure further progress, the division of labor between donor countries, international agencies and countries involved in the military mission has to be clarified and coordination improved. Drug production and trafficking is an excellent example of the need for better coordination between military and civilian players, international donor agencies and donor countries, Afghan stakeholders, and others.

The discussion then turned to energy security and the EU's relations with and energy dependence on Russia. EU member states currently rely heavily on Russia for natural gas, which in the past has not been a cause for concern. However, the conflict between Ukraine and Russia's Gazprom over natural gas prices and transit costs, and Russia's decision to cut gas exports to Ukraine in early 2006, which led to a drop in the supply of natural gas to several other European countries, put into question the reliability of Russia as an energy supplier. Despite significant obstacles due to divergences in policies and energy sources among EU members and to jurisdictional issues, this crisis provided sufficient impetus for the development of a common EU energy policy. This policy has in turn been closely linked to the EU's response to climate change and includes several key elements: the development of alternative energy sources (including nuclear and renewable energies); increased efforts to improve energy efficiency; and efforts to increase the proportion of energy produced within the EU. In addition, the

⁴ For more information see http://www.diplomatie.gouv.fr/fr/actions-france_830/etudes-recherches_3119/centre-analyse-prevision_3121/presentation_6649.html.

European Commission, whose powers in this sector are restricted to competition policy, has pushed for the creation of an integrated energy market in the EU.

The final major topic of discussion was the French initiative to reinvigorate the EU-Mediterranean partnership by creating a Union for the Mediterranean, which was described, among other things, as another avenue for making headway in the relations between Turkey and the EU. The exchange on the Union for the Mediterranean also led to a discussion of Germany's changing role in the EU and internationally. The initiative had been put forward by French President Sarkozy without consultation with the German government, and Germany opposed the initiative. Apparently, this was the first time Germany blocked an initiative that did not affect its vital interests. According to the C.A.P. expert, the lesson here is that France and other European powers have to recognize Germany's emergence as a more forceful player on the international stage. This is a very positive development and reflects Germany's growing commitment to taking on greater responsibilities internationally.

6. Meeting with Christine Buhl, Deputy Secretary-General for European Affairs, General Secretariat for European Affairs (SGAE), Office of the Prime Minister

The General Secretariat for European Affairs (SGAE) is responsible for inter-departmental coordination of European Union affairs in the French government and for ensuring that different French departments and agencies take similar positions at the EU level. This includes coordinating preparations for France's Presidency of the Council of the European Union. Christine Buhl is one of three Deputy Secretary-Generals. She is responsible for coordinating French EU policy in several key areas, including external relations and external commercial relations, EU enlargement and policy towards the Western Balkans, international development cooperation, economics and finance, and agriculture.⁵

The Canadian delegation raised a number of issues with Ms. Buhl, including the Union for the Mediterranean, Canada-EU economic relations, and the expected EU proposal to ban the trade in seal products. On the first issue, Ms. Buhl reiterated comments made in the previous meeting at the Centre for Analysis and Forecasting about Germany's reaction to the French initiative for a closer partnership between the EU and Mediterranean countries. The tensions between France and Germany were resolved, and the Union for the Mediterranean is now a process for focusing on funding practical projects addressing problems such as unemployment and pollution. In addition, it is an 'à la carte' process where not all countries have to be involved in any one project. As such the Union for the Mediterranean is becoming part of the broader EU's European Neighbourhood Policy.⁶

⁵ For more information, see <http://www.sgae.gouv.fr/>.

⁶ "The European Neighbourhood Policy was developed [by the EU] in 2004, with the objective of avoiding the emergence of new dividing lines between the enlarged EU and [its] neighbours and instead strengthening the prosperity, stability and security of all concerned. In this way, it also addresses the strategic objectives set out in the December 2003 European Security Strategy" (European Commission, What is the European Neighbourhood Policy ?, http://ec.europa.eu/world/enp/policy_en.htm).

With respect to the possibility of an enhanced economic partnership between Canada and the EU, Ms. Buhl expressed concerns about inter-provincial trade barriers in Canada which could be a significant obstacle to negotiating such a partnership. Canadian delegates explained the federal-provincial division of powers and noted recent developments such as the 2006 Trade, Investment, and Labour Mobility Agreement between British Columbia and Alberta (TILMA). They argued that the possibility of an enhanced economic partnership with the EU would likely be seen an opportunity to address outstanding inter-provincial barriers.

Canadian delegates also raised serious concerns about European initiatives to end the commercial seal harvest, in particular the expected proposal by the European Commission to ban the import into and trade within and from the EU of seal products, which has since been adopted Commission.⁷ They explained the extent, history and management of the Canadian seal harvest and its social, economic and cultural importance, and argued that European legislative initiatives are based largely on misinformation provided by international animal-welfare NGOs. They also pointed out that the harvest is sustainable and that it is governed by legislated and regulatory standards that mandate the humane killing of animals. Canadian delegates argued forcefully that a ban on the trade in seal products would have a serious impact on Aboriginal and coastal communities and that it would set a dangerous precedent for international trade barriers based on moral objections to practices in other countries. In her response, Ms. Buhl noted that the seal hunt is not a priority for the French Presidency but that, in light of the Commission's proposal, there would be no way around dealing with it. There would likely be a fair amount of discussion within France and between EU members states about the proposal and its potential implications for other areas.

II. VISIT TO NORMANDY

At the invitation of Mme. Nathalie Goulet, Senator for the L'Orne region of Normandy, Member of the French Senate's Committee of Foreign Affairs, National Defence and the Armed Forces, the delegation travelled to Normandy to visit the Canadian Juno Beach Centre in Courseulles-sur-Mer, to meet with the mayors of three municipalities and municipal officials, and to attend a ceremony in Flers commemorating General Charles de Gaulle's call to resistance on 18 June 1940. The visit was covered by the local and regional print media.⁸

⁷ On 23 July 2008, the European Commission "adopted ... a proposal for a regulation banning the trading of seal products within, into, and from the European Union to ensure that products derived from seals killed and skinned in ways that cause pain, distress and suffering are not found on the European market. Trade in seal products would only be allowed where guarantees can be provided that hunting techniques consistent with high animal-welfare standards were used and that the animals did not suffer unnecessarily." The proposal has to be approved by the European Parliament and the Council. It could be adopted by early 2009. See http://ec.europa.eu/environment/biodiversity/animal_welfare/seals/seal_hunting.htm.

⁸ For example: "Une délégation canadienne en visite à Juno Beach," *Ouest-France*, 21-22 June 2008; "Visite d'une délégation de représentants canadiens," *Le Bessin Libre*, 26 June 2008; "Une délégation canadienne à Juno," *Liberté*, 26 June 2008.

The visit to Normandy began with a meeting with Frédéric Pouille, mayor of Courseulles-sur-Mer, and his assistant Frédérique Anne. Delegates had the opportunity to discuss the history of the town, the arrival of Canadian soldiers in 1944, relations between Courseulles-sur-Mer and Canada since then, and the establishment of the Juno Beach Centre. Following the meeting, the delegation was received by Nathalie Worthington, Director of the Juno Beach Centre, which “presents the war effort made by all Canadians, civilian and military alike, both at home and on the various fronts during the Second World War, as well as the manifold faces of contemporary Canadian society.”⁹ Ms. Worthington explained the Centre’s origins and operations.¹⁰ Noting that the Centre was conceived of by and built on the initiative of Canadian Second World War veterans and their families, she pointed out that it is run by non-profit organizations in Canada and France. Operational funding now relies heavily on ticket sales; apparently, the number of visitors has grown to over 50,000 per year, but the Centre needs more than 70,000 to break even. In light of this, Ms. Worthington welcomed the contribution of 5 million Canadian dollars through the next decade, announced by Prime Minister Stephen Harper in 2007.¹¹

Following a guided tour of the Juno Beach Centre, delegates travelled to Athis-de-l’Orne, where they were welcomed by the folklore dance group “La Rose ô Boué.” The delegation met with mayor Alain Lange and Mme. Guylaine Amiard, Secretary-General at city hall, and had an opportunity to discuss relations between Canada and Athis-de-l’Orne with community representatives and with organizers of the Athis-de-l’Orne multicultural festival (the theme of this year’s festival is Quebec).¹² They also learned about the impact of EU regional and agriculture policies on rural communities.

The delegation then travelled to Flers for a meeting with Yves Goasdoue, Mayor of Flers, and several members of the municipal council. In a wide-ranging discussion, French participants explained their experience with the recent reorganization of municipalities into larger communities in the context of economic, social and environmental challenges. Apparently, the experience in Flers has been quite positive overall, with the new local government structure having been successful in creating an environment for investment and job creation. They were interested in Canadian experiences with municipal amalgamation (Ontario and Quebec). Canadian participants in turn were particularly interested in learning about the impact of EU level policies – and of the French EU Presidency – on economic development and municipal governance in rural areas.

At the end of the visit to Normandy, the Canadian delegation was honoured with an invitation to attend a ceremony in Flers commemorating General Charles de Gaulle's call to resistance on 18 June 1940 (Appel de 18 Juin). During the ceremony, David

⁹ <http://www.junobeach.org/Centre/index.html>.

¹⁰ Detailed information about the Juno Beach Centre is available on its website.

¹¹ See the Juno Beach Centre press document, available at <http://www.junobeach.org/>.

¹² <http://athis-festival.blogspot.com/>.

Tilson and Mayor Yves Goasdoue laid a wreath and shook the hands of World War Two veterans.

III. MEETING OF THE COMMITTEE ON ECONOMIC AFFAIRS AND DEVELOPMENT OF THE COUNCIL OF EUROPE PARLIAMENTARY ASSEMBLY AT THE ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD)

A. Background

Each fall, the Parliamentary Assembly of the Council of Europe (PACE) holds a debate on the Organization for Economic Co-operation and Development (OECD) and the state of the world economy, prepared by the Committee on Economic Affairs and Development. Preparatory meetings are held at the OECD in Paris in June. The committee meeting and the annual debate are unusual in that they allow delegations from OECD countries that are not PACE members (Canada, Japan, Mexico, and the Republic of Korea)¹³ full participation and voting rights – hence “enlarged” committee/debate. They are, therefore, important opportunities for Canadian parliamentarians to participate in international discussions of global economic affairs and to contribute to the parliamentary oversight of the OECD.

The Parliament of Canada has participated in the meetings at the OECD and in the enlarged debate in Strasbourg for many years. This involvement played a central role in leading Parliament to seek observer status with PACE, which it was granted in 1997.

B. Program

9:30	Welcome by Chairs (including on OECD enlargement)	<i>Anatoliy Korobeynikov</i> , Member of the Committee on Economic Affairs and Development <i>Aart de Geus</i> , Deputy Secretary General, OECD
9:40	Presentation of the Council of Europe Draft Report	<i>Anna Lilliehöök</i> , Rapporteur
09:45	Economic outlook, financial market turbulence and rising food prices	<i>Jean-Luc Schneider</i> , Deputy Director, Policy Studies Branch, Economics Department (ECO) <i>Adrian Blundell-Wignall</i> , Deputy Director, Directorate for Financial and Enterprise Affairs (DAF) <i>Raed Safadi</i> , Head of the Development Division, Trade and Agriculture Directorate (TAD)

¹³ Of the OECD countries that are not members of the Council of Europe, these are the four that send delegations to the enlarged debate on a regular basis. Legislators from the United States do not normally attend.

11:00	Economics of climate change	<i>Helen Mountford</i> , Head of the Climate Change, Natural Resources and Environmental Outlooks Division, Environment Directorate (ENV)
11:45	Trade and development	<i>Raed Safadi</i> , Head of the Development Division, Trade and Agriculture Directorate (TAD)
12:30	Sovereign wealth funds	<i>Pierre Poret</i> , Head of the Investment Division, Directorate for Financial and Enterprise Affairs (DAF)
13:00	Official Luncheon: The Political Economy of Reform	Remarks by <i>Aart de Geus</i> , OECD Deputy Secretary-General
14:30	Internal meeting of the Committee The OECD and the world economy 2008 AS/EC (2008) 12 Rev.2	Rapporteur: <i>Anna Lilliehöök</i> , Sweden, EPP/CD) Discussion and provisional adoption of the draft report

Presentations by OECD experts and subsequent discussions with Committee members focused on a report and draft resolution prepared in advance by Ms. Anna Lilliehöök, Sweden, of the European People's Party, who serves this year as the Committee's rapporteur on the OECD. Her report examines prospects for the world economy, in particular economic uncertainty due to a series of distinct, though inter-related shocks and the importance of stable, consistent policy priorities. The report then surveys key economies and examines key questions relating to financial markets, including the rise of sovereign wealth funds. Finally, Ms. Lilliehöök's report provides an update on several topics that have been addressed in previous reports, including prospects for the Doha Round of world trade negotiations, global energy issues, climate change, innovation, development aid effectiveness, international assistance aimed at helping developing countries benefit from opportunities created by international trade agreements, international efforts to combat corruption, the OECD project 'Going for Growth', and OECD enlargement. The preliminary draft resolution based on Ms. Lilliehöök's report was provisionally adopted by the Committee on Economic Affairs and Development during the afternoon meeting on 20 June.¹⁴ The provisional draft resolution will be voted

¹⁴ The provisional report and draft resolution are available at:
<http://assembly.coe.int/Main.asp?link=/Documents/WorkingDocs/Doc08/EDOC11687.htm>.

on by the enlarged meeting of the Committee, where Canadian and other non-European parliamentarians from OECD countries will have fully voting rights, in October 2008.

Detailed information on the topics addressed by the presenters and in the discussion that followed each presentation is available on the OECD website:

<http://www.oecd.org>.

C. Summary of Canadian Interventions and Responses by OECD Officials

Following the presentation on the economics of climate change, Scott Simms asked Helen Mountford, head of the OECD Climate Change, Natural Resources and Environmental Outlooks Division, to what extent consumers would have to bear the costs of a carbon tax or a carbon trading system. Ms. Mountford responded that the OECD is currently working on the impact of different policy instruments on consumers and that results would be available this fall. In the discussion on trade and development, Mr. Simms asked how fisheries subsidies are treated in the world trade negotiations of the Doha Round and to what extent the discussion of fishery subsidies is linked to concerns about conservation of fish stocks. In his response, Raed Safadi, head of the OECD Development Division, argued that there are more efficient ways to achieve environmental objectives than subsidies and that, as in the case of agriculture, one objective of the negotiations is to introduce greater policy discipline.

In the discussion on sovereign wealth funds, Senator Goldstein asked Pierre Poret, head of the OECD Investment Division, to comment on the apparent inconsistency between economic theory, which holds that the freedom to invest free from political constraints ought to be upheld, and efforts in some jurisdictions to require foreign sovereign wealth funds and state-owned enterprises to justify their human rights records as a criteria for investing in that jurisdiction. Mr. Poret responded that all actors should acknowledge existing standards of corporate conduct, including the OECD Guidelines on Corporate Governance of State-Owned Enterprises and the OECD Guidelines for Multinational Enterprises. He also pointed out that the IMF is currently developing new standards that should be broad enough to cover the concerns raised by Senator Goldstein. Finally, Senator Prud'homme participated in a discussion on the political economy of reform, a topic introduced by Aart de Geus, OECD Deputy Secretary-General, who talked about the challenges of communicating the need for reforms to the public, of developing coherent reform packages and of finding broad political consensus in support of these reforms. Noting the importance of being results-oriented, Senator Prud'homme argued that while policy-makers need to "think the impossible" and "dare to dare", they also need to be patient and "put aside arrogance" when dealing with the public's concerns about reforms.

IV. THIRD PART OF THE 2008 ORDINARY SESSION OF THE PARLIAMENTARY ASSEMBLY OF THE COUNCIL OF EUROPE

A. Overview

The summer session featured a full order of business¹⁵ with a wide range of topics being debated in committees,¹⁶ political groups,¹⁷ and in the Assembly.¹⁸ The Assembly held regular debates on the following topics:

- Progress report of the Bureau of the Assembly and the Standing Committee:
 - Observation of the parliamentary elections in Georgia (21 May 2008); and
 - Observation of the parliamentary elections in "the former Yugoslav Republic of Macedonia" (1 June and 15 June 2008);
- The fight against harm to the environment in the Black Sea;
- The functioning of democratic institutions in Azerbaijan;
- Empowering women in a modern, multicultural society;
- The European Bank for Reconstruction and Development (EBRD): a focal partner for change in transition countries;
- The state of democracy in Europe:

¹⁵ The Order of Business is available at:

<http://assembly.coe.int/Documents/WorkingDocs/Doc08/EDOC11594.htm>.

¹⁶ There are 10 regular committees: the Political Affairs Committee; the Committee on Legal Affairs and Human Rights; the Committee on Economic Affairs and Development; the Social, Health and Family Affairs Committee; the Committee on Migration, Refugees and Demography; the Committee on Culture, Science and Education; the Committee on the Environment, Agriculture and Local and Regional Affairs; the Committee on Equal Opportunities for Women and Men; the Committee on Rules of Procedure and Immunities; and the Committee on the Honouring of Obligations and Commitments by Member States of the Council of Europe.

¹⁷ A political group is the equivalent of a parliamentary party or caucus. There are five political groups in PACE: the Socialist Group (SOC), the Group of the European People's Party (EPP/CD), the European Democratic Group (EDG), the Liberal, Democratic and Reformers Group (ALDE), and the Group of the Unified European Left (UEL).

¹⁸ Regular Assembly debates focus on a draft resolution (a decision or statement by the Assembly) and/or recommendation (a proposal addressed to the Committee of Ministers), as well as an explanatory memorandum, which are prepared by a rapporteur for the relevant standing committee. The committee adopts – and usually amends – the resolution prior to the Assembly debate. Assembly debates open with a statement from the rapporteur(s), followed by statements from representatives of the five political groups, after which the debate is opened to other speakers. Speakers have to register in advance. Speakers unable to participate in the debate due to time constraints can submit their intervention in writing, so it becomes part of the official record.

- Specific challenges facing European democracies: the case of diversity and migration;
- Measures to improve the democratic participation of migrants;
- The functioning of democratic institutions in Europe and progress of the Assembly's monitoring procedure;
- Debate under urgent procedure: The implementation by Armenia of Assembly Resolution 1609 (2008);
- General policy debate on the situation in China;
- Activities of the International Committee of the Red Cross (ICRC);
- Preventing the first form of violence against children: abandonment at birth; and
- “Gökçeada (Imbros) and Bozcaada (Tenedos): preserving the bicultural character of the two Turkish islands as a model for co-operation between Turkey and Greece in the interest of the people concerned”.

The Assembly held a debate under urgent procedure on “The functioning of democratic institutions in Turkey: recent developments.” It also heard from several European political leaders and other guest speakers:

- Mr. Lluís Maria De Puig, President of the Parliamentary Assembly;
- Mr. Carl Bildt, Minister for Foreign Affairs of Sweden, in his capacity as Chairperson of the Committee of Ministers;
- Mr. Jean Lemierre, President of the European Bank for Reconstruction and Development (EBRD);
- Mr. Miklos Marschall, Regional Director for Europe and Central Asia, Transparency International; and
- Mr. Jakob Kellenberger, President of the International Committee of the Red Cross (ICRC).

Detailed information about the session, the transcripts and summaries of all debates, the reports discussed, and the resolutions and recommendations adopted are available on the Parliamentary Assembly's website: <http://assembly.coe.int/>.

B. Canadian Activities During the Session

Canadian delegates participated actively in meetings of political groups – in particular the European Democrat Group (EDG) and the Liberal, Democratic and Reformers Group (ALDE) – as well as in committee meetings – including Political Affairs, Economic Affairs and Development, Migration, Refugees and Population. The delegation was honoured with a lunch hosted by Terry Davis, Secretary General of the Council of

Europe, at which participants discussed the political situation in Canada, the transatlantic dimension of the Council's external relations, and the Secretary General's planned visit to Canada in the fall of 2008. Canadian delegates also met informally with parliamentarians from other countries and Council of Europe staff to discuss a range of issues of common interest.

Canadian delegates made interventions in three Assembly debates. David Tilson spoke in the debate on "The European Bank for Reconstruction and Development (EBRD): a Focal Partner for Change in Transition Countries." He welcomed the rapporteur's emphasis on the EBRD's strong transition focus, which has Canada's full support. However, referring to Article 1 of the agreement establishing the EBRD, which mandates that the Bank should work in "countries committed to and applying the principles of multiparty democracy, pluralism and market economics," Mr. Tilson argued that "the Assembly's work with the EBRD should focus more on the Bank's explicit political mandate, because that mandate relates directly to the core purpose of the Council of Europe, which is to protect and promote human rights, pluralist democracy and the rule of law." In this context, he suggested that the Bank "should set a good example and do more to make its own governance policies more transparent and accountable" and welcomed that the EBRD increasingly recognises the interconnectedness of environmental and social issues with "long-term economic and political sustainability." Finally, Mr. Tilson expressed his support for "the organisation's commitment to mainstream gender equality in its programming."¹⁹ In his response to the interventions by PACE members, the outgoing EBRD President Jean Lemierre commented in detail on Mr. Tilson's speech. He pointed to the Bank's broad consultations with non-governmental organizations (NGOs) in the recent review of its environmental and social policies. Mr. Lemierre agreed that the organization should operate in a transparent manner and that its "unique political mandate" which links political and economic transition continues to be of great importance to the EBRD.²⁰

In his intervention in the joint debate on "The State of Democracy in Europe – Specific Challenges Facing European Democracies: The Case of Diversity and Migration and Measures to Improve the Democratic Participation of Migrants," David Tilson congratulated the rapporteurs for preparing reports that clearly demonstrate "the need to simultaneously address the importance of democracy for migrants and the impact of migration on democratic development." While acknowledging that Canadian and European experiences with migration and integration are different for historical and geographic reasons, he argued that Europe can learn from Canada. Mr. Tilson discussed "two particular insights": the importance of sustained political will and leadership "not only to put in place the necessary programmes and policies but to develop an appropriate democratic political discourse"; and second, "the importance of giving immigrants access to citizenship and facilitating integration before immigrants become citizens." Mr. Tilson went on to discuss the role citizenship and the process of

¹⁹ Report, 2008 Ordinary Session (Third part), Twenty-second sitting, Tuesday 24 June 2008 at 3 p.m., <http://assembly.coe.int/Main.asp?link=/Documents/Records/2008/E/0806241500E.htm>.

²⁰ Ibid.

obtaining it plays in Canada in welcoming immigrants, integrating them through language training, other programs and the citizenship test, and in ensuring that they have a good basic knowledge of Canadian history, geography, culture, and the political system. In his response to the debate, Mr. John Greenway (United Kingdom), rapporteur for the Committee on Migration, Refugees and Population, pointed out that “the clear majority view from the debate is that taking positive measures to allow migrants to participate in the electoral process brings significant benefits as regards the integration of migrants, from which society generally also substantially gains. That is especially true at the local level, as Mr Tilson reminded us.”²¹

The Hon. Yoine Goldstein intervened in the debate on the “General policy debate on the situation in China.” He began by noting that many parliamentarians had expressed “concerns about the Chinese Government’s record on human rights domestically as well as its involvement in the crisis in Darfur and Burma and in the unrest in Tibet” and that “a number of international organisations, non-governmental organisations and state governments” had suggested “that the 2008 Olympic Games provide a perfect opportunity to raise human rights concerns with Chinese officials both directly and symbolically.” Senator Goldstein argued that addressing human rights concerns in the context of the Beijing Olympics requires “a balance between the need to respect the dedication of the Olympic athletes on the one hand, and the fact that we are compelled to make some sort of statement on the troubling practices of the Chinese Government on the other.” Pointing to the Olympic charter, which “places sport ‘at the service of the harmonious development of man, with a view to promoting a peaceful society concerned with the preservation of human dignity’,” he argued that “‘the preservation of human dignity’ ... is the area on which we logically and properly have the obligation to intervene.” Senator Goldstein suggested “four possible ways of doing so”: “First, senior political leaders, especially elected officials, should absent themselves from the opening ceremony. ... Secondly, Olympic athletes should be asked to take time to consider whether they might be willing to demonstrate solidarity and concern for the protection of human rights, perhaps by wearing a simple ribbon that is not prohibited by Olympic standards. Thirdly, the international community should do everything in its power to ensure that trained human rights observers are in place across China during the Olympic Games. Finally, concerned countries, as well as corporate sponsors of the games, should try to exercise pressure on the Chinese Government to loosen its iron grip on journalists and other members of the media.”²²

The complete transcripts of the debates are available in the *Documents* section of the PACE website: <http://assembly.coe.int/>.

C. Background: The Council of Europe

The Council of Europe is an intergovernmental organisation which aims:

²¹ Report, 2008 Ordinary Session (Third part), Twenty-third sitting, Wednesday 25 June 2008 at 10 a.m., <http://assembly.coe.int/Main.asp?link=/Documents/Records/2008/E/0806251000E.htm>.

²² Report, 2008 Ordinary Session (Third part), Twenty-fifth sitting, Thursday 26 June 2008 at 10 a.m., <http://assembly.coe.int/Main.asp?link=/Documents/Records/2008/E/0806261000E.htm>.

- 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.²³

Founded in 1949, the Council of Europe has now reached a membership of 47 countries from the Azores to Azerbaijan, and from Iceland to Cyprus, with Montenegro joining as its newest member in May 2007. The Council's main objective is to promote and defend democratic development and human rights, and to hold member governments accountable for their performance in these areas. However, it is also very active in fostering international cooperation and policy coordination in a number of other areas, including legal cooperation, education, culture, heritage, environmental protection, health care, and social cohesion. The Council of Europe is responsible for the development of 201 European treaties or conventions, many of which are open to non-member states, in policy areas such as human rights, the fight against organised crime, the prevention of torture, data protection, and cultural co-operation.²⁴ The Council's main institutions are the Committee of Ministers (the CoE's decision-making body, composed of member states' foreign ministers or their deputies), the Parliamentary Assembly, the Commissioner for Human Rights, the European Court of Human Rights, and the Congress of Local and Regional Authorities.

The Parliamentary Assembly consists of 636 members (318 representatives and 318 substitutes), who are elected or appointed by the national parliaments of the 47 Council of Europe member states from among their members. The parliaments of Canada, Israel and Mexico currently hold observer status with PACE. The special guest status of Belarus, which had applied for membership in the Council of Europe in 1993, was suspended in January 1997 in the wake of the adoption of a new constitution in Belarus, which was widely seen as undemocratic.

The Assembly elects the Secretary General of the Council of Europe, the judges of the European Court of Human Rights and the Council's Commissioner for Human Rights. It is consulted on all new international treaties drafted by the Council, holds the Council and member governments accountable, engages in studies of a range of issues of common interest to Europeans, and provides a forum for debate for national parliamentarians. The Assembly has played an important role in the process of

²³ Council of Europe website: http://www.coe.int/T/E/Com/About_COE/. For a detailed discussion of the Council's history and role, see *The Council of Europe, 800 million Europeans*, available on that website.

²⁴ For a complete list of the Council of Europe's treaties, see the organization's website: www.coe.int.

democratization in Central and Eastern Europe and actively monitors developments in member countries, including national elections. It meets four times a year in Strasbourg, with committee meetings taking place more frequently. Council and Assembly decisions and debates are often reported widely in the European media.

The Council of Europe and its Parliamentary Assembly bring together policy – and decision-makers from a range of politically, culturally, and geographically diverse countries. Together, the Council and Assembly provide the primary forum for the formation of a trans-European political community committed to democracy and human rights. The Parliamentary Assembly also provides parliamentary oversight functions for several key international organizations, including the OECD, the European Bank for Reconstruction and Development (EBRD) and the International Organization for Migration (IOM). This wide-ranging role in international policy-making and in the promotion and protection of democracy and human rights makes the Council and Assembly an important venue for pursuing and advancing Canada's multilateral and bilateral engagement in Europe.²⁵

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).²⁶

Respectfully submitted,

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

²⁵ For more information on the work of the Assembly, see the organization's website: <http://assembly.coe.int>.

²⁶ Canadian officials from several federal government departments and agencies and from one provincial government participate in more than 20 meetings annually of committees, expert groups, and steering committees of the Council of Europe. Canadian parliamentarians attend all four parts of the annual session of the Parliamentary Assembly, as well as parliamentary committee meetings at the EBRD in London and the OECD in Paris.

TRAVEL COSTS

ASSOCIATION	Canada-Europe Parliamentary Association
ACTIVITY	I. Parliamentary Mission to the Country that will next hold the Presidency of the Council of the European Union II. Visit to Normandy III. Meeting of the Committee on Economic Affairs and Development of the Council of Europe Parliamentary Assembly at the Organization for Economic Co-operation and Development (OECD) IV. Third Part of the 2008 Ordinary Session of the Parliamentary Assembly of the Council of Europe
DESTINATION	Paris, Normandy and Strasbourg, France
DATES	June 17-27, 2008
DELEGATION	
SENATE	Hon. Yoine Goldstein, Senator Hon. Marcel Prud'homme, Senator
HOUSE OF COMMONS	Mr. David Tilson, M.P. Mr. Scott Simms, M.P.
STAFF	Philippe Méla Marcus Pistor
TRANSPORTATION	\$29, 379. 82
ACCOMMODATION	\$21, 120. 49
HOSPITALITY	\$ 1, 245. 49
PER DIEMS	\$ 3, 999. 46
OFFICIAL GIFTS	\$ 846. 70
MISCELLANEOUS/REGISTRATION FEES	\$ 2, 218. 07
TOTAL	\$58, 810. 03