

MISSION TO EUROPE

**FINAL REPORT ON A MISSION BY
THE HONOURABLE HALVAR JONSON
MINISTER OF INTERNATIONAL AND INTERGOVERNMENTAL RELATIONS**

May 24 to June 4, 2003

OVERVIEW

The Honourable Halvar Jonson, Minister of International and Intergovernmental Relations, undertook a Mission to Europe from May 24 to June 4, 2003.

The purpose of the mission was two-fold:

- Advancing Alberta's position in international trade negotiations and
- Enhancing Alberta's relationship with Germany and the United Kingdom.

The Minister began his mission by focusing on international trade negotiations objectives for Alberta, through discussions with country delegations and organizations involved in international trade negotiations in Geneva, Switzerland and London, England.

During meetings with trade policy officials and ambassadors from various countries, the minister highlighted the great importance that the province places on significant reduction of trade distorting barriers and subsidies and expanded market access as an outcome in current and future negotiations within the World Trade Organization (WTO).

The London component of the mission also provided an opportunity for the Minister to highlight the potential for stronger relations between Alberta and the United Kingdom.

The Minister concluded his mission with several meetings in Dresden, Germany. Dresden is the capital city of the German Free State of Saxony.

Alberta and Saxony have a special relationship through a Cooperation Agreement signed between Alberta and Saxony in February 2002.

The Minister was able to meet with a number of government officials in Saxony. These meetings centred on exploring areas of cooperation and mutually-beneficial relationships that can continue being developed under the Cooperation Agreement.

The mission was successful in meeting its objectives, as outlined below:

MISSION OBJECTIVES

- Advance Alberta's position in the area of international trade negotiations, including emphasizing the priority the province continues to place on significantly reducing and removing trade distorting barriers and subsidies. The mission also focused on expanding market access and the need for the federal government to take a more aggressive approach in the current WTO Negotiations (Doha Round).
- Ensure these views in the area of international trade negotiations are clear to:
 - Government of Canada officials at the Permanent Mission to the WTO;
 - Representatives from other member countries of the WTO, and
 - WTO officials.
- Continue to lay the foundation for increased partnerships under the Alberta Saxony Cooperation Agreement.
- Explore a wide range of opportunities for the province to expand its contacts in the former East Germany.
- Promote the advantages the province offers foreign investors and entrepreneurs, including the potential for partnerships in biotechnology and manufacturing, which are expanding sectors in both Alberta and Saxony.
- Explore best practices in the area of how federalist political systems operate, since these systems are used by both Canada and Germany.



Honourable Halvar Jonson,
Minister of International and
Intergovernmental Relations

“Alberta has a keen interest in ongoing trade negotiations, particularly agriculture, market access for non-agricultural goods, trade in services, and trade remedies.”

“The Alberta-Saxony agreement sets the stage for our jurisdictions to identify opportunities for our public and private sectors, so we can enjoy the benefits of an enhanced economic, social, and cultural relationship.”

MISSION RESULTS

Geneva, Switzerland

May 24 to 28



The following results were achieved in Geneva, Switzerland:

Meeting with officials from the Permanent Mission of Canada to the WTO:

- Government of Canada trade policy officials met with Minister Jonson to provide the federal government's perspective on agriculture, trade in services, trade rules, and dispute settlement in the WTO. Canadian government officials also discussed the federal government's view on prospects for the upcoming 5th Ministerial Conference in September 2003.
- Minister Jonson emphasized that Alberta has an interest in an ambitious outcome in the current agriculture negotiations taking place in the WTO. He urged federal government negotiators to take an aggressive approach in these negotiations. He noted that Alberta plans to attend the WTO Ministerial Conference in September.
- The Minister also indicated that Alberta expects federal negotiators to address issues of concern to the province because of the significant role provinces play implementing trade agreements and because these negotiations affect key economic sectors in Alberta.

Meetings with trade policy officials from the WTO:

- Minister Jonson met with senior trade policy officials from the WTO to discuss a wide-range of issues including:
 - Agriculture;
 - Trade remedy rules;
 - The General Agreement on Trade in Services (GATS), and
 - The prospects for civil society and parliamentarian participation in the upcoming Ministerial Conference in September 2003.
- The Minister advised officials of the Alberta position regarding key areas in the current WTO Negotiations (Doha Round).
- The Minister gathered information on bovine spongiform encephalopathy (BSE) by speaking with individuals involved in the operations of the WTO Sanitary and Phytosanitary Committee. He had the opportunity to learn how members of this committee have dealt with instances of BSE in the past.
- The Minister also emphasized Alberta's position/response to BSE.

Meeting with representatives from other WTO Member Countries:

- Minister Jonson exchanged views with ambassadors from other member countries of the WTO:
 - Ambassadors were asked their views on the progress of current WTO Negotiations.
 - Alberta's positions and priorities in these negotiations were promoted, particularly that agriculture negotiations must go further in several areas, including a more ambitious approach to the elimination of export subsidies, the reduction of trade distorting payments some other countries have, enhanced market access for all countries for their agricultural exports, and greater discipline on the use of trade remedy laws.

QUICK FACTS

The WTO is the only international organization dealing with global rules of trade between nations.

The WTO was created during negotiations in the 1986-1994 Uruguay Round.

The 5th Ministerial Conference is scheduled to be held in Cancun, Mexico in September 2003.

London, England
May 28 to June 1



The following results were achieved in London, England:

- The Minister met with Canada's Deputy High Commissioner, as well as with senior officials from the United Kingdom Department of Trade and Industry.
- During this meeting, perspectives on trade policy issues were discussed, specifically progress regarding the current WTO Negotiations (Doha Round).
- The Minister reinforced international trade policy priorities for Alberta, including its long-standing position in favour of trade liberalization and the anticipated benefits for the province from a successful conclusion to this round of WTO Negotiations.
- The Minister met with officials from the House of Commons and House of Lords to discuss parliamentary matters.

Dresden, Germany
June 1 to 4



The following results were achieved in Dresden, Germany:

- In meetings with political leaders from the Free State of Saxony, the Minister discussed ways to build on the Cooperation Agreement. The Minister reiterated Alberta's strong desire to strengthen its ties with Saxony throughout his visit to Germany.
- Minister Jonson discussed economic reform and federalism with Saxony's Ministers of Economics, and Labour and Justice.
- The Minister also toured a biotechnology firm in Dresden. While there, he spoke with officials at the firm and discussed possible future cooperation in the area of the life sciences industry, since this sector is expanding rapidly in both Saxony and Alberta.
- The Minister had the opportunity to speak with the State Secretary for Olympic Affairs. These discussions took place in the context of preparations by the city of Leipzig, Saxony to bid for the 2012 Summer Olympic Games. The Minister suggested that those preparing the bid contact those who prepared the bid and hosted the 1988 Winter Olympic Games in Calgary and the 2001 World Track and Field Championships in Edmonton.
- The Minister extended a personal invitation on behalf of Premier Klein to Saxony's Minister-President to visit Alberta in the coming year.

* Highlights from Minister Jonson's itinerary can be found at the web site www.gov.ab.ca/acn/200305/14449.html

QUICK FACTS

Trade and tourism are strong links between the Alberta and Britain economies. Revenue generated from British tourists to Alberta exceeds the value of goods exported from Alberta to Britain.

Britain was Alberta's seventh largest foreign trading partner and its largest trading partner in Europe in 2001.

Over 1.2 million Albertans trace their ancestry to England, Scotland, or Wales.

"Alberta, like Saxony, has a fast growing biotechnology industry. Since we share a common interest in this field, opportunities for partnership and cooperation between firms in our province and your area are abundant."

Minister Jonson's observations while at the biotechnology Centre of Excellence in Dresden

CONCLUSIONS

International Trade Policy:

- Alberta is a global player that relies on exports to foreign marketplaces. Forty per cent of the gross domestic product of the province is a result of international trade.
Industry and business in the province has benefited greatly from past steps to strengthen relations with and advance the international trade priorities of Alberta with international organizations such as the WTO.
Alberta, therefore, has a large stake in the outcome of international trade negotiations, particularly in agricultural trade, trade in services, and the development of trade rules and dispute settlement mechanisms.
- Alberta's ongoing commitment to participate in international trade negotiations, as well as its priorities in current and upcoming rounds of trade negotiations, were reiterated to officials involved in the WTO by the Minister.
- The Minister also gauged the position of other members of the WTO in anticipation of the upcoming Ministerial Conference in September 2003. Many of the matters that will be discussed affect areas of provincial jurisdiction. As such, it is important that the province stay informed and involved with international trade issues.
- During meetings with trade policy officials and ambassadors at the WTO, it was learned that the elimination of support subsidies for agricultural products appears to be receiving substantial support among members of the WTO.
Most countries appear to agree there is a high probability that export subsidies for agricultural products will be eliminated by the end of the current round of agricultural negotiations in the WTO.
This point is an important objective for Alberta in international trade negotiations and support for the elimination of export subsidies for agricultural products was stressed to officials involved in the WTO by Minister Jonson.

Alberta-Saxony Relationship:

- Alberta and Saxony have cooperated in several areas since February 2002. Meetings with key government and private sector business representatives are expected to enhance the positive momentum already generated in the relationship between Alberta and Saxony.
- The economic importance of the biotechnology industry is shared by Alberta and Saxony. The Minister's efforts to promote partnership in the life sciences sector is expected to result in expanded scientific cooperation in a variety of areas, which has the potential to benefit the industry in Alberta.
- Alberta's sincerity in its desire to continue strengthening its ties with Saxony was relayed to the government and private sector in Germany through offers to share information on initiatives such as the 2012 Summer Olympic bid by Leipzig.

"I am impressed with how quickly both our areas have embraced our partnership and begun to explore areas of cooperation. Our province remains excited about exploring partnerships as part of a relationship that will grow and blossom for many years to come."

Excerpt from Minister Jonson's discussions with ministers from the Government of Saxony

QUICK FACTS

Saxony is the most densely populated region in eastern Germany.

Saxony is known as a hub for trade between Eastern Europe and the European Union.

Alberta opened a trade office in Munich, Germany during the Team Canada Mission in February 2002.

Germans are the second largest ethnic group in Alberta.

EXPENSES

The expenses for Minister Jonson and his executive assistant were as follows (Cdn \$):

Accommodation / Meals:	\$ 12 030
Airfare:	15 700
Other ¹ :	<u>1 100</u>
TOTAL:	<u><u>\$ 28 830</u></u>

¹ Includes telephone charges, taxis, vehicle rental, and sundries.