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Legislative Association



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Report of the Canadian Parliamentary Delegation respecting its participation to the 19th Bilateral Meeting

Canada-China Legislative Association

**Beijing and Chongqing, China
28 March - 1 April, 2016**

Report

Overview

At the invitation of the National People's Congress (NPC), a Canadian parliamentary delegation from the Canada-China Legislative Association (CCLA) visited the People's Republic of China from 28 March to 1 April 2016. The delegation was led by the Co-Chairs of the Canada-China Legislative Association (Canada): the Honourable Victor Oh, Senator and Mr. Geng Tan, M.P. It consisted of the following parliamentarians: the Honourable Joseph Day, Senator; the Honourable Donald Plett, Senator; the Honourable Candice Bergen, P.C., M.P.; Mr. Don Davies, M.P.; Mr. Ron McKinnon, M.P.; the Honourable Gerry Ritz, P.C., M.P.; and Ms. Selma Zahid, M.P. The delegation was accompanied by Mr. Alexandre Roger, Executive Secretary, and Ms. Natalie Mychajlyszyn, Association Advisor.

The objectives of the study program included:

- to continue the renewal and reinvigoration of the CCLA relationship and to promote friendship and the normalization of regular opportunities for dialogue with Chinese counterparts;
- to learn more about Chinese-Canadian business, cultural and political links, and to promote enhanced cooperation at all these levels; and,
- to apprise Chinese interlocutors of the political situation in Canada and Canadian priorities.

The Executive Committee of CCLA (Canada) identified the following themes for examination during the delegation's program: agriculture, natural resources, the environment, clean energy, and education as well as Canada-China political and commercial relations more generally.

The delegation held meetings on these themes in Beijing and Chongqing. The highlight of the delegation's program was the 19th Bilateral Working Meeting in Beijing between the Canadian and Chinese counterparts of the legislative association. The themes discussed during these consultations included Canada-China bilateral relations as well as policy developments in agriculture, the environment, the economy, and education cooperation. The Canadian delegation also issued a formal invitation to their Chinese counterparts to visit Canada in the autumn of 2016 to participate in the 20th Bilateral Working Meeting of the CCLA.

The delegation held additional working meetings with high-level officials from the National People's Congress, officials from the Central Committee of the Communist Party of China, agriculture leaders from government and the business community, representatives of the Canadian business community in China (especially those active in clean energy and the petroleum equipment sectors), Chongqing municipal leaders and administrators, a leading Chinese automobile manufacturer, and students and faculty from Sichuan International Studies University. It was accompanied to these

meetings by Canadian diplomats from the embassy in Beijing and the consulate-general in Chongqing.

It should be underlined that throughout several meetings with legislators and government representatives, the delegation raised concerns about impending changes by China's regulatory authority on food safety that would impose stricter standards on the import of Canadian canola. At one such meeting, the delegation, accompanied by the Canadian ambassador, was informed that the implementation of the new threshold was postponed from April 2016 until September 2016. In this respect, the Chinese interlocutors emphasised the value of the parliamentary delegation's role in highlighting the issue from the Canadian perspective and its potential consequences.

Overall, the Chinese interlocutors warmly welcomed the CCLA delegation and repeatedly called for continued Canada-China relations, notably at the legislative level, as well as for stronger bilateral commercial ties, particularly in terms of Canadian technology and expertise. The program also provided important value to advancing the work and priorities of the Canadian diplomatic missions in Beijing and Chongqing. This was particularly true in cases where the Ambassador accompanied the delegation at various meetings where the canola issue was raised with key Chinese decision-makers and heard about the delay in the new policy's implementation at one such meeting.

The meetings in Chongqing allowed the delegation to not only pursue the topics selected for the visit, namely education, Canada-China trade, and clean technology, but also to reinforce relations with Chinese interlocutors at the municipal level. As a result, the delegation gained a deeper appreciation for the opportunities available to Canadians in Chongqing.

CCLA RELATIONS

The 19th Bilateral Working Meeting – Beijing

The 19th Bilateral Working Meeting took place over the course of three hours during which discussions and exchanges were held on the following themes of mutual interest: Canada-China bilateral relations, each country's economic priorities, agriculture, the environment, and educational cooperation. Members of the Chinese delegation included:

- Mr. CHI Wanchun, Chinese Chair of CCLA and Vice Chair of NPC Foreign Affairs Committee
- Mr. LI Fei, Vice Chair of NPC Law Committee
- Mr. WANG Zuoshu, Vice Chair of NPC Education, Science, Culture and Health Committee
- Mr. LI Lihui, member of NPC Financial and Economic Committee
- Mr. JING Wenchun, member of NPC Foreign Affairs Committee

- Mr. LU Jianping, member of NPC Foreign Affairs Committee and Vice-Chair of CCLA
- Mr. YANG Gengyu, member of NPC Environmental and Resources Protection Committee
- Mr. ZHANG Xiaoshan, member of NPC Agriculture and Rural Affairs Committee

Mr. Chi remarked on the high level of interest in and degree of consensus regarding Canada-China relations on the part of the Canadian delegation given its large size and the range of parties represented. He also remarked on the cultural and regional diversity of the delegation.

In terms of Canada-China relations, Mr. Chi highlighted key individuals and milestones in their fruitful development. These included Dr. Norman Bethune, Canada's recognition of China in 1970, and the establishment of CCLA in 1998. He also noted developments in recent years that continue to deepen the relationship: the ratification of the Foreign Investment Promotion and Protection Agreement (FIPA) in 2014; agreement on the establishment of an offshore renminbi (RMB) clearing centre in Toronto, the first in the Western Hemisphere, in 2014; and the arrival of two giant pandas in 2013 for a ten-year stay in Canada, who also gave birth to twins in October 2015. Other members of the Chinese delegation emphasised that the recent commercial agreements and growth in Canada-China trade provided a positive base from which to advance discussions on a free trade agreement between the two countries, although from the perspective of the Canadian public there was some work to do to encourage greater support.

Canadian Co-Chair Senator Oh expressed gratitude on behalf of the delegation with respect to the concerns voiced by the Chinese legislators regarding events that took place on Parliament Hill on 22 October 2014. He also noted that the establishment of the RMB hub followed several CCLA exchanges during which the topic was discussed, including the CCLA co-chairs visit to China in August 2014 and the 18th Bilateral Working Meeting that was held in Canada in June 2014. He also remarked about recent events that are deepening ties between the two countries: Canada's announcement to be the first western country to offer a ten year visa for Chinese visitors; the increase in the number of cities serviced by both Canadian and Chinese airlines; and inter-parliamentary consultations with Chinese counterparts during the 24th Asia-Pacific Parliamentary Forum held in Vancouver, Canada.

Canadian Co-Chair Mr. Tan noted the many areas of common interest between Canada and China on which to build stronger relations. He also highlighted the advantages Canada offers as an important partner for China with its natural resource wealth and stable political and social systems. He remarked that as a new co-chair, he sees the value of the consultations between the two countries at the legislative level and opportunities for increased understanding about Canada on the next visit of the NPC delegation.

Economic priorities

In terms of Chinese economic priorities, Mr. Li Lihui, member of the NPC Financial and Economic Committee, made a presentation on China's 13th Five Year Plan for 2016–

2020 adopted by the most recent session of the NPC which convened just a few weeks before. He elaborated on six targets of the Five Year Plan that are intended to move China beyond the “middle income trap” and toward becoming an advanced industrial economy based in part on the production and export of high-quality, innovative goods. These six targets are:

1. Achieve an average annual rate of economic growth of at least 6.5%;
2. Ensure innovation as well as applied research and development are key drivers of China’s development;
3. Make advances in urban development and agricultural modernization;
4. Progress on economic protection and conservation;
5. Accelerate reforms and institutional modernization, such as property rights, rule of law and expanding free trade zones, which facilitate opening up and partnerships with other countries;
6. Improve living standards, notably regarding health, education and housing.

Mr. Lu Jianping, CCLA Vice-Chair and member of the NPC Foreign Affairs Committee, countered arguments that China’s economy was in decline and that it would not be able to meet its targets. He pointed out the progress made regarding the 13.5 million new jobs created beyond the target of 2 million, the movement out of poverty of millions of rural residents, and high growth rates in the high technology sector. He acknowledged, however, the challenges China faces regarding meeting its targets given the global economic uncertainty and the potential impact on China’s economic stability. He also noted that current economic growth forecasts have a different significance than those in the past given progress made in China’s economic development.

Speaking for the Canadian delegation, **Mr. Tan** focused on three points relating to Canadian economic developments: the impact of global economic trends on key Canadian sectors; Canada’s overall economic situation and priorities; and the 2016 federal budget. Accordingly, he emphasised that Canada’s economy relies significantly on international commercial and trade relations. In facing the challenges that have arisen, notably the decline in the price of oil among other commodities, Mr. Tan highlighted that Canada’s economic advantages such as high levels of education and competitive corporate tax rates will stand it in good stead as it develops policies for economic recovery. Among the risks that could affect Canada’s economic growth forecasts, he included economic uncertainty in the United States; a slow rebound in the price of oil; and financial strains in vulnerable emerging economies. Mr. Tan informed the Chinese delegation about the 2016 federal budget, released in the previous week, that is intended to revitalize Canada’s economy and address global economic challenges. He emphasized in particular its focus on strengthening Canada’s middle class; clean growth, innovation and the commercialization of research and development; and infrastructure investment. He also highlighted the Canadian Parliament’s active role in the budget’s preparation and approval.

Members of the Canadian delegation inquired into the relationship between the Five Year Plan focus on poverty alleviation and China's policies to reduce the income gap.

Agriculture

Mr. Zhang Xiaoshan, member of the NPC Agriculture and Rural Affairs Committee, made a presentation on China's agricultural priorities. He emphasized the focus on food security, safety, and quality, notably their importance given China's large population. In this context, he also noted emerging challenges for Chinese producers, who are still largely small-scale farmers using outdated technology, and their ability to earn a reliable income given increasing agricultural prices and the resulting unpopularity of Chinese products. He remarked that food prices in China are intended to be set by the market eventually.

Canadian delegates highlighted Canada's food policy based on safe and healthy food, and its impact on facilitating and growing trade flows. Accordingly, the agriculture industry— including food manufacturing— is the third largest contributor to Canada's GDP. In this way, trade in agriculture benefits producers from both countries.

During the discussions on this theme, Canadian delegates raised their concerns about the change in the dockage threshold for Canadian canola imports into China due to concerns over contamination by the blackleg fungus and, notwithstanding the delay in its implementation, the potential impact this new regulation will have on planning by Canadian agricultural producers and Canada-China trade in canola. The delegates emphasised the importance of a scientifically-based resolution to the issue. Their Chinese counterparts stated that they would consult with the appropriate authorities and encourage a settlement on the issue.

Environment

Mr. Yang Gengyu, member of the NPC Environmental and Resources Protection Committee, provided an update on recent developments regarding environmental protection initiatives in China with the objective of protecting the country's natural beauty. He highlighted progress made in terms of reduced carbon dioxide emissions, increased forestry space, improved air and water quality, increased capacity of wind, solar and hydro power, as well as ecosystem and forestry management. He noted that reduction in energy consumption is a national policy, in the context of which clean energy and accessing such technology is a priority. In this respect, he emphasised the importance of nuclear power in reducing further coal consumption levels. Other members of the Chinese delegation emphasised that the discussion at the 19th CCLA Bilateral Working Meeting builds on those undertaken during the 18th Meeting in Canada in June 2014, where Chinese delegates were greatly impressed with Canada's advances in clean technology.

Mr. Tan presented an update of Canadian developments regarding the environment, particularly concerning climate change and clean technology initiatives. He highlighted excerpts from the 2016 federal budget regarding financial support for a wide range of clean technology initiatives as a component of Canada's strategy for sustainable economic growth. The budget also provides support for Green House Gas reductions to

supplement regulations that are already in place. He emphasized recent key agreements undertaken by Canada in terms of cooperation with the United States, among the provinces and territories, and globally by way of the Paris Climate Change Agreement. He also shared the key elements of the mandate letter to the Minister of Environment and Climate Change.

Members of the Canadian delegation underlined Canada's global presence in providing assistance to other countries as they attempt to meet their own targets in reducing greenhouse gas emissions. They also noted opportunities for Canadian liquid natural gas (LNG) to offer alternative sources of clean energy for China and for Chinese investment in Canadian natural resources.

Educational Cooperation

Mr. Tan highlighted the federal government's role in education in Canada, which is a provincial responsibility, notably in promoting education cooperation and exchanges in Canada's commercial and people to people relations with countries such as China.

He emphasized the economic benefits gained from such cooperation and recent efforts to promote international experiences for Canadian students in an increasingly competitive globalized economy. He reviewed several high-profile Canada-China educational initiatives involving universities and colleges, which have resulted in Chinese students making up the largest percentage of international students in Canada.

Mr. Wang Zuoshu, Vice Chair of the NPC Education, Science, Culture and Health Committee, noted the many memoranda of understanding between Canada and China on education cooperation. He encouraged greater efforts to increase the number of Canadian students studying in China.

Other Topics

Mr. Li Fei, Vice Chair of the NPC Law Committee, presented the work of his committee and the range of topics covered by the laws it is responsible for, such as insurance, investment, environmental protection, wild life, food security, national security and anti-terrorism. Members of the Canadian delegation expressed their encouragement for continued Chinese efforts regarding legislation that governs air and water pollution and inquired about the system of intellectual property protection in China.

The concluding discussion focused on the objectives of the CCLA and the productive exchanges that take place at this and past Bilateral Working meetings. Many Chinese members of the legislative group have either already been to Canada or had definite plans to do so in the near future. It was remarked that the longstanding membership in the legislative association by many delegates of both sides and the frequency of visits to either China or Canada contributed to the quality of the consultations. Canadian participants expressed their appreciation for the frank discussion about issues in the bilateral relationship, for receiving information about the 13th Five Year Plan, and expressed interest in working with China to achieve its goals.

2. Meeting with Chen Changzhi, Vice-Chair of the NPC - Beijing

Mr. Chen congratulated Canadian parliamentarians for hosting the successful 24th Annual Meeting of the Asia-Pacific Forum in Vancouver, which he attended as head of the Chinese delegation. He was pleased to renew ties with members of the CCLA delegation with whom he met in Vancouver and to establish new ones during the CCLA's visit to China. He emphasised that exchanges such as those that took place in Vancouver and with the CCLA delegation sustain momentum for future relations and fruitful meetings.

Regarding Canada-China relations, he highlighted the contribution that consultations and meetings between the two legislative bodies make to strengthening cooperation and friendship between Canada and China. He emphasised Canada's leadership in this regard and the high frequency of high-level visits and exchanges between both countries, notably on issues relating to cooperation in science and technology, energy resources and public health as well as regional issues. In the ten years since Canada and China entered into a strategic partnership in 2005, the two countries have made good progress in deepening relations, punctuated by recent developments such as the establishment of the renminbi clearing centre in Toronto and the extension of the 10 year multiple entry visa to Chinese citizens. He noted that the meeting between Prime Minister Trudeau and President Xi at the G-20 meeting in Istanbul in November 2015 showed a mutual commitment to deepen relations and pursue new business and trade partnerships. He highlighted the high level of interest among Chinese investors regarding future investment opportunities in Canada, such as in infrastructure, energy, real estate and media. Mr. Chen emphasized the opportunities for Canadian investment in China in light of the priorities announced in the 13th Five Year Plan and China's ongoing economic development. Mr. Chen noted that he would review the canola issue with the relevant authorities and encouraged the Canadian delegation to also share their concerns with the Canadian government in order to arrive at an early solution.

The Canadian delegation noted the recent dialogues held with Mr. Chen during the visit of the Honourable George Furey, Speaker of the Senate to China in January 2016 and in Vancouver, and welcomed the opportunity to continue discussions. Delegates raised the issue of Canadian canola exports and encouraged more Chinese investment in Canada. They highlighted the value of the CCLA Bilateral Working Meetings in exchanging experiences and views related to agriculture, economic priorities, the environment and education in building mutual understanding. Delegates also expressed their appreciation for the support of Chinese delegates in making the APPF Annual Meeting such a success. The delegation further articulated its interest in receiving the Chinese delegation in Canada for the 20th Bilateral Working Meeting of the CCLA in the coming year.

3. Meeting with Du Liming, Vice-Chair of the Standing Committee, Chongqing Municipal People's Congress - Chongqing

Mr. Du Liming welcomed the delegation's visit to Chongqing, which he felt showed the level of interest and seriousness of Canadians in China's continued economic development. He profiled the historical, political and natural attributes of the city and its significant economic and infrastructure role as a gateway to the development of China's inland and western regions. He highlighted in particular the development of Chongqing

as an important customs and clearing centre as well as a centre for many highly successful industrial and manufacturing clusters, which have led to many new initiatives and exchanges with global reach. In this respect, over the last five years, the city has seen the value of its exports and imports grow five times to reach US\$75 billion and has also attracted up to US\$10 billion in incoming foreign investment for each of the last five years. Chongqing has been unaffected by the economic slowdown being experienced in other parts of China and was singled out at the most recent NPC session by Premier Li Keqiang as a model for other centres. Mr. Du stressed the interest of the municipality's political and business officials to pursue stronger ties with the North American and Canadian markets. He welcomed the presence of the Canadian consul-general in Chongqing as a commitment to the intensification of relations. He emphasized the friendship between the two countries, marked by the service of Dr. Norman Bethune and Canada's leadership in recognizing China in 1970.

Members of the Canadian delegation congratulated Mr. Du and the Chongqing administration for the city's achievements and rapid development. They noted in particular the number of bridges in the city, the level of soft infrastructure, its sophisticated global ties, and commitment to education as advantages that will serve the city's potential for many years to come. They also highlighted the importance of the city in Canada's relations with China, the complementarity between Chongqing's priorities and Canada's offerings, and the commitment of the Canadian consul-general to deepen ties further for mutual benefit. They emphasized the role that parliamentarians are playing in Canada to facilitate this relationship and in raising awareness about the potential opportunities in Chongqing-Canada ties, particularly regarding air transport that would link Chongqing directly to Canadian cities.

CANADA-CHINA RELATIONS

1. Briefing with Canadian diplomatic representatives – Beijing and Chongqing

The delegation was briefed by the Canadian Ambassador to China, Guy Saint-Jacques, and other Canadian diplomatic representatives (Cindy Termorshuizen, Deputy Head of Mission; Mr. Murray Gwyer, Counsellor – Agriculture; Mr. Mark Selby, First Secretary) on recent Chinese domestic developments.

These included the recent approval by the National People's Congress of China's 13th Five Year Plan for 2016-2020 which sets the target rate of economic growth at 6.5%. The five year plan also emphasised greater economic efficiencies, environmental protection, increased urbanization and infrastructure development among other themes. The social and economic challenges for implementing the plan and maintaining economic growth at 6.5% were highlighted. The ambassador also noted that planning is underway for the expected change in China's political leadership in 2017 given that five of the seven members of the Politburo will reach retirement age at that time.

The delegation was briefed about Canada-China relations more generally and on efforts to deepen opportunities for structured dialogue between the two countries. Overall, relations are strengthening as evidenced in the growth in educational cooperation, tourism and air links.

The delegation was also briefed on the state of Canada-China commercial relations and Canada's appeal as a reliable, rules-based partner. Total trade between the two countries grew 10% in 2015 over the previous year, despite the decline in China's imports of commodities. The Ambassador noted the potential for greater energy cooperation between Canada and China, especially in nuclear energy and technology as well as natural gas exports. Canada's strong exports of agriculture products to China were linked to the growing middle class in China, its changing food habits and Canada's reputation as a source of safe and quality food. Agriculture research cooperation and development assistance related to genetics technology in particular have led to good commercial ties in this sector.

The Ambassador informed the delegation about a proposed Chinese regulatory change whose implementation would have a negative impact on Canada's canola exports to China specifically and potentially Canada-China relations more generally. The Chinese authorities had raised concerns about the possible transmission of plant disease from Canadian imports to its canola crops. In effect, the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) intends to reduce the dockage threshold to be met by Canadian canola exports regarding the presence of plant debris and other seeds and in particular blackleg fungus from 2% to 1%, a threshold argued to be nearly impossible to meet and with nearly negligible benefit. Moreover, this regulatory change would be taking place despite the good management record of the issue since an agreement was reached six years ago and scientific findings affirming the safety of a 2% dockage threshold. The delegation heard about the involvement not only of the embassy on this issue, but of several Canadian government ministries and agencies and their collective message focusing on the longstanding relationship between Canada and China, the importance of the issue for trade and bilateral issues between the two countries, the significant proportion of Canadian canola exports in Canada-China agriculture trade, and the need to base such decisions on science and research.

The value of visiting Chongqing, a city of approximately 20 million people in China's southcentral Sichuan region, was reinforced by the Canadian Consul-General, Mr. Philippe Rheault, the Consul, Mr. David Purdue and other mission officials during the delegation's visit there. Notably, Chongqing is a politically significant centre given that many Chinese leaders with national prominence emerge from there. The city also leads all of China's cities in GDP growth in recent years. In terms of Canadian interests in Chongqing, the Consul-General highlighted the importance of strengthening Canada's growing commercial profile and Chongqing investment in Canada. He also emphasized that Canada was the first western country to establish a consulate in Chongqing in 1998, shortly after the city received designation as a directly administered municipality. It was also noted that Chongqing is the sister city to Toronto, a relationship which marks 30 years in 2016.

The delegation, for many of whom this was their first visit to Chongqing, had the opportunity to see first-hand the dynamism offered by one of China's second tier cities at the Chongqing Urban Planning Museum. Through the exhibits, models and videos, the museum emphasized the city's ability to overcome its particular geographic conditions by building over 50 bridges and making use of engineering to construct roads

and buildings, while also protecting its history, beauty and access to its rivers, hills and natural features. The museum also showcased the city's modern style and potential for growth, featuring numerous buildings over 100 stories high and the presence of dozens of international companies, including Ericsson, IMB, Canon, Siemens, Ford, Cisco, Bosch and Honeywell among others.

2. Meeting with Vice-Minister Guo Yezhou, International Department of the Communist Party of China Central Committee

Vice-Minister Guo remarked on the large size of the Canadian parliamentary delegation and offered congratulations to the new CCLA membership and Canadian government. He indicated the potential for strengthening bilateral relations in light of the new government's renewed commitment to Canada-China ties. He underscored the importance of CCLA's meetings with the International Department for Canada-China bilateral relations.

Topics discussed during the meeting included continued strengthening of the Canada-China bilateral relationship; the role of the CCLA as an important bridge between the two countries, notably given the multiparty composition of the Canadian delegation, the Chinese diaspora communities in Canada, and the singular objective of the delegates in promoting Canada-China relations; future parliamentary visits and the value of meeting with an array of Chinese officials; the value of recent high-level visits in deepening relations; continued opportunities for agricultural cooperation; China's progress on poverty alleviation and women's issues; and the importance of people-to-people ties between the two countries.

The two sides also discussed the recently approved 13th Five Year Plan, its decisive importance to building a stronger Chinese society, opportunities it presents for greater cooperation and the impact that a Canada-China Free Trade Agreement would have on that relationship.

In the context of China chairing the G-20 in 2016, the Vice-Minister raised the possibility of legislators and political parties from the member countries holding a parallel P-20 meeting in order to exchange ideas about ways to carry out and implement G-20 decisions. He also discussed the possibility of a young leaders exchange between the two countries.

The delegation was invited to participate in the P-20. In return, the delegates invited the Vice-Minister for his first visit to Canada in order to continue their dialogue and improve mutual understanding between the two countries.

CANADA-CHINA COMMERCIAL RELATIONS

1. Agriculture

Meeting with the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) - Beijing

During their meeting with Mr. Li Jianwei, Director General, and Mr. Zhang Chaohua, Deputy Director General of the Department of Animal and Plant Quarantine Supervision

and other officials, members of the delegation, accompanied by the Canadian ambassador and other embassy representatives, raised their concern about the impending change in the dockage threshold for Canadian canola imports into China and the potential implications for Canada-China bilateral and commercial relations. The delegation noted Canada's reliability as a source for good quality food products and food safety, and the strength of existing Canada-China agriculture trade. They also emphasised the value of sound scientific research undertaken on the issue and the role such research plays in the resolution of this situation. The delegation pointed out the global standard of the existing 2% dockage threshold, not the proposed lower 1% threshold.

The interlocutors from AQSIQ noted that the two countries were dialoguing in order to find a mutually agreed upon solution while managing the risk of blackleg fungus contaminating Chinese canola stores. During the meeting, they announced that the implementation of the new threshold would be postponed from 1 April 2016 until 1 September 2016. They also emphasised their interest in a solution to the issue in order to increase trade between the two countries.

The co-chairs invited officials from AQSIQ to Canada in order to continue discussions on this and other issues related to food inspection and safety.

Meeting with the Ministry of Agriculture - Beijing

The delegation met with the Director General of the International Department of the Ministry of Agriculture, Mr. Sui Pengfei, and three other officials. During the meeting, they had very substantive discussions about agriculture priorities in the Canada-China relationship. The meeting's discussions emphasised the value of science and technical cooperation in agriculture between the two countries, particularly regarding plant protection, agro-chemicals and fertilizers. Mr. Sui highlighted the agriculture-related goals of the 13th Five Year Plan, including modernization and improved efficiency, strengthening capacity for food safety and quality given the size of China's population, and enhancing the application of science and technology, especially regarding pesticides, in the sector.

Other specific priorities raised included guaranteed food supplies, soil conservation, increases in income of agricultural producers, agricultural sustainability, and rural reform.

Members of the delegation noted that the Standing Senate Committee on Agriculture and Forestry was currently studying Canada's international market access including in China. They also shared those elements of the federal budget relating to agriculture, including funding to support research and development related to biological threats to the agricultural industry. The delegation indicated the importance of agriculture in the Canada-China commercial relationship and Canada's commitment to finding new opportunities for cooperation and partnership. In particular, they emphasised the importance of implementing the numerous Memoranda of Understanding between the two countries.

The two sides agreed on the value of continued cooperation between Canada and China regarding science and technology and green production among many

opportunities for enhancing relations. They also agreed that the best approach to addressing any challenges that may arise, such as regarding the new regulations on canola imports, is to engage in dialogue. The Co-Chairs invited the Director General to Canada to continue strengthening Canada-China relations and to exchange best practices on agricultural sustainable development and modernization.

Meeting with Mr. Yu Xubo, President of COFCO group

The Canadian delegation met with Mr. Yu, the President of the COFCO group, a leading supplier of agri-products, diversified foodstuffs and services in China, as well as several officials involved in various dimensions of the company, including investment, oil seed crushing, e-commerce and grain and wine imports. The company described its operations, based on a fully-integrated value chain, including research and development, which promotes food safety and quality.

It was hopeful that the canola issue would be resolved as China continues to review its own canola production and dependence on foreign suppliers. In this respect, COFCO is interested in maintaining a reliable and safe source of agricultural products, including from foreign suppliers.

The Canadian delegation noted the complementarities between COFCO and Canadian agriculture and appreciated the opportunity to better understand the evolution of China's food production and manufacturing industry. Members raised the potential impact on COFCO's operations of the new regulations concerning Canadian canola exports to China, the importance for Canadian producers of predictability in the Chinese canola market, and the need for a solution based on scientific evidence. Some members of the delegation noted the potential synergies and Chinese market needs affecting agricultural industries in their constituencies. They expressed interest in supporting emerging opportunities for agricultural partnerships between Canada and China.

2. Environment, Natural Resources and Clean Energy

12th Green and Energy-Efficient Building and New Technologies and Products Expo - Beijing

The Canadian delegation visited the Canada Wood booth at the largest such trade fair in China to strengthen their understanding of how Canadian wood features in the Chinese market.

Canada Wood is a company that facilitates and promotes Canada's leadership in wood and forestry products as well as sustainable forest management particularly for construction and urban planning government officials and companies. The delegation discussed with Canada Wood representatives the opportunities and challenges faced by Canadian businesses in the Chinese wood and building market. The delegation also had the opportunity to hear the Canadian ambassador address the fair and the role that Canadian wood products can play in helping China achieve its goals in the 13th Five Year Plan relating to greater environmental responsibility. Other countries with booths at the fair included Germany and Singapore.

16th China International Petroleum and Petrochemical Technology and Equipment Exhibition - Beijing

The Canadian delegation visited the Canada-Alberta Pavilion at the CIPPE show, which housed 11 companies from Alberta and one from Ontario with a focus on oil and gas equipment, technology and services. The delegation had the opportunity to visit with the Canadian exhibitors and discuss with them their business objectives, the value of their participation in such exhibits given the global state of the petroleum and petrochemical industry, the role that the Canadian government can play in facilitating commercial partnerships with China, and the alignment of Canadian clean technology with China's environmental goals.

Meeting with the Chongqing Forestry Administration (CFA) - Chongqing

The delegation met with several officials from the CFA, including its Vice-Director, Zhang Hong. During the meeting, CFA officials emphasized the importance of establishing a sound forestry management program given the size of its natural landscape, wetlands and parks in order to not only protect the environment, but also to sustain its economic potential for the local population, tourism and the natural resource industry. The Vice-Director discussed the valuable experience he gained from a recent visit to Canada during which he met with officials from its partners, Parks Canada and the Rouge National Urban Park in Toronto.

He stressed in particular Canada's leadership in wilderness protection, reinvestment of user fees, ecotourism promotion, and public education as well as opportunities for applying these practices to the Chinese experience. In addition to watching a video presentation on the region's wilderness attractions, the delegation also heard about CFA's interest in continuing its partnership with Canada, notably regarding the implementation of environmental protection measures, tourism promotion, and visitor services among others.

Members of the Canadian delegation presented information about Canada's experience with eco-tourism and forest management. In particular, they highlighted the role that the federal government plays in promoting, funding and managing eco-tourist destinations and national parks, including in terms of infrastructure and legislation. They also profiled Canada's forest management system, including sustainable harvest, the body of federal legislation governing Canada's forests, the role of the federal government in forestry research and the role of the provinces. They welcomed opportunities for greater cooperation on these and related topics, particularly regarding the Rouge National Urban Park, Toronto pandas, and the Bethune Memorial House National Historic Site in Gravenhurst, Ontario.

It should be noted that this visit aligns with the 2012 Memorandum of Understanding between Parks Canada and China's Forestry Bureau to encourage collaboration, knowledge sharing and exchange of personnel.

3. Education

Visit to Sichuan International Studies University (SISU) - Chongqing

The delegation was warmly hosted by the President and Vice-President of SISU, a key centre in China for instruction in humanities and foreign languages, including English and French. It also houses several research institutions, including a centre on international trade and international policy more generally. The university already has partnerships with post-secondary institutions in Canada, including the University of British Columbia, University of Ottawa, and Cambrian College. The delegation was informed of the university's interest in establishing partnerships with several more Canadian institutions.

During the visit to SISU, each member of the delegation met with two to three student ambassadors and discussed a range of issues, including human rights, Canadian and Chinese culture, opportunities for studying in and travelling to Canada, career ambitions, and the Canadian political system. The delegation also observed a very well conducted Model United Nations simulation that was debating a motion on poverty eradication, and in which one student represented Canada. Overall, the delegation was impressed with the enthusiasm of the students, their scope of knowledge, and their language skills. The large ratio of female students to male students was especially noteworthy.

4. Other Commercial Meetings

Visit to the Chongqing Bonded Port – Chongqing

The delegation visited the Chongqing Bonded Port area and saw first-hand the city's efforts to attract inland ever-greater volumes of international trade directly through its river and air ports. The Bonded Port area includes bonded warehousing and processing facilities, logistics centers, and an "International Exhibition and Trading Center" that allows consumers to directly experience and purchase – either directly or online – goods imported through the Bonded Port at beneficial prices.

The Bonded Port also includes a "Cross-Border E-Commerce Logistics Supervision Center," which creates a mechanism for local e-commerce companies to repackage imported goods within the bonded zone so that online shoppers can benefit from policies that waive import taxes and customs clearance procedures on small orders for imported goods. The delegation was told that a number of Canadian agricultural products such as beef, seafood and wine have just begun to enter the China market through this new zone.

Meeting with Changan Motors – Chongqing

Officials from Changan Motors informed the delegation that the company was one of the biggest automotive makers in China. Its growth parallels the growth of the automobile market generally in China. Although it is based in Chongqing, the company has research and development centres across China, whose aims include finding more efficient, cleaner and more service-oriented models. It also has 12 global production bases, with three more under construction in Russia, Iran and India. Its partners include Ford, Suzuki, Mazda, Jiangling Motors Corporation (JMC), and PSA. Changan Motors has ambitions to become among the top automobile manufacturers in the world. In

recent months, Canadian activity related to Changan has increased significantly, particularly in terms of clean technology and possible joint ventures involving Canadian-sourced autoparts. The involvement of Canadian companies in this way and their leadership in clean technology aligns as well with the priorities of the Chinese government regarding the development of green technology across all sectors.

Some members of the delegation highlighted the opportunities for building partnerships that result from Chinese students attending Canadian universities or participating in exchanges, and transferring their knowledge back to China.

The visit to Changan reinforced for the delegation the potential benefits of Canadian companies establishing commercial partnerships in China and participating in global value chains, and the highly-valued reputation Canadian products have. That the delegation met with the leadership at Changan reinforced for them the high level of support for Canadian business initiatives with Changan, thereby facilitating any final arrangements.

Respectfully submitted,

Hon. Joseph A. Day,
Senator
Co-Chair, Canada-China
Legislative Association

Mr. Tan Geng, M.P.
Co-Chair, Canada-China
Legislative Association

Travel Costs

ASSOCIATION	Canada-China Legislative Association
ACTIVITY	19th Bilateral Meeting – Beijing and Chongqing, China
DESTINATION	Beijing and Chongqing
DATES	28 March to 1 April 2016
DELEGATION	
SENATE	Hon. Victor Oh, Senator Hon. Donald Plett, Senator Hon. Joseph A. Day, Senator
HOUSE OF COMMONS	Mr. Tan Geng, M.P. Hon. Candice Bergen, P.C., M.P. Mr. Don Davies, M.P. Mr. Ron McKinnon, M.P. Hon. Gerry Ritz, P.C., M.P. Ms. Salma Zahid, M.P.
STAFF	Mr. Alexandre Roger, Association Secretary Ms. Natalie Mychajlyszyn, Analyst from the Library of Parliament and Advisor to the Association
TRANSPORTATION	\$100,470.73
ACCOMMODATION	\$16,545.75
HOSPITALITY	\$1,245.45
PER DIEMS	\$6,462.77

OFFICIAL GIFTS	\$492.56
MISCELLANEOUS / REGISTRATION FEES	\$4,480.53
TOTAL	\$130,697.79