

Canada - Europe
Parliamentary Association



Association parlementaire
Canada - Europe

**Report of the Canadian Parliamentary Delegation of the
Canada-Europe Parliamentary Association to the
Council of Europe Parliamentary Assembly (PACE)**

to the

**Meeting of the Committee on Economic Affairs and
Development
London, United Kingdom
January 18-19, 2007**

and

**First Part of the 2007 Ordinary Session of the
Parliamentary Assembly of the Council of Europe
Strasbourg, France
January 22-26, 2007**

A delegation of two parliamentarians from the Canada-Europe Parliamentary Association travelled to London, United Kingdom to participate in a meeting of the Committee on Economic Affairs and Development. A delegation of three parliamentarians then participated in the First Part of the 2007 Ordinary Session of the Parliamentary Assembly of the Council of Europe in Strasbourg, France.

Report

I

Meeting of the Committee on Economic Affairs and Development London, United Kingdom January 18-19, 2007

The Hon. Yoine Goldstein, Senator, and the Hon. Geoff Regan, M.P., travelled to London, England, to the annual meeting of the Committee on Economic Affairs and Development of the Parliamentary Assembly of the Council of Europe (PACE) at the European Bank for Reconstruction and Development (EBRD). They were accompanied by association secretary Philippe Méla and advisor Marcus Pistor.

The purpose of this annual meeting is to engage senior EBRD officials in discussions of ongoing and future EBRD activities in the transition economies of Central and Eastern Europe and the former Soviet Union. The results of the meeting and information provided by EBRD officials form the basis of the Committee's annual report on the EBRD, which in 2007 will examine the Bank's involvement in eastern and south-eastern Europe. The report will be debated at the June PACE session in Strasbourg.

During their visit to London, the Canadian delegation was briefed by the new Canadian director at the EBRD on the Bank's role in building market economies and democracies. It also participated in a regular committee meeting and in a visit to Lloyd's of London to learn about and discuss the challenges facing the insurance industry, globally and in Europe.

A. The EBRD

The European Bank for Reconstruction and Development was founded in 1991 in the wake of the collapse of communist regimes in Central and Eastern Europe. Its purpose is “to foster the transition towards open, market-oriented economies in Central and South-eastern Europe, as well as in the successor states of the former Soviet Union, and to promote private and entrepreneurial initiative in those countries that are committed to the fundamental principles of multi-party democracy, pluralism and a market economy.”⁽¹⁾ The Bank provides project finance (equity, loans, and loan guarantees), primarily to the private sector, but also to governments in 29 countries. Mongolia is the newest EBRD country of operations, having been accepted in July 2006.⁽²⁾

The Bank’s mandate requires it to work only in countries committed to human rights and democratic principles. In addition, EBRD investments must reflect its commitment to strong corporate governance and respect for the environment. Specifically, the mandate states:

Every EBRD investment must

- help move a country closer to a full market economy: the transition impact;
- take risk that supports private investors and does not crowd them out; and
- apply sound banking principles.

Through its investments, the EBRD promotes

- structural and sectoral reforms;
- competition, privatization and entrepreneurship;
- stronger financial institutions and legal systems;
- infrastructure development needed to support the private sector; and
- adoption of strong corporate governance, including environmental sensitivity.

Functioning as a catalyst of change, the EBRD

- promotes co-financing and foreign direct investment;
- mobilizes domestic capital; and
- provides technical assistance.⁽³⁾

Canada is the eighth largest shareholder – tied with Spain and following the other G-7 countries and Russia – contributing 3.4% of the Bank’s capital. The Minister

of Finance is a Governor of the EBRD; and one of 23 Directors on the Board of Directors is appointed by the Canadian government.⁽⁴⁾

B. Briefing by Mr. André Juneau, Executive Director for Canada at the EBRD

The delegation received a very good briefing from André Juneau, who became the Director representing Canada and Morocco at the EBRD on October 1, 2006, and his advisor, Michelle Kaminski, on the Bank's role in building market economies and democracies. Mr. Juneau highlighted the uniqueness of the Bank as an international financial institution (IFI) not only committed to supporting private sector development, but with an explicit political mandate to support the transition of countries to democratically governed market economies. In addition, the EBRD has a clear environmental mandate. Mr. Juneau noted that implementing this mandate poses diverse challenges, especially given that the countries of operation differ greatly. He went on to provide an overview of the Bank's investment activities in different economic sectors and noted that the "EBRD also promotes transition through policy dialogue, technical assistance [and] legal transition work."

Next, Mr. Juneau discussed changes in the EBRD's focus and programming as a result of its new strategic directions approved by the May 2006 Annual General Meeting, which "define the Bank's transition objectives, operational activities, risk management, financial performance and resource requirements:"

- "The EBRD committed to phasing out assistance to the eight advanced transition economies, which joined the European Union in May 2004 (i.e., the EU-8) by 2010. The Bank also committed to the closure of some field offices in these countries. To this end, the Bank has recently proposed to close three regional offices in Estonia, Latvia and Czech Republic by the end of 2007."
- "As the Bank shifts its operations away from Central Europe to less advanced transition countries in South-Eastern Europe and the former USSR that have weak institutional capacity (financial, economic, legal), it is adapting its core banking activity to evolving transition challenges and business environments."⁽⁵⁾

Under the Third Capital Resources Review (CRR3) agreed to last year, the shift in EBRD focus from advanced transition countries – specifically those that joined the European Union in 2004 and 2007 – to early and intermediate transition countries in South-Eastern Europe and the former Soviet Union will manifest itself in the Bank’s portfolio as follows:

Shift in the EBRD portfolio’s geographic composition (2001-2010)⁽⁶⁾

	Capital Resources Review 2		Capital Resources Review 3	
	2001	2005	2006	2010
EU-8* + Croatia	42%	28%	24%	13%
South-Eastern Europe, former Soviet Union (except Russia), Mongolia	40%	45%	49%	52%
Russia	18%	27%	27%	35%

*EU-8 = Hungary, Estonia, Czech Republic, Poland, Slovak Republic, Lithuania, Latvia, Slovenia.

This shift – in particular to Russia as by far the largest recipient of EBRD investment – brings with it significant risks that the Bank will have to address. According to Mr. Juneau, this will be a major debate within the EBRD, which is only just beginning. In response to questions from Senator Goldstein and Mr. Regan regarding growing concerns about the future of democracy in Russia and about the fact that Russia’s transition rating had declined, Mr. Juneau noted that there was much discussion in Europe about how to deal with Russia, especially if tendencies of growing political violence, economic concentration and increasing state control of the media were to continue. He pointed out that the EBRD can offer only relatively crude levers for fostering democratization and the rule of law – specifically though Article 1 which states that “the purpose of the Bank shall be to foster the transition towards open market-oriented economies and to promote private and entrepreneurial initiative in the Central and Eastern European countries committed to and applying the principles of multiparty democracy, pluralism and market economics.”⁽⁷⁾ However, this does allow the EBRD to limit its operations in countries that do not conform to these criteria. Mr. Juneau also pointed to the Bank’s focus on private sector development and noted that it will not do business with state-owned companies that have taken over private sector firms. As a result, EBRD involvement in Russia and other transition economies tends to work for greater market-driven development and against efforts to increase state control over the economy.

Finally, Mr. Juneau discussed ways in which the EBRD works with Canadians, including through consulting assignments, procurement opportunities and co-financing of projects with Canadian financial institutions. He noted the Bank's role as a business partner for Canada, referring specifically to nine projects with Canadian sponsors. He also explained the EBRD's role in delivering government programming with significant funds provided by the Canadian International Development Agency (CIDA) for bilateral and multilateral technical assistance in EBRD managed funds and by the Department of Foreign Affairs and International Trade (DFAIT) for supporting nuclear safety at the site of the 1986 Chernobyl nuclear catastrophe and in North West Russia, where nuclear submarines are being decommissioned.

For more information about Canada's involvement in the EBRD, see the annual "Report on Operations Under the European Bank for Reconstruction and Development Agreement Act," prepared by the International Trade and Finance Branch of the Department of Finance Canada.⁽⁸⁾

C. Meeting of the PACE Committee for Economic Affairs and Development with EBRD Officials

Committee meetings with EBRD officials featured a full agenda. Parliamentarians and staff also had the opportunity to engage in informal discussions with EBRD officials during a luncheon hosted by the Bank.

Program for Meetings with Senior EBRD Officials

- | | |
|-------|--|
| 09:30 | Welcome
Nigel Carter, Deputy Secretary-General of the EBRD |
| 09:45 | EBRD Russia activities and prospects for the 2007 Annual General Meeting in Kazan
Alain Pilloux, Business Director, Central Europe and Russia |
| 10:15 | World economic overview with particular reference to EBRD area of operation
Erik Berglof, Chief Economist, EBRD |
| 11:00 | Latest developments in EBRD evaluation work
Fredrik Korfker, Chief Evaluator, Evaluation Department |
| 11:45 | Role of Turn Around Management & Business Advisory Services Programmes
Charlotte Salford, Director TAM & BAS Programmes |
| 12:20 | Summing-up by Chairman |

The detailed, informative presentations by EBRD officials (information about each topic is available on the EBRD Web site⁽⁹⁾) were followed by discussions with Committee members. In the exchange on the EBRD's involvement in Russia, which occupied much of the morning's meeting with EBRD officials, participants raised a number of issues, including the potential impact of EBRD investments on Russia's transition to a market economy; the need for increased EBRD investments in Russia in light of Russia's surpluses as a result of rising energy prices; the urgent need to improve the

efficiency of the Russian energy sector; concerns about the perceived tendency towards greater concentration of economic and political power and the possibility of the EBRD limiting investments in Russia because of that country not meeting the political criteria of the Bank's mandate; the possibility of developing a tourism industry in Siberia; the need to combat money laundering; and the Sakhalin II oil and gas project.

In the discussion of global economic developments, specifically in the EBRD area of operations, EBRD Chief Economist Erik Berglof was asked about fiscal and monetary instruments for dealing with inflationary pressures in transition countries; the transition prospects in Mongolia, the Bank's newest country of operation; the developing of adequate financial mechanisms in many countries; and about the assumed or possible relationship between support for market economies and support for democracy. Finally, the discussion on Turn Around Management & Business Advisory Services (TAM & BAS) Programmes focused on funding for these programs; mechanisms used to and the extent to which they promote the involvement of women in business; the possibility of losing staff and consultants to private sector firms; the relationship between the EBRD and TAM & BAS Programmes; and the administrative costs of these programs.

D. Meeting of the PACE Committee for Economic Affairs and Development

Following the meetings with EBRD officials, the Committee held a regular meeting that began with a discussion of possible elements of the report on "The European Bank on Reconstruction and Development: focus on southern and eastern Europe," on the basis of an outline presented by the rapporteur, Mr. Gasóliba (Spain). The committee also discussed a draft report on "The need for a Council of Europe Convention on the suppression of counterfeiting and trafficking in counterfeit goods" and an opinion on a report by the Committee on Migration, Refugees and Population on "The situation of migrant workers in temporary employment agencies," to be debated during the winter session of PACE. However, the main focus of the meeting was the Political Affairs Committee's report on "Peril of using energy supply as an instrument of political pressure," for which Mrs. Veenendaal (Netherlands) had prepared an opinion.⁽¹⁰⁾

E. Non-EBRD Committee Activities: Visit to Lloyd's of London

Finally, the Committee visited Lloyd's of London, "the world's leading insurance market providing specialist insurance services to businesses in over 200 countries and territories" (insurances are underwritten by over 60 syndicates at Lloyd's).⁽¹¹⁾ Members were given a tour of the Lloyd's building and heard presentations from two senior representatives on Lloyd's and global insurance markets and on "The challenges facing the European insurance industry."

Program

- 2:30 p.m. Welcome by Dr. Richard Ward, Chief Executive Officer, Lloyd's
- 2:40 p.m. Tour of Lloyd's
- 3:30 p.m. Presentation on Lloyd's by Julian James, Director of Worldwide Markets, Lloyd's
- 4:10 p.m. Presentation on "The challenges facing the European insurance industry" by Alastair Evans, Head of Government and International Regulatory Affairs, Lloyd's

II

First Part of the 2007 Ordinary Session of the Parliamentary Assembly of the Council of Europe Strasbourg, France January 22-26, 2007

A delegation of three parliamentarians from the Canada-Europe Parliamentary Association travelled to Strasbourg to participate in the winter session of the Parliamentary Assembly of the Council of Europe (PACE), in which Canada holds observer status along with Israel and Mexico. The delegation was led by Association president the Hon. Lorna Milne, Senator, and included from the Senate the Hon. Yoine Goldstein and the Hon. Colin Kenny. The delegation was accompanied by association secretary Philippe Méla and advisor Marcus Pistor, and was joined in Strasbourg by Laurette Glasgow, Permanent Observer of Canada to the Council of Europe, and Francois LaRochelle, Deputy Permanent Observer of Canada to the Council of Europe.

A. Overview

The winter session featured a full order of business,⁽¹²⁾ with the re-election of its President, Mr. René van der Linden, the election of committee chairpersons and a wide range of topics debated in committees,⁽¹³⁾ political groups,⁽¹⁴⁾ and in the Assembly.⁽¹⁵⁾ The Assembly held regular debates on the following topics:

- Progress report of the Bureau of the Assembly and the Standing Committee;
- Sexual assaults linked to “date-rape drugs”;
- Child victims: stamping out all forms of violence, exploitation and abuse;
- Peril of using energy supply as an instrument of political pressure;
- Honouring of obligations and commitments by Armenia;
- Current situation in Kosovo;
- Agriculture and illegal employment in Europe;
- The situation of migrant workers in temporary employment agencies;
- HIV/AIDS in Europe;
- A future for HIV/AIDS children and AIDS orphans;
- The spread of the HIV/AIDS epidemic to women and girls in Europe;
- Honouring of obligations and commitments by Albania;

- Towards responsible food consumption; and
- The precautionary principle and responsible risk management.

The Assembly also convened a debate under urgent procedure on “Threats to the lives and freedom of expression of journalists” and a current affairs debate on “Threat to the European Court of Human Rights: urgent need for Russia to ratify Protocol No. 14” to the Convention for the Protection of Human Rights and Fundamental Freedoms, which would amend the control system of the Convention “to guarantee the long-term effectiveness of the European Court of Human Rights ... , so that it can continue to play its pre-eminent role in protecting human rights in Europe.”⁽¹⁶⁾ Finally, the Assembly heard from several political leaders:

- Terry Davis, Secretary General of the Council of Europe, on the state of the Council of Europe;
- His All Holiness Ecumenical Patriarch Bartholomew I;
- Ann M. Veneman, Executive Director of UNICEF, in the debate on “Child victims: stamping out all forms of violence, exploitation and abuse”;
- H.R.H. Princess Caroline of Hanover, President of the World Association of Children’s Friends (AMADE), in the debate on “Child victims: stamping out all forms of violence, exploitation and abuse”;
- Thomas Hammarberg, Council of Europe Commissioner for Human Rights, in the debate on “Child victims: stamping out all forms of violence, exploitation and abuse,” and in the joint debate on “HIV/AIDS in Europe,” “A future for HIV/AIDS children and AIDS orphans,” and “The spread of the HIV/AIDS epidemic to women and girls in Europe”;
- Guy Verhofstadt, Prime Minister of Belgium;
- Martti Ahtisaari, Special Envoy of the Secretary-General of the United Nations for the future status process for Kosovo, in the debate on “The current situation in Kosovo”;
- Kostas Karamanlis, Prime Minister of Greece; and
- Fiorenzo Stolfi, Minister for Foreign Affairs of San Marino and Chairperson of the Committee of Ministers, who presented a communication from the Committee of Ministers to the Parliamentary Assembly.

Transcripts and summaries of the debates, the reports discussed, and the resolutions and recommendations adopted are available on the Parliamentary Assembly’s Web site: <http://assembly.coe.int/>.

B. Canadian Activities during the Session

Canadian delegates participated actively in meetings of committees – Political Affairs; Environment, Agriculture and Local and Regional Affairs; Economic Affairs and Development; Social, Health and Family Affairs – and a political group – the Alliance of Liberals and Democrats for Europe (ALDE) . The delegation met for the first time with Laurette Glasgow, Canada’s recently appointed Permanent Observer to the Council of Europe, and François LaRochelle, her deputy. It also held its regular meeting with the Mexican observer delegation and an exchange of views with Terry Davis, Secretary-General of the Council of Europe. Two Canadian delegates made interventions in Assembly debates, and delegates and staff used the opportunity to meet with delegates from other countries and PACE staff to discuss a range of issues of common interest.

In a meeting of the Committee on the Environment, Agriculture and Local and Regional Affairs, which recently concluded a study on Canada’s seal hunt, Senator Milne presented her letter to the PACE Standing Committee, in which she raised serious concerns about the recommendation on seal hunting adopted in November and about the process by which the Standing Committee had amended the recommendation against the will of the environment committee (see appendix). At her request, the Committee agreed to accept the letter as an official document and to distribute it widely to relevant PACE committees and members. The Committee also instructed its chair to write a letter to PACE President van der Linden expressing its grave concerns about the way the discussion in the Standing Committee was conducted and about the fact that Canadian observers were not invited while representatives of non-governmental organizations opposed to the hunt were present.

During the meeting with Terry Davis, Secretary General of the Council of Europe, several topics were discussed, including the current political situation in Canada, the issue of secret and illegal detention of terror suspects by the CIA in Europe, prospects for Protocol 14 to the Convention for the Protection of Human Rights and Fundamental Freedoms, the budgetary situation of the Council of Europe, and Canada’s involvement in the Council. The latter had apparently also been the subject of discussions at a recent meeting of the Secretary General with Laurette Glasgow, Canada’s new Permanent Observer to the Council of Europe. The meeting with Terry Davis also provided an opportunity for delegates to discuss opportunities for enhanced Canadian involvement in the Council with his staff and with a representative of the Mexican mission in Strasbourg.

Canadian delegates contributed to two Assembly debates. Senator Milne made a written intervention in the debate on “Child victims: stamping out all forms of violence, exploitation and abuse,” in which she expressed strong support for the rapporteur’s call to action to do “everything possible to protect children against the different forms of violence, exploitation and abuse.” She noted that children are still not respected “as human beings with full human rights.” This has been evident also in Canada where Parliament has not yet adopted legislation “to protect children more effectively from corporal punishment,” such as that introduced by Senator Hervieux-Payette. Senator Milne added that creating “appropriate legislative and procedural instruments” and implementing them “with adequate resources” was only a first step and that, “if we are serious about ending violence, exploitation and abuse of children, we need to take a

comprehensive and multi-pronged approach to fighting all forms of violence, exploitation and abuse, across all policy areas and across jurisdictional divides.” This should include greater use of instruments such as the extraterritorial application of national laws and “the development and implementation of programs and policies aimed at addressing the structural causes of violence against children.” In concluding, Senator Milne called for a “3-P approach” to the fight against “all forms of violence, exploitation and abuse of children.” This would involve “prevention, protection of – and support for – the victims, and prosecution of those responsible.”⁽¹⁷⁾

In his intervention in the joint debate on “HIV/AIDS in Europe,” “A future for HIV/AIDS children and AIDS orphans,” and “The spread of the HIV/AIDS epidemic to women and girls in Europe,” Senator Goldstein congratulated the rapporteurs of the three reports. He lamented the fact that “the lack of respect for the human rights of vulnerable populations remains one of the primary factors of the spread of the pandemic.” As a result, the Assembly once again had to address this issue 24 years after becoming the first international body to do so. Senator Goldstein’s intervention focused on three issues. First, he described Canada’s domestic response to HIV/AIDS, noting the fact that more marginalized communities are disproportionately affected. He argued that, while the steady rise in new infections in recent years suggests “that prevention efforts may be failing [, some] interventions may nevertheless be succeeding: the needle exchange programs around the country and the safe injection site in Vancouver appears to be stimulating diminution of infections in those areas.” Second, he discussed Canada’s international efforts, including as a host of three International AIDS Conferences, as “one of the largest contributors to the Global Fund to Fight AIDS, Tuberculosis and Malaria, ... [as] the single biggest supporter of the WHO’s ‘Three by Five’ Programme,” and by championing “the cause of 100% debt relief for highly indebted poor countries” at the G8, which “offers many African countries the opportunity to devote their resources for fighting AIDS instead of paying off unsustainable debts.” In addition, Canada has taken a lead role in passing “legislation allowing the export of generic medications to implement the DOHA declaration on the WTO agreement on the trade-related aspects of intellectual property rights and public health.” Third, Senator Goldstein outlined what “the international community might consider doing in the face of the pandemic,” highlighting in particular the importance of taking an approach “inspired by the principles of harm-reduction and the protection of human rights,” as well as the need to “ensure that no resident of the world is denied access to medical treatment because of the cost of medication.”⁽¹⁸⁾

The complete text of their interventions, transcripts and summaries of the debates, the reports discussed, and the resolutions and recommendations adopted are available on the Parliamentary Assembly’s Web site: <http://assembly.coe.int/>.

Respectfully submitted,
Hon. Lorna Milne, Senator

III

Background: the Council of Europe

The Council of Europe is an intergovernmental organisation which aims:

- to protect human rights, pluralist democracy and the rule of law;
- to promote awareness and encourage the development of Europe's cultural identity and diversity;
- to seek solutions to problems facing European society (discrimination against minorities, xenophobia, intolerance, environmental protection, human cloning, AIDS, drugs, organised crime, etc.); and
- to help consolidate democratic stability in Europe by backing political, legislative and constitutional reform.⁽¹⁹⁾

Founded in 1949, the Council of Europe has now reached a membership of 46 countries from the Azores to Azerbaijan, and from Iceland to Cyprus. The Council's main objective is to promote democratic development and human rights, and to hold member governments accountable for their performance in these areas. However, it is also very active in fostering international cooperation and policy coordination in a number of other areas, including legal cooperation, education, culture, heritage, environmental protection, health care, and social cohesion. The Council of Europe is responsible for the development of over 190 European treaties and conventions in policy areas such as human rights, the fight against organised crime, the prevention of torture, data protection, and cultural co-operation. Many of these are open to non-member states. The Council's main institutions are the Committee of Ministers (the CoE's decision-making body, composed of member states' foreign ministers or their deputies), the Parliamentary Assembly, the Commissioner for Human Rights, the European Human Rights Court, and the Congress of Local and Regional Authorities.

The Parliamentary Assembly consists of 315 members and 315 substitutes, who are elected or appointed by the national parliaments of the 46 Council of Europe member states from among their members. The Assembly elects the Secretary General of the Council of Europe, the judges of the European Court of Human Rights and the Council's Commissioner for Human Rights. It is consulted on all new international treaties drafted by the Council, holds the Council and member governments accountable, engages in studies of a range of issues of common interest to Europeans, and provides a forum for debate for national parliamentarians. The Assembly has played an important role in the process of democratization in Central and Eastern Europe and actively monitors developments in member countries, including national elections. It meets four times a year in Strasbourg, with committee meetings taking place more frequently.⁽²⁰⁾ Council and Assembly decisions and debates are often reported widely in the European media and increasingly in North America.

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

Canada is an observer to both the Committee of Ministers, where it has participated actively in a number of policy areas (the other observers are the Holy See, Japan, Mexico, and the United States), and the Parliamentary Assembly (where the other observers are Israel and Mexico) ⁽²¹⁾

End notes

- (1) Department of Finance Canada, International Trade and Finance Branch, “Report on Operations Under the European Bank for Reconstruction and Development Agreement Act – 2005,” April 2006, <http://www.fin.gc.ca/EBANK/pdf/ebrd05e.pdf>.
- (2) “EBRD and Mongolia,” <http://www.ebrd.com/country/country/mongolia/index.htm>.
- (3) “About the EBRD,” <http://www.ebrd.com/about/index.htm>.
- (4) For information on Canada’s involvement in the EBRD see the Department of Finance’s “Report on Operations Under the European Bank for Reconstruction and Development Agreement Act – 2005,” April 2006, <http://www.fin.gc.ca/EBANK/pdf/ebrd05e.pdf>, and “The EBRD and Canada,” *EBRD Information*, <http://www.ebrd.com/pubs/factsh/investor/canada.pdf>.
- (5) Background briefing note provide by the Department of Finance, December 2007.
- (6) Data provided by Mr. Juneau. Also see: EBRD, “Capital Resources Review 3,” <http://www.ebrd.com/about/strategy/general/crr.pdf>.
- (7) *Agreement Establishing the European Bank for Reconstruction and Development*, <http://www.ebrd.com/pubs/insti/basics.pdf>.
- (8) The latest (April 2006) is available at: <http://www.fin.gc.ca/EBANK/pdf/ebrd05e.pdf>.
- (9) Information on each of these subjects is available on the EBRD Web site: <http://www.ebrd.com/>. Specifically:
 - “EBRD and Russia,” <http://www.ebrd.com/country/country/russia/index.htm>;

- 2007 Annual General Meeting in Kazan: “Annual Meeting & Business Forum,” <http://www.ebrd.com/new/am/index.htm>;
 - On the world economic overview with particular reference to EBRD area of operation, see: “Transition report 2006: Finance in transition,” Presentation by the EBRD’s Chief Economist, <http://www.ebrd.com/pubs/econo/6813present.pdf>;
 - The EBRD TurnAround Management (TAM) and Business Advisory Services (BAS) Programmes: <http://www.ebrd.com/apply/tambas/index.htm>; and
 - Evaluation: <http://www.ebrd.com/projects/eval/index.htm>.
- (10) Ms. Veenendaal’s document, as adopted by the Committee, is available at: <http://assembly.coe.int/Documents/WorkingDocs/Doc07/EDOC11132.htm>. The resolution on “Peril of using energy supply as an instrument of political pressure” (Resolution 1531), which was adopted by the Assembly in Strasbourg on 23 January 2007, is available at: <http://assembly.coe.int/Documents/AdoptedText/ta07/ERES1531.htm>.
- (11) Lloyd’s of London, <http://www.lloyds.com>.
- (12) The Order of Business is available at: http://assembly.coe.int/Sessions/2007/Agenda/ECALSES2007_1.PDF.
- (13) There are 10 standing committees dealing with substantive matters: the Political Affairs Committee; the Committee on Legal Affairs and Human Rights; the Committee on Economic Affairs and Development; the Social, Health and Family Affairs Committee; the Committee on Migration, Refugees and Demography; the Committee on Culture, Science and Education; the Committee on the Environment, Agriculture and Local and Regional Affairs; the Committee on Equal Opportunities for Women and Men; the Committee on Rules of Procedure and Immunities; and the Committee on the Honouring of Obligations and Commitments by Member States of the Council of Europe.
- (14) A political group is the equivalent of a parliamentary party or caucus. There are five political groups in PACE: the Socialist Group (SOC), the Group of the European People’s Party (EPP/CD), the European Democratic Group (EDG), the Alliance of Liberals and Democrats for Europe (ALDE), and the Group of the Unified European Left (UEL).
- (15) Regular Assembly debates focus on a draft resolution (a decision or statement by the Assembly) and/or recommendation (a proposal addressed to the Committee of Ministers), as well as an explanatory memorandum, which are prepared by a rapporteur for the relevant standing committee. The committee adopts – and usually amends – the resolution prior to the Assembly debate. Assembly debates open with a statement from the rapporteur(s), followed by statements from representatives of the five political groups, after which the debate is opened to other speakers. Speakers have to register in advance. Speakers unable to participate in the debate due to time constraints can submit

their intervention in writing, so it becomes part of the official record.

“Recommendations contain proposals addressed to the Committee of Ministers, the implementation of which is within the competence of governments.”

“Resolutions embody decisions by the Assembly on questions, which it is empowered to put into effect or expressions of view, for which it alone is responsible,” http://assembly.coe.int/ASP/Doc/DocumentGuide_E.asp.

- (16) “Protocol No. 14 to the Convention for the Protection of Human Rights and Fundamental Freedoms, amending the control system of the Convention (CETS No. 194),” Explanatory Report, <http://www.echr.coe.int/NR/rdonlyres/1EC62EF1-E72F-4B6A-976C-7CBB22CFCAC8/0/Protocol14Explanatory.pdf>.
- (17) Report, 2007 Ordinary Session (First part), Third sitting, Tuesday 23 January 2007 at 10 a.m., Addendum, <http://assembly.coe.int/Documents/Records/2007/E/0701231000ADE.htm>.
- (18) Report, 2007 Ordinary Session (First part), Eighth sitting, Thursday 25 January 2007 at 3 p.m., Addendum 1, <http://assembly.coe.int/Documents/Records/2007/E/0701251500AD1E.htm>.
- (19) Council of Europe Web site, http://www.coe.int/T/E/Com/About_COE/. For a detailed discussion of the Council’s history and role, see The Council of Europe, 800 million Europeans, available on that Web site.
- (20) “The Assembly in brief,” <http://assembly.coe.int/Communication/Brochure/Bro01-e.pdf>.
- (21) Canadian officials from several federal government departments and agencies and from one provincial government participate in more than 20 meetings annually of committees, expert groups, and steering committees of the Council of Europe. Canadian parliamentarians attend all four parts of the annual session of the Parliamentary Assembly, as well as parliamentary committee meetings at the EBRD in London and the OECD in Paris.

Appendix

Letter to the PACE Standing Committee (January 2007)

**Association Parlementaire
Canada-Europe**



**Canada-Europe
Parliamentary Association**

Dear Colleague,

I am writing to you to express my deep disappointment about your decision at the meeting of the Standing Committee in November to adopt Recommendation 1776 on Seal Hunting as revised by several amendments, even though the Committee on the Environment, Agriculture and Local and Regional Affairs rejected these amendments. As I noted in my last letter to you, the Canadian observer delegation had grave concerns about the amendments: they did not reflect the evidence heard by the committee or the available scientific literature; they ignored the process by which the committee had arrived at the draft recommendation; and their aim was to bypass the work done by the Committee and restate the position expressed in the original and deeply flawed motion for recommendation that led to this study in 2004.

In deciding to support the amendments, the Standing Committee has sent a clear message to those involved in the study over the past two-and-a-half years, and especially to the Canadian observer delegation, that it is ready to take the easy road of going along with prevailing public opinion in Europe and giving in to the enormous pressure of well-funded lobbyists, while ignoring the outcome of a lengthy and thorough study conducted by a PACE committee. The result is a contradictory and biased recommendation that includes several factual errors. In our view, this does not reflect well on the organization.

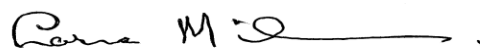
The willingness of the Standing Committee to endorse the NGO campaign against the Canadian harp seal hunt is troubling for other reasons as well. First, the Assembly has adopted a position that reflects a denial of the socio-economic realities of the lives of our Aboriginal peoples. It has accepted uncritically the assertions made commonly by the International Fund for Animal Welfare, the Humane Society of the United States and their allies that the Aboriginal seal hunt is completely different from the commercial harp seal hunt on Canada's East coast. They claim that the former is primarily a subsistence hunt with no commercial importance to Aboriginal communities in Canada and Greenland, and therefore that a European ban on the import of seal products would have no impact on them. In light of the availability of evidence to the contrary, this is an astonishingly naïve point of view that reflects a profound ignorance of the lives of our Aboriginal peoples. The Standing Committee's decision to support a ban is all the more troubling as the rapporteur's explanatory memorandum acknowledges that "a ban on seal hunting would nonetheless have an impact on aboriginal communities."

Second, the fact that the recommendation, as adopted, singles out the Canadian seal hunt, even though it is described by independent veterinarians as “professional and highly regulated by comparison with seal hunts in Greenland and the North Atlantic” and as having “the potential to serve as a model to improve humane practice and reduce seal suffering within the other hunts,” is hypocritical. Opposing the hunt is of course entirely legitimate, as is campaigning for animal welfare in general. But it seems that many European parliamentarians appear to be all too willing to score easy points on this highly emotional but geographically distant issue that will have no effect on their constituents, while ignoring issues closer to home. For example, the focus of the recommendation and report clearly is on Canada, an observer state, even though large numbers of seals are killed every year by hunters from Council of Europe member states in hunts that are far less regulated, managed and monitored.

Finally, in adopting the amended recommendation, the Standing Committee has shown no concern whatsoever for the impact a ban on the trade and use of seal products would have on the sealers, their families and others dependent on the commercial harp seal hunt. Arguments regarding the social, economic and cultural importance of the harp seal hunt on Canada’s East coast have conveniently been ignored or dismissed. The fact that thousands of people make a living by hunting and processing seals and that in many remote communities there are few if any alternative means of earning money seems irrelevant to the Standing Committee and, by extension, the Assembly. Considering the aims of the Council of Europe which reflect respect for human rights but also for cultural and regional diversity, I find that to be, frankly, an astonishing position.

As observers, we have worked hard to facilitate the study on seal hunting: We suggested expert witnesses for the hearing in 2004; we provided information, background document and detailed responses to draft reports; and we participated actively in all committee meetings in the course of this study. We did all this in the belief that a thorough examination of all aspects of the seal hunt would lead to an accurate and fair recommendation, and we appreciated the openness of the Committee on the Environment, Agriculture and Local and Regional Affairs to our participation. The decision of the Standing Committee to ignore these efforts makes all Canadian observers wonder why we take such an active part in the work of the Assembly, since, on a matter so intrinsically Canadian, so vitally important to our aboriginal peoples and to isolated communities of the Gulf of St. Lawrence and the North East coast of Newfoundland, our participation was, in the end, completely ignored and discarded.

Sincerely,

A handwritten signature in black ink, appearing to read "Lorna Milne", followed by a long horizontal flourish.

Lorna Milne, Senator
Chair, Canadian Observer Delegation

Travel Costs

ASSOCIATION	Canada-Europe Parliamentary Association
ACTIVITY	Meeting of the Committee on Economic Affairs and Development AND THE First Part of the 2007 Ordinary Session of the Parliamentary Assembly of the Council of Europe
DESTINATION	London, United Kingdom AND Strasbourg, France
DATES	January 18-19, 2007 AND January 22-26, 2007
SENATORS	Hon. Lorna Milne, Senator (Strasbourg) Hon. Yoine Goldstein, Senator (London/Strasbourg) Hon. Colin Kenny, Senator (Strasbourg)
MEMBERS	Hon. Geoff Regan, PC' MP (London)
STAFF	Mr. Philippe Méla, Association Secretary Mr. Marcus Pistor, Advisor
TRANSPORTATION	\$ 27,521.00
ACCOMMODATION	\$ 13,641.00
HOSPITALITY	\$ 0
PER DIEMS	\$ 4,618.00
OFFICIAL GIFTS	\$ 0
MISCELLANEOUS/REGISTRATION FEES	\$ 96.46
TOTAL	\$ 45,876.46