

Canada – Europe
Parliamentary Association



Association parlementaire
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**Report of the Canadian Parliamentary Delegation
respecting its participation at the
Mission to the country that will next hold the rotating
Presidency of the Council of the European Union
and Fourth Part of the 2017 Session of the PACE**

Canada-Europe Parliamentary Association

**Sofia, Bulgaria and Strasbourg, France
4-13 October 2017**

REPORT

From 4 to 13 October 2017, the Canada-Europe Parliamentary Association sent a delegation of four parliamentarians to Sofia, Bulgaria; and Strasbourg, France as part of a mission to the next country to hold the rotating Presidency of the Council of the European Union and to participate in the fourth part of the 2017 Ordinary Session of the Parliamentary Assembly of the Council of Europe (PACE). The delegates were Mr. Scott Simms, MP and head of the delegation for the PACE part of the mission; Hon. Percy Downe, Senator and (head of delegation for the Bulgaria part of the mission); Hon. David Wells, Senator (for the PACE part of the mission); Mr. David Tilson, MP; and Mr. Nick Whalen, MP. The delegation was accompanied by Association Secretary, Ms. Guyanne Desforges, and Association Advisor, Ms. Laura Barnett.

PARLIAMENTARY MISSION TO THE REPUBLIC OF BULGARIA, THE NEXT COUNTRY TO HOLD THE ROTATING PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION

From 4 to 6 October 2017, the delegation participated in a parliamentary mission to the Republic of Bulgaria, the country that will hold the rotating Presidency of the Council of the European Union from January to June 2018. During that mission, the delegation met with Bulgarian parliamentarians, the Minister for Bulgaria's Presidency of the Council of the European Union; the Prime Minister's Advisor on EU Affairs; the Deputy Minister of Foreign Affairs; the Head of the European Commission's Representation in Bulgaria; Canadian companies in Bulgaria; and representatives from think tanks, civil society and labour groups. In addition, the delegation was briefed by officials from Canada's Embassy to Bulgaria. The discussions held during these meetings pertained to Bulgaria's priorities for its upcoming Presidency of the Council of the European Union; key issues in Canada-EU and Canada-Bulgaria relations, including the Comprehensive Economic and Trade Agreement (CETA); and other important issues facing Bulgaria and the EU, including EU enlargement, migration and Brexit.

Briefing with Canada's Embassy to the Republic of Bulgaria

The delegation began its mission with a briefing by His Excellency Kevin Hamilton, Ambassador, who welcomed the delegation to Sofia and introduced Mr. Ivor Prokopiev, who is in the process of being renewed as Canada's Honorary Consul to Bulgaria, as well as Mr. Christopher Duggan, Political Counsellor at the Embassy. Ambassador Hamilton emphasized that this was the first Canadian high-level political visit to Bulgaria and thus held a certain importance for Bulgarian officials. The ambassador and Mr. Duggan also noted the importance of the imminent full-lift of the visa requirement, discussing the process behind the assessment that finally allowed Canada to lift that requirement.

Ambassador Hamilton provided the delegation with an overview of Bulgaria's history in Europe, from its past as part of the Ottoman Empire, its historically close relations with Russia, to its challenges since joining the European Union (EU) in 2007. The ambassador also discussed Bulgaria's economy, noting that Bulgaria is the poorest country in the EU in terms of GDP, but is one of the EU's fastest growing economies. In

this context, he highlighted the demographic challenges facing the country, including an ageing population and the high rate of emigration of young, skilled workers to other countries in the EU and beyond.

Ambassador Hamilton also described the current political climate under Prime Minister Boyko Borissov (of the Gerb GERB party) and President Ruman Radev (of the Bulgarian Socialist Party). He mentioned the controversy currently surrounding the coalition government, with members of the far-right nationalist United Patriots party holding key ministries, heading the Secretariat of the National Council for Cooperation on Ethnic and Integration Issues, and chairing key meetings during Bulgaria's Presidency of the Council of the EU.

As well, the ambassador noted that President Radev had sent Bulgaria's implementing legislation for CETA to the constitutional court and that a decision was expected imminently. Once that decision is released, the Bulgarian parliament should be able to vote on the legislation by the end of 2017. Expectations are high that the legislation will be approved.

Mr. Prokopiev followed with a presentation of various economic indicators in Bulgaria, noting that despite its comparative rapid growth, the country is developing at a rate that is below its economic potential, and despite successes in Sofia, more rural parts of the country are struggling. GDP per capita in Bulgaria is good in large part because the population is declining, and 5% of that GDP is due to EU funds. The delegation was interested to learn that Bulgaria has a 10% flat income tax rate. Mr. Prokopiev also discussed concerns about media independence and rule of law in the country, noting that Bulgaria is 109 on Reporters Without Borders' World Press Freedom Index. The meeting closed with a discussion of the problem of corruption, and Bulgaria's challenges with respect to the EU's annual assessment through the Cooperation and Verification Mechanism, which has focussed on the steps that Bulgaria must take in the future with respect to corruption and the judicial system.

Meetings with Bulgarian Parliamentarians

Following a tour of the Bulgarian Parliament, the Narodno Sabranie, the delegation met with members and staff of the parliamentary committees on European Affairs and Oversight of European Funds, Foreign Policy, and Economic Policy and Tourism.

Mr. Kristian Vigenin, Chair of the European Affairs Committee, discussed the role of his committee in the context of the upcoming Presidency of the Council of the EU, noting that the future of the EU is likely to be an issue of debate during that Presidency. Bulgaria firmly believes in a one speed Europe where integration efforts apply the same to all member states. In response to questions from the delegation, he discussed the implications of Brexit, noting that the EU budget will change when Brexit occurs but it is not yet clear how – the overall budget might decrease; it might stay the same, forcing member states to pay more each; or there may be a reform of the budget. He informed the delegation that Bulgaria is a candidate to host the European Medicines Agency when it moves from London. In this context, he highlighted the fact that Bulgarian workers who have migrated to the United Kingdom (U.K.) are currently filling labour gaps rather than taking jobs from Britons. Ultimately, he hoped that solutions would be

found, particularly in the context of the border in Northern Ireland, that will not raise nationalist tensions in the region.

With respect to Bulgaria's Presidency priority of working closely with the Western Balkan region, he noted that the work that Balkan countries are doing in the aim of one day joining the EU is beneficial to Bulgaria, as it makes the Balkan market more attractive to investors. Mr. Hristo Gadzhev, member of the Foreign Policy Committee, also commented that Bulgaria does a great deal of trade with countries in the region because of the possibility for duty free export of goods to the EU.

Mr. Vigenin went on to raise issues of importance to Canada-Bulgaria relations, underlining the need to strengthen economic relations. In this vein, he expressed satisfaction that the visa issue was now resolved, and noting that the government was generally in favour of CETA, although there was still some resistance to the agreement among members of the Bulgarian Socialist Party. Mr. Gadzhev also emphasized the importance of CETA, while Mr. Petar Kanev, Chair of the Committee on Economic Policy and Tourism, expressed hope that CETA will increase the currently limited commodity exchange between Canada and Bulgaria. He commented that concerns about CETA in Bulgaria are generally linked to the EU's now frozen negotiations surrounding the Transatlantic Trade and Investment Partnership (TTIP) with the United States. It is not about Canada.

With respect to Bulgaria's demographic challenges, Mr. Gadzhev noted that when the borders first opened, 20% of the population left the country. Today it is estimated that three million Bulgarians are living outside the country. Part of their jobs as politicians is to create an environment that emigrants want to return to, to offer more possibilities for ethnic Bulgarians living as minorities in countries surrounding Bulgaria to migrate, and to promote child care so that families have more children.

On the issue of defence policy, Mr. Gadzhev emphasized recent EU initiatives to harmonize defence policy and procurement, and stressed the importance of NATO for Bulgaria. However, he also recognized the importance for the international community to find a way to work with Russia. In a similar vein, Mr. Kanev noted that Bulgaria has always tried to find a balance in order to foster good neighbourhood relations.

The delegation continued its conversation with parliamentarians during a lunch with the Bulgaria-Canada Friendship Group and parliamentary staff. The Chair of the Friendship Group, Mr. Tasko Ermenkov, commented on the importance of person-to-person relations, and significant Bulgarian diaspora in Canada. Mr. Hasan Ademov also highlighted a recent Canada-Bulgaria agreement on social security, allowing Canadians in Bulgaria and Bulgarians in Canada to accumulate transferable retirement benefits. The point was raised that Canada often serves as a role model for tolerance and respect for human rights. In a discussion about corruption and the rule of law, Mr. Nikolay Aleksandrov noted that Bulgaria was making progress in this regard, particularly in regards to tax evasion. Mr. Hristo Gadzhev added that in order to fight corruption, the shadow economy must be brought to light. He commented that e-services are one way of increasing transparency – e-governance generally tends to eliminate corruption in a country.

Meeting with the Representation of the European Commission in Bulgaria

The delegation closed its first day with a meeting with Mr. Hristo Hristov, Deputy Head of the Representation of the European Commission in Bulgaria. Mr. Hristov began by highlighting political concerns about CETA in Bulgaria – erroneous concerns linking the agreement to TTIP and use of genetically-modified organisms. President Radev has referred the agreement to the constitutional court, but the question asked was whether the ratification process was contrary to the Bulgarian constitution – the court is unlikely to find that the process is unconstitutional. Mr. Hristov also noted that despite the Bulgarian Socialist Party's dissatisfaction with the agreement, it is unlikely to be able to block the agreement's passage through parliament. He told the delegation that the European Commission has been working hard to spread fact-based information about CETA. The fact that the agreement went into provisional effect on 21 September 2017 with no obvious negative repercussions is a positive sign. Although it may take some time for final ratification by all member states, Mr. Hristov was confident that the political will would ultimately be there to move the agreement forward.

On the issue of Bulgaria's aspirations to join the Schengen area, Mr. Hristov commented that Bulgaria has met the technical requirements, such as capacity for hosting arrivals and other infrastructure. However, there does appear to be some opposition to Bulgaria joining at the political level in the EU, with some countries indicating that Bulgaria is not yet ready. In this context, Mr. Hristov also discussed Bulgaria's engagement with the Cooperation and Verification Mechanism. The European Commission originally set out six benchmarks for Bulgaria to meet, in the expectation that the Mechanism would be lifted three years after Bulgaria joined the EU. Ten years later, those benchmarks have not been met and there has been a concern expressed that the benchmark system is not clear. As such, in January 2017, the Commission set out 17 clear steps that Bulgaria must take for the Mechanism to be lifted. As of yet, despite progress made, Bulgaria has not fully implemented any of the steps. Mr. Hristov indicated that to meet these steps, Bulgaria must undertake real reform, which is unlikely to happen with the current coalition government.

On the issue of migration, Mr. Hristov emphasized that the migrant crisis currently facing Europe took everyone by surprise and that the Commission has worked hard to ensure that member states abide by EU rules with respect to the refugee regime. In the Bulgarian context, the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (Frontex), has deployed 100 individuals to the Bulgaria-Turkey border, and the Commission has provided the country with €160 million in funding for training, improving conditions and equipment. He indicated that under EU rules, Bulgaria is obligated to take in 1,000 migrants and has so far taken 50. However, part of the reason for this low number is that despite the large numbers crossing the border, by the time applications are processed and accepted, migrants have already moved on to a different country.

Meeting with the Open Society Institute

The delegation began its second day with a presentation on the Catch Up Index from Mr. Gerogi Stoytchev, Executive Director, and Mr. Marin Lessenski, Program Director, of the Open Society Institute in Sofia. The Catch Up Index analyzes data to determine the extent to which the new ten post-communist EU member states are catching up with the older, Western EU members. The index uses 47 indicators to register the level of

convergence or divergence in four areas: economy, quality of life, democracy, and governance. In presenting the data, Mr. Lessenski highlighted the fact that although the newer member states are generally lower in the rankings, they are nonetheless progressing, particularly in terms of economic indicators. Governance and quality of life remain an issue in new member states, which is notable in that economic success is not necessarily translating into improved quality of life. Estonia and the Czech Republic are generally at the top of the rankings for the new member states, while Romania and Bulgaria still have a lot of headway to make in nearly every category. Bulgaria in particular has low levels of government debt but is not doing as well in social categories, such as education, life expectancy, inequality, risk of poverty and long term unemployment. It is interesting to note that some older member states are actually regressing and some are being surpassed by newer member states.

Mr. Stoytchev provided the delegation with some broader observations about the data and commented on the EU accession process – during the EU accession process countries have a tendency to make rapid progress, but after accession there is no real monitoring mechanism and it becomes hard for the European Commission to influence governance and democracy in member states (in contrast to its ability to regulate economic issues). He told the delegation that the importance of the Cooperation and Verification Mechanism for Bulgaria and Romania is fading and is sometimes even counterproductive. He noted that Transparency International ranks Bulgaria worst in the EU on its perception of corruption index. Institutions in Bulgaria need to become more accountable.

Meeting with the Confederation of Independent Unions

The delegation then met with representatives of the Confederation of Independent Unions, led by Mr. Plamen Dimitrov, President. Mr. Dimitrov noted that the Confederation of Independent Unions is the largest of two primary unions in Bulgaria. Approximately 20% of the Bulgarian workforce is unionized (about 300,000 workers), and 14% of that belongs to the Confederation of Independent Unions. In discussing the working population, Mr. Dimitrov elaborated on the demographic crisis in Bulgaria, and the labour shortages created by high levels of emigration. The country is ranked last in the EU for salaries, which are even lower than in other non-EU Western Balkan countries. Even if salaries are rising, the level remains low from an overall perspective. With respect to Bulgaria's flat 10% income tax on businesses and individuals, Mr. Dimitrov commented that he is not opposed to the corporate tax as it means that businesses can grow and will be transparent. However, the fact that there is no taxable threshold creates poverty among the working classes. He recommends implementing an untaxable threshold that is equivalent to the minimum wage.

Mr. Dimitrov noted that union membership declined between the early 1990s and early 2010s as the country's economy restructured, with an increase in privatization and closure of factories. In 1998, the country had an unemployment level of over 20%. However, since 2012, union membership has been on the rise. Since then, the union has been attempting to re-position itself in a fast changing environment with new emerging technologies. He commented that it is difficult to organize labour in new sectors, as it is sometimes hard to know who is a worker and who is an entrepreneur.

He noted that Bulgaria is facing a challenging digital gap in its population, with 35% who are very well trained, and 33% who have never used the internet.

On the issue of Brexit, Mr. Dimitrov commented that the negotiations were an important issue for the trade union movement. No matter the final outcome, free movement of people will change and both sides will ultimately lose. He noted that unions in the U.K. are worried that after Brexit, EU legislation and standards will no longer apply, which could have a potentially negative effect on social and labour rights in the country.

With respect to CETA, Mr. Dimitrov noted that the Confederation of Independent Unions is not radically opposed to the agreement – they have a moderate position because many of their concerns, particularly with respect to the investor state dispute settlement mechanism were met during the negotiation process. He does still have some concerns about public services – how will CETA affect the prices for water, etc? Bulgaria is a poor country so cannot afford to pay more. The agriculture industry in Bulgaria also receives less subsidies than in the rest of the EU and he is not sure whether this will be a problem into the future.

Meeting with the Deputy Minister of Foreign Affairs

The delegation then met with Her Excellency, Ms. Emilia Krалеva, Deputy Minister of Foreign Affairs, along with Mr. Harizan Harizanov of the Ministry's Directorate for Policies and Institutions of the European Union, and Ms. Tsveta Mineva, the Ministry's America's Desk Officer. Ambassador Krалеva began the meeting with a discussion of Bulgaria's upcoming Presidency of the EU, noting that it was a challenging time and listing some of the country's priorities. One of her primary focuses is on the Western Balkan neighbourhood. This is a logical choice for Bulgaria because of the need for security and stability in the region. She highlighted the importance of drawing the EU's attention to the region in the long term, despite current enlargement fatigue. Bulgaria aims to bring EU and Western Balkan leaders together as much as possible in the coming months.

This discussion of priorities followed with a larger overview of events in the Balkan region in recent years, with a number of pro-EU governments now in place in countries such as Macedonia, Serbia and Albania. Bulgaria and Macedonia recently signed a friendship treaty as well, which was an important step in their bilateral relationship. Ambassador Krалеva nevertheless expressed concern about the situation with respect to Kosovo, which is not yet recognized by all countries in the EU and has a long way to go towards EU integration.

In response to questions, Ambassador Krалеva and Mr. Harizanov discussed current EU initiatives with respect to managing migration, emphasizing the importance of border control, burden sharing, and ensuring protection for migrants while they await decisions on their files. Ambassador Krалеva noted that despite the fact that Bulgaria is a front line nation with respect to migration, the situation is not currently very problematic – the country remains vigilant and recognizes the importance of the EU-Turkey agreement with respect to migration management.

With respect to Canada-Bulgaria relations, Ambassador Krалева emphasized Bulgaria's support for CETA and the importance of cooperation through forums such as NATO. She expressed hope for a foreign minister bilateral meeting in the near future.

Meeting with Telus International Europe

The delegation then visited Telus International Europe, a multilingual contact centre, business process outsourcing and information technology outsourcing provider – and a Canadian company. Mr. Xavier Marcenac, President, gave the delegation an overview of the evolution of the company's expansion into Eastern Europe, with 3,700 employees now across Bulgaria and Romania. The company aims to be a premium service provider, currently operating in 35 languages and serving customers across Europe.

Mr. Marcenac and his colleagues told the delegation about the company's corporate social responsibility initiatives, and emphasized the positive working environment that Telus provides, with access to a variety of facilities (such as a gym) and services (such as free shuttles for night shifts, massages, a psychologist) for employees, and generous salaries that are five times the minimum wage in Bulgaria. He noted that Telus International Europe has a highly skilled workforce, but that more and more skills are needed as the company expands. There is a significant focus on career development at Telus. The delegation was informed that the average age of employees at the company is 24 to 26, and that two-thirds of these are Bulgarians. One of the major problems that the company faces is high turnover, including the fact that their most highly qualified employees often leave for opportunities abroad. The company is currently trying to attract Bulgarians who may have emigrated with relocation bonuses.

The delegation concluded the meeting with an extensive tour of the Telus International Europe facilities.

Meeting with Ms. Denica Zheleva, Advisor to the Prime Minister on Foreign Policy and EU Affairs

The delegation then sat down with Ms. Denica Zheleva, the Prime Minister's Advisor on EU Affairs. Ms. Zheleva emphasized the importance of the delegation's visit and the great potential for further developing Canada-Bulgaria relations. She expressed confidence that CETA would be ratified in the Bulgarian parliament in the coming months.

Responding to questions from the delegation about Bulgaria's upcoming Presidency of the Council of the EU, Ms. Zheleva emphasized the high level of enthusiasm about the EU and EU institutions in Bulgaria compared to some other member states, noting that joining the EU was one of the best things that has happened to the country in recent years, particularly emerging from Communist rule. She highlighted the fact that since the Treaty of Lisbon, the European Council has most responsibility for the day-to-day management of the EU. By contrast, the Presidency of the Council of the EU is an opportunity for member states to showcase their own country and to bring attention to issues that might not otherwise make it to the EU agenda. In the case of Bulgaria, the Presidency will be an opportunity to focus on the Western Balkan region, as well as to further the digital agenda. In Bulgaria, digital inequality is a real issue – 40% of the

workforce does not have basic computer skills and some government ministries are still not digitized.

Ms. Zheleva also discussed energy security and the need for diversification of energy sources and routes, given that 97% of Bulgaria's energy currently comes from Russia. Increasing the number of interconnectors across Europe is a real priority. Bulgaria also may one day be able to exploit natural gas resources in the Black Sea, and is already expanding its use of renewable energy sources, while moving away from nuclear energy.

In response to a question about North Korea, Ms. Zheleva highlighted the fact that Bulgaria is one of the only EU member states with a diplomatic relationship with North Korea and attempts to maintain some form of dialogue despite the challenges. In this context, she emphasized the importance of ensuring that China is at the table if real progress is to be made.

Meeting with Members of Civil Society Organizations

The delegation then held a closed door roundtable discussion with civil society organizations, including members of the media, a marketing and social research firm, and think tanks such as the Konrad Adenauer Stiftung, the Friedrich Naumann Foundation for Freedom, and the Center for the Study of Democracy. Topics discussed included migration; press freedom and the evolution of media; income levels, unemployment, emigration of skilled youth, and the state of Bulgaria's economy; and corruption in the country.

Reception hosted by the Embassy

The second day closed with a reception hosted by Ambassador Hamilton and the Canadian embassy, where delegates continued conversations with many of the individuals that they had met throughout the mission, as well as some who had been unable to attend the meetings over the previous days.

Tour of Dundee Precious Metals

On its last day of the mission, the delegation, accompanied by Mr. Duggan, visited Dundee Precious Metals' operations in Chelopech. Dundee Precious Metals is a Canadian-based international mining company with operations in Bulgaria. The delegation began with a presentation by Mr. Iliya Garkov, General Director, and colleagues. The meeting was also attended by a number of officials from surrounding communities, as well as Bulgarian members of parliament representing various parties. Mr. Garkov provided the delegation with a technical overview of the gold mine's operations, including a discussion of the company's focus on environmental mitigation, safety initiatives, and corporate social responsibility initiatives in the surrounding community (including community investments, internship programs, health initiatives and sports events). The company currently has 1,250 employees at its two sites in Bulgaria. The gold mine in Chelopech was originally slated to close in 2010, but the company has thus far managed to extend its life. Mr. Garkov's presentation was followed by a tour and explanation of an above-ground site at the mine operation.

Meeting and lunch with the mayors of Chelopech and Chavdar

The operations of Dundee Precious Metals have transformed the communities around them, providing jobs and funding for infrastructure improvements (including by attracting EU funds). The Mayors of Chelopech and Chavdar hosted the delegation in their municipalities, explaining the benefits to the community from having the mine in the region. Nevertheless, the mine itself will not exist indefinitely and the communities are seeking alternative businesses to ensure that they can continue to thrive. The mayors encouraged the delegation to speak to Canadian businesses about the benefits of operating and investing in their region.

Meeting with the Minister for Bulgaria's Presidency of the Council of the EU

The delegation closed its mission to Bulgaria in a meeting with Ms. Lilyana Pavlova, Minister for Bulgaria's Presidency of the Council of the EU. Minister Pavlova provided the delegation with an overview of Bulgaria's priorities for the Presidency: representing the Western Balkan region in the EU, including by organizing a high level summit on EU-Western Balkan relations; focusing on connectivity, including the digital single market, energy and transport connectivity; focusing on immigration and security, including the defence union, border control, relocation of asylum seekers and working with Turkey; and looking to the future of Europe, particularly in the context of Brexit. She noted that no matter what, Bulgaria intends to expect the unexpected – giving the example of the current turmoil around the independence movement in Catalonia. In response to questions from the delegation, Minister Pavlova noted that Bulgaria's draft priorities are currently being discussed in parliamentary committees who will report back during a specific plenary session. She discussed the perspective of the current government with respect to the Presidency – even the nationalist members of the coalition support the government program in this regard. Despite some fears at the EU-level, she felt that the United Patriot ministers of Defence and the Environment would be supportive of EU and Bulgarian positions when they chaired key meetings during the Presidency.

With respect to the future of the EU, Minister Pavlova said that despite Brexit, or maybe because of it, the EU27 is more united than ever. However, she did highlight the tension between those member states who want a two speed Europe where different member states can integrate at different paces, and those that do not.

Minister Pavlova highlighted Bulgaria's pro-European position, given the benefits that it has derived since joining the EU. Nevertheless, Bulgaria still needs to move forward for convergence. On the issue of Bulgaria joining the Schengen zone, she commented that Bulgaria currently meets the criteria to join, with strong border security, while some who are within the zone do not meet the criteria and there are no measures to stimulate them into better compliance. She noted that significant reform was needed in the Schengen area. She also noted that Bulgaria is ready to join the Eurozone – Bulgaria's currency has been fixed to the euro for some time now.

Finally, on the issue of energy security and climate change, Minister Pavlova noted that Bulgaria's targets for renewables were fulfilled early but now costs have gone up and the price of such renewable energy is quite high. She noted that Bulgaria is not doing well in terms of energy efficiency measures, such as building maintenance and factories. The country also needs to focus on reducing CO2 emissions from vehicles.

She also discussed the South Stream project and noted that Bulgaria is a hub of sorts for the Balkan region – a crossroads between the Middle East and Russia.

PARTICIPATION IN THE FOURTH PART OF THE 2017 ORDINARY SESSION OF THE PARLIAMENTARY ASSEMBLY OF THE COUNCIL OF EUROPE

From 9 to 13 October, the delegation participated in the fourth part-session of the Parliamentary Assembly of the Council of Europe, for which Canada has observer status. The delegation was joined in Strasbourg by Mr. Alan Bowman, Deputy Head of Canada's Mission to the European Union and Canada's Permanent Observer to the Council of Europe.

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

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

- Progress report of the Bureau and the Standing Committee;
- Observation of the early parliamentary elections in Albania (25 June 2017);
- The activities of the Organisation for Economic Co-operation and Development (OECD) in 2016-2017;
- Follow-up to Resolution 1903 (2012): promoting and strengthening transparency, accountability and integrity of Parliamentary Assembly members;
- Evaluation of the partnership for democracy in respect of the Parliament of Jordan;
- The functioning of democratic institutions in Azerbaijan;
- Azerbaijan's Chairmanship of the Council of Europe: what follow-up on respect for human rights?;
- Call for a Council of Europe Summit to reaffirm European unity and to defend and promote democratic security in Europe;
- Defending the acquis of the Council of Europe: preserving 65 years of successful intergovernmental co-operation;
- Venice Commission's "Rule of Law Checklist";
- New threats to the rule of law in Council of Europe member States: selected examples;
- Debate under urgent procedure: The new Ukrainian law on education: a major impediment to the teaching of national minorities' mother tongues;

- Prosecuting and punishing the crimes against humanity or even possible genocide committed by Daesh;
- Current affairs debate: The need for a political solution to the crisis in Catalonia;
- The use of new genetic technologies in human beings;
- Promoting the human rights of and eliminating discrimination against intersex people;
- Youth against corruption;
- Free debate.

The Assembly also heard from the following speakers:

- Mr. Lubomír Zaorálek, Minister for Foreign Affairs of the Czech Republic and Chairperson of the Committee of Ministers;
- Mr. Angel Gurría, Secretary-General of the OECD;
- Mr. Miloš Zeman, President of the Czech Republic;
- Mr. Petro Poroshenko, President of Ukraine;
- Mr. Gianni Buquicchio, President of the European Commission for Democracy through Law.

In addition, votes were held to replace Mr. Pedro Agramunt, former President of the Assembly, who resigned on 6 October 2017. After three rounds of voting, Ms. Stella Kyriakides of Cyprus was elected President of the Assembly. She will remain in office until the opening of the next ordinary session in January 2018.

B. Canadian Activities during the Session

1. Overview

The members of the delegation actively participated in proceedings of the PACE, including plenary proceedings and committee meetings. The members also attended the meetings of the various political groups in the Assembly.

In addition, the delegation was briefed by Mr. Alan Bowman, and met with Mr. Gurría, Secretary-General of the OECD, as well as Mr. Bernd Kölmel, Head of the European Parliament's Delegation for Relations with Canada.

Finally, two members of the delegation travelled to Paris on 11 October to participate in the meeting of the OECD Global Parliamentary Network.

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

The delegation met with Mr. Bowman, Deputy Head of Canada's Mission to the European Union and Canada's Permanent Observer to the Council of Europe, on 9

October. Mr. Bowman began with an overview of Russia's current position with respect to the Council of Europe and PACE. Russia's voting rights at PACE were suspended in 2014 in response to the situation in the Crimea. As a result, Russia did not submit credentials for PACE in 2016 and 2017. This year, Russia asked the Council of Europe Secretary General what portion of its Council of Europe budget contribution went towards PACE. The Secretary General declined to provide a breakdown, and Russia consequently suspended further payment of its contribution to the entire Council of Europe budget in June. Russia has traditionally been one of the largest contributors to the Council of Europe's budget, thus leaving the organization with a significant shortfall for the current year.

Mr. Bowman continued with a general discussion of the Council of Europe's role on the international stage compared to the EU, highlighting the on-going importance of the European Court of Human Rights, the Council of Europe's capacity building work, and the importance of the Council of Europe as a forum for consideration of issues that might not otherwise be high on the EU or international agenda, such as bioethics or cybercrime. He noted that Canada is not very engaged in the Council of Europe because our aid policies tend to focus on poorer countries. Nevertheless, the Council of Europe is an important forum for following European issues and we are signatory to some Council of Europe conventions. As one example, he noted that a convention on the recognition of diplomas that Canada initially signed in the 1980s will soon be ratified – the agreement is likely to be tabled in Parliament soon.

With respect to CETA, Mr. Bowman noted that provisional application of the agreement seems to be having positive early results – seafood and lobster exports appear to be doing well. Nevertheless, Canada does not want to push countries to ratify CETA – they will soon see for themselves that some of the negative scenarios that were put forward by opponents to CETA are not materializing.

On the question of Brexit, Mr. Bowman discussed the current state of negotiations on the three primary issues: rights of citizens, financial commitment, and the border with Northern Ireland. He highlighted the fact that the EU wants to ensure that enough progress has been made discussing the terms of "divorce" over these issues before moving on to address a future relationship, while the U.K. wants to discuss both at the same time. Nevertheless, Prime Minister May does seem to be open to the possibility of a transition period during which the U.K. would continue to pay into the EU. Ultimately, Canada wants to be a good partner to both sides, but is unable to formally negotiate any trade deal with the U.K. until the country has exited the EU.

On the issue of the recent German election, Mr. Bowman noted the rise of more marginal parties in the country, particularly the rise of the AfD in Eastern Germany. This result can be linked to the former government's openness towards immigration; although anti-immigrant sentiment has always existed, Mr. Bowman noted that this movement's voice appears to be getting louder.

The delegation also discussed the upcoming current affairs and urgent procedure debates. Mr. Bowman highlighted comments made by the Minister of Foreign Affairs with respect to the independence movement in Catalonia that noted concern about reports of violence but emphasized the need for resolution through peaceful means

according to constitutional law. On the issue of Ukraine's education law, Mr. Bowman noted the various tensions surrounding the issue, emphasizing that Canada has welcomed Ukrainian initiatives to work closely with the Council of Europe and the Venice Commission in this regard.

In preparation for the delegation's interventions in the OECD debate and meeting with Mr. Gurría, Mr. Bowman highlighted the OECD's areas of expertise and current priorities, including backlash against trade, fragility of the world economy, interconnectedness, drivers of innovation, and sustainable development. On the issue of OECD expansion, he emphasized that Canada has a leadership role to play in ensuring the use of objective (as opposed to political) criteria as this expansion takes place.

3. Meeting with Secretary-General of the OECD

The delegation met with Mr. Gurría, Secretary-General of the OECD, on 10 October as part of the enlarged debate on the activities of the OECD. Mr. Gurría highlighted a number of reports relevant to Canada that had been published by the OECD over the past year. He and the delegation exchanged views on a number of issues, including CETA and current challenges associated with the North America Free Trade Agreement (NAFTA). Mr. Gurría felt that CETA provided a powerful and positive message to a world that seems to be challenging free trade in a number of ways. The delegation emphasized the importance of consultation and ensuring that such trade agreements are tied to political agreements as well, so that trade is not seen in isolation from other issues.

The delegation and Mr. Gurría went on to discuss issues of income inequality, linked to the labour market, culture and education; and the problem of regional disparities in terms of housing affordability in Canada and other countries. On the issue of immigration, Mr. Gurría noted that Canada does not have the demographic challenges faced by some other countries because it has immigration policies that encourage sustainable absorption – he noted that Canada has one of the highest percentages of people in the workforce that are not born in Canada. The country manages to get the best out of immigrants, and make them comfortable while avoiding the ghettoization that has become a problem in other countries in Europe. He recognized that the Syrian immigrants that Canada has accepted are generally better educated than the migrants arriving in the EU. Nevertheless, Mr. Gurría emphasized that the OECD believes that migration pays for receiving countries. In this vein, Mr. Gurría also highlighted the importance of early childhood education, as it allows mothers to re-enter the workforce and helps children perform better in school in the long term.

4. Meeting of the OECD Global Parliamentary Network

On 11 October, the head of delegation, Mr. Scott Simms, and Senator David Wells attended the meeting of the OECD Global Parliamentary Network in Paris. Secretary-General Gurría opened the session and outlined the main themes of the day.

The first session explored key insights from the OECD Digital Economy Outlook 2017 which focused on how digital transformation is affecting economies and societies. Mr. Dirk Pilat, Deputy Director, Science, Technology and Innovation presented an overview

of converging trends, policy developments and data on both the supply and demand sides of the digital economy, and illustrated how digital transformation works for growth and well-being. He also emphasized the importance of providing policy makers with the tools needed to develop whole-of-government digital strategies and foster effective cooperation across countries. This requires connectivity and strengthens skills for all citizens, while effective use of advanced technology and solid strategic coordination help overcome the gap between technology and policy development. Security and privacy were noted as a growing challenge.

The second session focused on the Integration of migrants – Case studies. Integrating immigrants and their children is a major policy concern for many OECD countries. It was noted that more than one in five persons in the OECD is either foreign-born or native-born with at least one immigrant parent – and this proportion is expected to grow further. However, outcomes for immigrants lag behind those with native-born parents in all major areas of integration, including the labor market, education and social inclusion. It was highlighted that immigrants tend to gather in urban and capital city-regions; two-thirds of the foreign-born population in the OECD live in urban areas on average, while asylum seekers seem to be more evenly distributed. It was noted that tackling barriers to integration is essential to ensure social cohesion and the acceptance of further immigration by the host country population, taking into account the variety of local situations. Participants summarized the main challenges and good policy practices to support the lasting integration of immigrants and their families.

As part of this session, Mr. Simms was invited to talk about Canada's unique history of migration and presented success stories from his home province, Newfoundland and Labrador. The presentation demonstrated how effective integration policies can enrich provinces economically, socially and culturally, enabling better lives for people and a wealth of opportunities for development.

The third session dealt with the Public sector innovation and co-creation. In this interactive session, parliamentarians highlighted the role they can play in public sector innovation, reflecting on their role as drivers of policy change. Mr. Marco Daglio, Project Manager, Observatory for Public Sector Innovation, presented feedback from the different working groups.

The last session dealt with the OECD Action Plan to prevent ageing unequally. Mr. Stefano Scarpetta, Director of Employment, Labour and Social Affairs; and Mr. Hervé Boulhol, Senior Economist, discussed on how the two global trends of population ageing and rising inequality have been developing and interacting, both within and across generations. A new report entitled: "Preventing Ageing Unequally" outlined a life-course perspective, showing how inequalities in education, health, employment and income interact, and can result in large lifetime disparities across different groups. The discussion focused on a policy agenda for more inclusive ageing to prevent, mitigate and cope with inequalities and ensure a better retirement for all, with policies coordinated across family, education, employment, social ministries and agencies. A series of key elements were outlined to prevent inequality before it cumulates over time: promoting a good start in working life, breaking the links between socioeconomic disadvantages and health status, limiting the impact of job losses and combatting long-term unemployment, providing equal opportunities for worker to upgrade their skills,

moving towards a unified pension framework for all workers, and removing barriers to retain and hire older workers. The OECD is currently planning a series of meetings on this topic. A progress report on the implementation of the Action Plan to prevent ageing unequally that was endorsed in June 2017 will be presented to Ministers in 2022.

5. Meeting with the Head of the European Parliament's Delegation for Relations with Canada

The delegation closed its mission to PACE in a meeting with Mr. Bernd Kölmel, Head of the European Parliament's Delegation for Relations with Canada, and Adam Isaacs, Head of the European Parliament's Transatlantic and G8 Unit. The meeting began with a discussion of the recent German elections and Chancellor Merkel's on-going negotiations to form a new governing coalition. Delegates then raised the issue of Bulgaria's future as part of the Eurozone. Mr. Kölmel's perspective is that the Eurozone is damaged and is only working because of the European Central Bank's actions to hold it together. His party feels that the Eurozone should become smaller moving forward. The current situation represents a bubble that may soon burst – the entire situation is having an impact on worker well-being and ultimately on democracy in the EU. Mr. Kölmel commented that Germany does not have a problem with being a net contributor to the EU, which has had many successes, such as the Schengen zone and cooperation on issues such as the environment. However, he does not think that it is helpful to keep on increasing the number of EU competencies. He wants Germany to have a voice in the future structure of the EU following from Mr. Juncker's white paper. According to Mr. Kölmel, what Europe needs is a small and efficient EU that is not taking on more and more roles. He noted that EU states need to be responsible for their own development, and that those states that cannot handle being in the Eurozone should drop the euro.

In response to questions from Mr. Kölmel, the delegation then discussed issues such as the mission to Bulgaria, highlighting the delegation's observations with respect to the demographic challenges, corruption and the initiative to work more closely with the Western Balkans; the current state of the NAFTA negotiations and Canadian concerns and priorities; and current issues with respect to migration, such as the influx of Haitian migrants across the Quebec border, political discussions concerning the Safe Third Country Agreement, and immigration to Canada's Atlantic provinces to mitigate the demographic challenges in that region. The meeting closed with a discussion of dates for future meetings, including the next inter-parliamentary meeting in Ottawa in May 2018.

C. Canadian Interventions in Assembly Debates

Mr. Scott Simms, Senator David Wells, Mr. David Tilson, and Mr. Nick Whalen participated in Assembly debates during the part-session, making eight interventions in debates and tabling three additional speeches on a range of broad topics. Links to the delegates' speeches are available on the PACE website.¹

1. Tuesday, 10 October 2017

¹ Parliamentary Assembly of the Council of Europe, Verbatim Records. [2017 – Fourth-part session](#).

Mr. Scott Simms delivered a speech on “The activities of the Organisation for Economic Co-operation and Development (OECD) in 2016-2017.” Mr. Nick Whalen was unable to speak, but tabled a speech on this topic.

Mr. Simms delivered a speech on “Follow-up to Resolution 1903(2012): promoting and strengthening transparency, accountability and integrity of Parliamentary Assembly members.”

2. Wednesday, 11 October 2017

Mr. David Tilson delivered a speech on “Call for a Council of Europe Summit to reaffirm European unity and to defend and promote democratic security in Europe.”

Mr. Whalen was unable to speak, but tabled a speech on “Defending the acquis of the Council of Europe: preserving 65 years of successful intergovernmental co-operation.”

Mr. Tilson was unable to speak, but tabled a speech on “New threats to the rule of law in Council of Europe member States: selected examples.”

3. Thursday, 12 October 2017

Mr. Whalen delivered a speech on “Prosecuting and punishing the crimes against humanity or even possible genocide committed by Daesh.”

Mr. Simms delivered a speech in the context of the current affairs debate on “The need for a political solution to the crisis in Catalonia.”

Senator David Wells, Mr. Whalen and Mr. Tilson also delivered speeches on “The use of new genetic technologies in human beings.”

Respectfully submitted,

Mr. Scott Simms, MP
Canada-Europe Parliamentary Association

Travel Costs

ASSOCIATION	Canada-Europe Parliamentary Association
ACTIVITY	Mission to the Republic of Bulgaria, the next country to hold the rotating Presidency of the Council of the European Union, and its participation at the Fourth Part of the 2017 Ordinary Session of the Parliamentary Assembly of the Council of Europe
DESTINATION	Sofia, Bulgaria and Strasbourg, France
DATES	4-13 October 2017
DELEGATION	
SENATE	Hon. Percy Downe, Senator Hon. David Wells, Senator
HOUSE OF COMMONS	Mr. Scott Simms, M.P. and Head of the delegation Mr. David Tilson, M.P. Mr. Nick Whalen, M.P.
STAFF	Ms. Guyanne Desforges, Association Secretary Ms. Laura Barnett, Association Advisor
TRANSPORTATION	54,885.40
ACCOMMODATION	16,525.48
HOSPITALITY	950.58
PER DIEMS	8,245.52
OFFICIAL GIFTS	355.60
MISCELLANEOUS	559.37
TOTAL	81,521.95