



Department of Foreign Affairs
and International Trade
(Foreign Affairs)

Ministère des Affaires étrangères
et du Commerce international
(Affaires étrangères)

Canada



Departmental Performance Report

2004-2005

For the period ending
March 31, 2005



The Honourable Pierre S. Pettigrew
Minister of Foreign Affairs

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Overview



Section 1



The Honourable Pierre S. Pettigrew
Minister of Foreign Affairs

1.1 Minister's Message

As people who have always seen the world through a wide-angle lens, Canadians recognize the importance of being active abroad in order to grasp the opportunities of a global economy, while contributing to international peace, security and assistance. Given that we live in a rapidly changing world, Canadians know we must act decisively to ensure our ability to participate fully on the world stage, whenever our interests and values are involved.

This is precisely the intention behind the Government of Canada's efforts to refocus and reinvigorate Canadian international policy and global engagement. At the Department of Foreign Affairs and International Trade (*Foreign Affairs*), we are proud to be deeply involved in this effort, in keeping with one of the top priorities listed in our 2004-2005 *Report on Plans and Priorities*.

Over the past year, our centrepiece activity at the department has been to lead development of the government's International Policy Statement (IPS) (<http://www.dfait-maeci.gc.ca/cip-pic/ips/ips-en.asp>),

which was tabled in Parliament in April 2005. The IPS provides a clear policy framework for a globally engaged Canada based in North America. With a main message that "Canada revient en force," it specifies a plan and accompanying resources of nearly \$17 billion over the next five years to enable this country to generate more impact and influence on the international stage. The IPS integrates diplomacy, defence, development and commerce for the first time in Canadian history, demonstrating the interconnected nature of Canada's interests, goals and objectives.

The benefits of the IPS for Canadians are considerable. First, its implementation will enhance our security and prosperity and help create a more secure world by countering terrorism and other threats. The IPS will help strengthen Canada's competitiveness and economic engagement with international partners, while providing targeted services and support for Canadian business. It will promote respect for human rights, and support development by sharing Canadian expertise to help reduce global poverty, reform global governance and enhance local capacity. This work will, in turn, help advance achievement of the United Nations Millennium Development Goals. Finally, the IPS will help craft a new multilateralism and flexible diplomacy to deal with global developments.

This is a particularly exciting time for this department as it continues its transformation into a 21st century foreign ministry, while looking forward to playing a key role in implementation of the IPS.

It has been a year of profound change at the Department of Foreign Affairs and International Trade (*Foreign Affairs*). As we take stock of our progress in 2004-2005, I want to express my appreciation for the vital work undertaken by all of the department's employees. I am supported and inspired by their ideas, initiative and productivity, which continue to produce real benefits for Canadians at home and abroad.



1.2 Management Representation Statement

I submit, for tabling in Parliament, the *2004-2005 Departmental Performance Report* (DPR) for the Department of Foreign Affairs and International Trade (*Foreign Affairs*).

This document has been prepared based on the reporting principles contained in the Treasury Board of Canada Secretariat's *Guide for the Preparation of 2004-2005 Departmental Performance Reports*:

- It adheres to the specific reporting requirements.
- It uses an approved Program Activity Architecture (PAA) structure.
- It presents consistent, comprehensive, balanced and accurate information.
- It provides a basis of accountability for the results pursued or achieved with the resources and authorities entrusted to it.
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

V. Peter Harder
Deputy Minister of Foreign Affairs



Canadian Embassy, Beijing

1.3 Summary Information

1.3.1 What's New

Building a 21st century foreign ministry

In January 2005, the Department of Foreign Affairs and International Trade (*Foreign Affairs*) began implementation of an agenda to change its structure, processes and culture in order to create a 21st century foreign ministry. This transformation will bring sharper focus to the department's role in delivering Canada's international policies, which is to:

- interpret global events and trends for the government and Canadians;
- articulate a distinctive Canadian foreign policy;
- integrate the government's international agenda and representation abroad;
- advocate Canadian values and interests internationally;
- provide consular and passport services to Canadians; and
- act as a responsible steward of public funds, charged with delivering common services to all government departments outside Canada.

This transformation, now well under way, will ensure the department's ability to implement the International Policy Statement (IPS) quickly and effectively.

Improving performance reporting

By presenting the department's 2004-2005 accomplishments in a straightforward and readable manner, this Departmental Performance Report (DPR) represents

the department's ongoing effort to improve its reporting to parliamentarians and Canadians in general. Three particular elements of this document are evidence of the improvements made to date:

- This report showcases the IPS, which was tabled in Parliament in April 2005. The new strategic direction provided by the IPS is guiding the department's effort to increase the focus and cohesion of all of its activities, starting with its transformation agenda.
- The organizational structure of this report is new, having been updated to comply with the new Management, Resources, Results Structure-Program Activity Architecture (MRRS-PAA) of the Department of Foreign Affairs and International Trade (*Foreign Affairs*). The MRRS-PAA, which has replaced the 1996 Planning, Reporting and Accountability Structure of the Department of Foreign Affairs and International Trade, shows the department's organizational and accountability structures, provides an authoritative list of program activities, and defines how program activities contribute to strategic outcomes. (For a concise overview of changes in the department's reporting structure, see Table 1B in Section 3.)
- Finally, this DPR reflects the department's attention to the principles of reporting established by Treasury Board of Canada Secretariat (http://www.tbs-sct.gc.ca/rma/dpr1/04-05/guidelines/guide01_e.asp#_Toc101769221), which stipulate that the content should be relevant, reliable, balanced and comparable.

1.3.2 The Department's Raison d'être

The mandate of the Department of Foreign Affairs and International Trade (*Foreign Affairs*) is to:

- conduct all diplomatic and consular relations on behalf of Canada;
- undertake all official communications between the Government of Canada and the governments of other countries, as well as between the Government of Canada and international organizations;
- conduct and manage international negotiations as they relate to Canada;

- coordinate the direction given by the Government of Canada to the heads of Canada's diplomatic and consular missions;
- manage Canada's diplomatic and consular missions;
- have a role in relation to the Canadian International Development Agency (CIDA);
- administer the Foreign Service of Canada;
- foster the development of international law and its application in Canada's external relations; and
- carry out other duties and functions such as those noted in the Canadian Passport Order.

This mandate is set out in the Department of Foreign Affairs and International Trade Act (R.S. 1985, c. E-22) (<http://laws.justice.gc.ca/en/e-22/text.html>).

Canada has 300 points of service abroad (285 in 162 countries plus 15 points of consular service covered by agreements with Australia and Sweden). The number and type of representation is as follows: 100 embassies/high commissions; 25 consulates general; 19 consulates; 111 honorary consuls; 19 offices of embassies, high commissions or trade; 2 representative offices; and 9 missions to multilateral organizations like the United Nations.

The missions represent the Government of Canada and advance Canadian interests in designated countries, areas or multilateral organizations by performing one or more of the following functions:

- advocating Canadian policies and perspectives to foreign governments;
- building and maintaining relationships inside and outside government to raise Canada's profile and provide the basis for successful advocacy of specific Canadian objectives;
- reporting and interpreting local views and information from a Canadian point of view (i.e. what they mean to Canada and Canadians);
- providing Canadians abroad with consular and passport services; and
- supplying infrastructure and related services to support the international operations of other departments and agencies as well as additional partners co-located at missions abroad.

The Department of Foreign Affairs and International Trade (*Foreign Affairs*) also serves the foreign diplomatic community accredited to Canada (173 foreign diplo-

matic missions, 125 of which are in Ottawa and 48 of which are in either New York City or Washington DC; 546 foreign consular posts; and nearly 20 international organizations and other offices). At present, there are approximately 8,000 foreign representatives and accredited members of their families in Canada, 50 percent in the National Capital Region and the rest in other centres across the country.

1.3.3 How the Department Benefits Canadians

The department's three strategic outcomes (in bold below) specify the delivery of specific benefits and services to Canadians, as follows:

- In **advancing Canada's interests internationally**, the department projects Canada and its values to the world, helps Canadians to interpret the world and pursues Canada's interests abroad. It also analyzes national and international trends and developments for Canadians and pursues the country's global agenda from a government-wide perspective. This strategic outcome recognizes the department as the government's centre of expertise in leading the formulation and coordination of Canada's international policies as well as advancing them on a bilateral and multilateral basis.
- In **serving government abroad**, the department manages Canada's missions abroad, delivering cost-effective and efficient services and infrastructure to enable the international operations of federal and provincial departments and agencies co-located there.
- In **serving Canadians abroad**, the department provides effective assistance, guidance and services related to travel documents and consular needs. This ensures that Canadians receive the assistance they need when they are travelling, working or living abroad.

The department's strategic outcomes also support government-wide priorities identified in the October 2004 Speech from the Throne and *Canada's Performance* (see the section entitled Canada's Role in the World at http://www.tbs-sct.gc.ca/report/govrev/04/cp-rc2_e.asp#5). *Canada's Performance* is an annual report to Parliament by Treasury Board of Canada Secretariat, which provides a results-based perspective from which to review federal

programs, services and policies that contribute to the quality of life of Canadians.

The department's focus on benefits and services extends well beyond its strategic outcomes; its annual priorities and program activities are results-oriented as well. That is because the three are very closely interconnected, a point that deserves emphasis in any discussion of performance. The table—as well as the discussion of priorities—that follows demonstrates the complementary nature of the strategic outcomes, program activities and priorities.

First, the department's program activities contribute directly to its strategic outcomes, as follows:

Strategic Outcome:

Advancing Canada's Interests Internationally: Canada's interests are advanced internationally—in partnership with Canadians, Canada and its values are projected to the world, Canada's interests are pursued abroad and Canadians are better able to interpret the world.

Program Activities:

Strategic Policy: leading the formulation of Canada's overall international policy and interdepartmental development of whole-of-government strategies, including public diplomacy.

Global and Security Policy: two components as follows:

- a) **International Security**—advocating Canadian international security interests and human security program interests bilaterally and multilaterally, as well as managing the department's responsibilities with respect to security and intelligence.
- b) **Global Issues**—advocating a stronger and more effective multilateral system, capable of addressing Canada's interests in global issues, in particular international economic relations and development, environment and sustainable development, human rights and human security.

Bilateral Relations: conducting and promoting Canada's bilateral diplomatic relations in Canada and abroad (two components: North America and the world beyond North America).

Strategic Outcome:

Serving Government Abroad: The Government of Canada delivers its program and achieves its results in a secure environment through cost-effective and efficient services and infrastructure at Canada's missions abroad.

Program Activities:

Common Services and Infrastructure (Support from Headquarters and Missions Abroad): managing and delivering headquarters- and mission-provided common services to government programs and partners operating abroad.

Strategic Outcome:

Serving Canadians Abroad: Canadians travelling or living abroad are provided with effective assistance, guidance, advice and services for their travel documents and consular needs.

Program Activities:

Consular Affairs: managing and delivering consular services to Canadians.

Passport Canada: managing and delivering passport services to Canadians (through use of the Passport Revolving Fund).

The department will continue to revise the MRRS-PAA to reflect its ongoing transformation agenda. Any such changes will be subject to approval by Treasury Board of Canada Secretariat. Beginning in fiscal year 2006-2007, the department will present the Office of Protocol as a discrete program activity with its own section in planning and performance documents.

Second, the department's six 2004-2005 priorities (as identified in the November 2004 Strategic Planning Framework and the year's *Report on Plans and Priorities*) link to the strategic outcomes. Those priorities were:

- development of the international policy framework;
- enhanced Canada-U.S. relations (especially security and border issues);
- international threat reduction/counterterrorism;
- strengthened multilateral organizations and key bilateral relationships;
- promotion of democracy, human rights, good governance and the rule of law/implementing the G8 Africa Action Plan; and
- greater innovation throughout the department's operations.

Given the horizontal nature of much of the department's work, some of the six priorities pertain to more than one strategic outcome or program activity, as noted in Sections 1.4 and 2 of this DPR.

1.3.4 The Department's Operating Environment

Financial Resources (\$ millions) (see Figure 1, on following page)

Total spending authorities for the Department of Foreign Affairs and International Trade (*Foreign Affairs*) in 2004-2005 amounted to \$1,887.6 million (\$1,728.3 million in Main Estimates and \$183.6 million in Supplementary Estimates voted by Parliament), minus Adjustments and Transfers of \$38.9 million (as per the Public Accounts). The department spent \$1,665.0 million (88 percent of authorized spending) during the 2004-2005 fiscal year. The difference between allocated and spent resources is primarily attributable to reduced fees related to Canada's membership in international organizations (\$133.9 million) as well as unused funding pertaining to operating (\$72.2 million) and capital (\$4.1 million) expenditures. The department funds Canada's memberships in international organizations such as the UN, the World Health Organization (WHO) and the International Civil Aviation Organization (ICAO). This benefits the entire Government of Canada, not strictly this department.

The breakdown of the department's financial resources is as follows:

- operating expenditures: about 55.8 percent;
- capital expenditures: about 7 percent; and
- grants and contributions: about 33 percent. (Approximately 73 percent of grants and contributions are assessed contributions to international organizations.)

Passport Canada is a special operating agency, managing and delivering passport services to Canadians through use of the Passport Revolving Fund. As a result, Passport Canada finances its activities with revenue generated from the sale of its products, in accordance with Treasury Board guidelines.

More detailed financial information can be found in Section 3 of this report.

Human Resources (FTEs) (see Figure 2, on following page)

FTEs refers to full-time equivalent, the human resources required to sustain an average level of employment over 12 months, based on a 37.5-hour work week. Figure 2 indicates the approximate number of FTEs the department used last year.

The department's workforce is made up of three separate groups: Foreign Service officers, who relocate regularly between headquarters and Canada's missions abroad; non-rotational staff, who work primarily at headquarters in Ottawa; and locally engaged staff at missions abroad. The department has a larger percentage of Francophone employees amongst its indeterminate staff (36 percent) than the public service as a whole (30.8 percent) and a lower percentage of Anglophones (64 percent compared to 69.2 percent). In addition, representation of some designated groups in the department is lower than that of the labour market availability, particularly with respect to visible minorities (7.1 percent compared to 10.4 percent). The department has about the same rate of staff turnover (5.2 percent compared to 5 percent) as other government departments (OGDs).

1.3.5 How the Department Evaluates Its Performance

Most assessments of an organization's performance tend to rely heavily on numbers and statistics. However, this approach would not provide a complete picture of this department's performance, given the

Figure 1: Financial Resources (\$ millions)

| Strategic Outcome / Program Activity | Planned Spending | Total Authorities | Actual ¹ |
|---|------------------|-------------------|---------------------|
| Advancing Canada's Interests Internationally | | | |
| Strategic Policy | 69.4 | 109.8 | 99.8 |
| Global and Security Policy | 728.8 | 794.2 | 656.9 |
| Bilateral Relations | 119.3 | 151.2 | 129.9 |
| Serving Government Abroad | | | |
| Common Services and Infrastructure (support from headquarters and missions abroad) | 732.7 | 615.5 | 578.7 |
| Serving Canadians Abroad | | | |
| Consular Affairs | 63.8 | 84.6 | 78.6 |
| Passport Canada | 7.5 | 13.9 | 2.5 |
| Total | 1,721.5 | 1,769.2 | 1,546.4 |

Notes:

1. The financial figure in the Actual column of the Total row (i.e. \$1,546.4 million) excludes the actual spending associated with Corporate Services (\$118.7 million) that are specifically associated with the provision of Corporate and Executive Services.

The difference between "Total Authorities" and "Actual" spent resources is primarily attributable to reduced fees related to Canada's membership in international organizations (\$133.9 million) as well as unused funding pertaining to operating (\$72.2 million) and capital (\$4.1 million) expenditures.

Figure 2: Human Resources (FTEs)

| Strategic Outcome / Program Activity | Planned | Actual | Difference |
|---|----------------|----------------|----------------|
| Advancing Canada's Interests Internationally | | | |
| Strategic Policy | 110.0 | 110.0 | 0.0 |
| Global and Security Policy | 674.0 | 674.0 | 0.0 |
| Bilateral Relations | 1,506.0 | 1,506.0 | 0.0 |
| Serving Government Abroad | | | |
| Common Services and Infrastructure (support from headquarters and missions abroad) | 5,465.0 | 4,800.0 | (665.0) |
| Serving Canadians Abroad | | | |
| Consular Affairs | 400.0 | 400.0 | 0.0 |
| Passport Canada | 1,730.9 | 1,731.0 | 0.1 |
| Total | 9,885.9 | 9,221.0 | (664.9) |

scope and nature of its mandate and activities. In fact, it is difficult to employ a single set of performance indicators to evaluate the diverse work associated with each of the department's three strategic outcomes. The reason is simple: While work related to serving government and Canadians abroad lends itself to numerical and statistical analysis, efforts related to advancing Canada's interests internationally must be assessed to a large extent in a much more qualitative manner. For instance, while client surveys and service records are effective and insightful guides as to how well the department is providing passport services, they are not as useful in assessing the department's contribution to international threat reduction and counterterrorism.

Clearly, it is simpler to measure tangible outputs like the number of passports issued than more abstract activities associated with advancing Canada's interests internationally such as the promotion of democracy, human rights, good governance and the rule of law. That is why the department employs both quantitative and qualitative indicators of performance.

Quantitative indicators: To evaluate work associated with serving government and Canadians abroad, the department has adopted, or is in the process of adopting, a systematic approach. First, the department's Consular Management and Operations System (COSMOS) tracks each consular case in real time, automatically compiling accurate statistics and identifying trends. Second, Passport Canada measures performance in real time every business day, using an internal control panel display. Both the department and Passport Canada also conduct client surveys each year to solicit feedback on performance. They use all the information gathered to compare actual performance with the service standards they have set, making adjustments accordingly. Third, in providing services to partners co-located at missions abroad, the department has established a generic memorandum of understanding (MOU) and related service delivery standards. These agreements have proven highly effective in resolving outstanding issues related to common services provided by this department to its partners. In fact, 16 such issues were successfully resolved last year.

The department uses various means to gather feedback on its performance in human resources management and identify related issues. These include employee surveys (both public service-wide and departmental);

internal audits and evaluations such as the audit of the Human Resources Management System; the annual report of the Canadian Foreign Service Institute; and the yearly Organizational Health Report and ongoing human resources profiles of branches that are prepared by human resources specialists.

Quantitative and qualitative indicators: To measure how it is doing in advancing Canada's interests internationally, the department uses a more complex and diverse group of performance indicators including:

- agreements that Canada has reached with other nations on a bilateral or multilateral basis;
- ratifications related to initiatives (such as the Ottawa Convention to ban landmines) that were led by Canada;
- the degree to which Canadian proposals and interests are included in international agreements and declarations and/or endorsed or implemented by the country, countries and/or organization(s) in question;
- visits between heads of state in Canada and abroad;
- contributions (monetary or non-monetary) to international programs, activities and actions that Canada supports;
- Canadian leadership of international processes or initiatives;
- feedback from opinion leaders and decision makers in Canada and elsewhere as well as from stakeholders and Canadians;
- attendance at events and involvement in activities sponsored by the department to advance Canada's interests as well as feedback from participants;
- domestic and foreign media coverage of Canada and its international role as well as coverage of the department and its activities;
- public opinion research conducted for the department;
- information about the department and its activities derived from other outside sources, including reports like the Landmine Monitor and public opinion research such as the Anholt-GMI Nation Brand Index; and
- use of departmental Web sites and publications by target audiences.

Readers should understand that this description of the department's performance measures is by no means

fixed or exhaustive. The department is trying to ensure that all methods used to measure performance remain trustworthy and credible.

All the performance indicators noted above are referenced in the pages that follow. In addition, this report identifies numerous Internet sites, at which readers can find verification of information provided as well as more detailed information about virtually all aspects of the department and its activities.

It should also be noted that, each year, the department undertakes a series of targeted audits and evaluations throughout its operations in order to provide senior management with information about the effectiveness and performance of its programs (see Corporate Services and Human Resources section for more details on 2004-2005 audits and evaluations). Where applicable, the department's audits and evaluations are based on Results-based Management and Accountability Frameworks (RMAFs) and Risk-Based Audit Frameworks (RBAFs). At present, the department has approximately 30 RMAFs and RBAFs in place for various programs.

1.3.6 Context

Internal and external factors affecting the department

Internal: First, the department is in the midst of a major transformation and modernization. It is taking great care to ensure seamless service delivery throughout this transition period. Second, the department continues to enhance security at headquarters and missions abroad to address the ongoing risks of terrorist activities such as the July 2005 London bombings, cyber-crime and espionage.

External: As noted in the overview of the IPS, four major factors currently affect Canadian foreign policy. First, the international community faces threats related to terrorism; the transnational spread of disease; natural disasters such as Hurricane Katrina, which flooded New Orleans; environmental degradation and the number of failed/fragile states worldwide. Second, the legitimacy and effectiveness of multilateral organizations are being questioned, prompting the need for urgent reforms. Third, a new distribution of power is

emerging worldwide, with the rise of some major new players, including China, India and Brazil. Fourth, the competitiveness of the global marketplace continues to place enormous emphasis on innovation and productivity. In this environment, it is noteworthy that Canadians are travelling abroad in greater numbers and taking a keener interest in foreign policy issues, including international relief efforts (such as that related to the December 2004 Indian Ocean tsunami), foreign aid (notably by the G8, as highlighted by the Live 8 concerts that preceded the group's 2005 summit), and the treatment of Canadians abroad (particularly in reference to the Maher Arar inquiry and the death of photojournalist Zahra Kazemi in Iran). Not surprisingly, the department continues to face growing demands for its services from partners, clients and the Canadian public.

Risks and challenges

At present, the main risks are as follows:

- Canada faces disparate but related threats, including terrorism, diseases in the form of international pandemics, cross-border threats to the environment and international crime.
- Canada's prosperity could be adversely affected if political and economic relations with key partners are unproductive, if the global financial architecture suffers significant imbalances, or if the threat of terrorism impedes trade with the U.S.
- Advancement of Canada's interests could be negatively affected by increasing unilateralism worldwide, as well as by the ineffectiveness of multilateral institutions and tools.
- The growth of regional powers worldwide could diminish this country's influence in the international community.

Other environmental factors

Over the past year, there has been considerable discussion of the future direction of Canadian foreign policy, notably in *At Home in the World: Canada's Global Vision for the 21st Century* by Jennifer Welsh (2004); and *Canada First! Taking the Lead in a Transforming Global Economy*, a report of the Canadian Council of Chief Executives (June 2005) (http://www.ceocouncil.ca/en/canada/Canada_First_June_28_2005.pdf).

A number of publications have also addressed key global issues, particularly UN reform and the attainment of the Millennium Development Goals, as follows:

- In June 2005, the United States Institute of Peace published recommendations on UN reform entitled *American Interests and UN Reform* (http://www.usip.org/un/report/usip_un_report.pdf).
- In March 2005, the UN Secretary-General issued a report entitled *In Larger Freedom: Towards Security, Development and Human Rights for All* (<http://www.un-ngls.org/UN-report-largerfreedom.pdf>). The UN also issued a *Millennium Development Goals Report 2005* (<http://www.unmillenniumproject.org/documents/MDG%20Book.pdf>).
- In December 2004, the UN released *A More Secure World: Our Shared Responsibility*, the Report of the Secretary-General's High-Level Panel on Threats, Challenges and Change (<http://www.un.org/secureworld/>).

The House of Commons Standing Committee on Foreign Affairs and International Trade has issued reports on a broad range of issues over the past year, including an emerging markets strategy for Canada, international aid, the humanitarian crisis in Darfur and the participation of Israel in the UN.

The Senate Standing Committee on Foreign Affairs is conducting a special study on Africa, focusing on development and security challenges, the response of the international community, Canada's policy related to Africa and Canadian involvement in that continent. The Senate Committee also released a report on Canada's relations with the Muslim world in March 2004 (<http://www.parl.gc.ca/committee/CommitteePublication.aspx?SourceId=76222>). The government agreed with the main actions proposed by the committee. Within the department, a working group on relations with Muslim communities is working on issues discussed in the government's response.

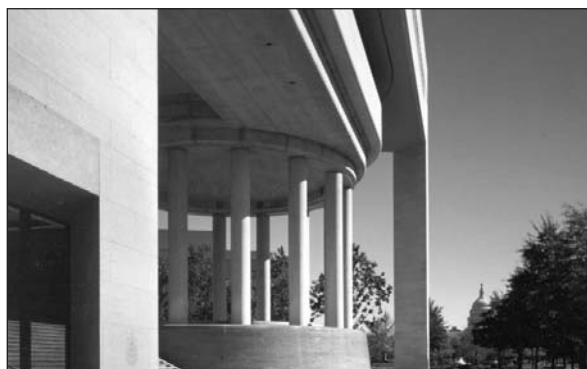
According to an October 2004 Environics survey done for the Department of Foreign Affairs and International Trade (*Foreign Affairs*), Canadians think well of the department's performance in handling five key issues (representing Canada internationally, promoting world peace and security, addressing Third World poverty, promoting human rights internationally, and helping Canadian travellers in trouble).

However, there was a decline in satisfaction from the previous year (a drop of between 3 and 10 percentage points) for all but the last issue. This decline in satisfaction with the department's performance is one of the factors it hopes to address by transforming its operations and focus, in accordance with the IPS.

In August 2005, the second quarterly Anholt-GMI Nation Brand Index was released, providing a ranking of 25 countries worldwide in terms of the global appeal of their nation brands (http://www.gmi-mr.com/gmipoll/nbi_q2-canadian-press-release.phtml). Canada, a new entry in the survey, ranked second only to Australia in most elements surveyed, including best places to work, live and expand business; people and governance. Of particular importance to this department was the poll's finding that Canada also ranked second, after Switzerland, in terms of the degree to which respondents trust the federal government to make responsible decisions and uphold international peace and security. A total of 10,000 consumers from 10 countries took part in the survey. Participants were not asked about their own countries.



Canadian Embassy, Paris



Canadian Embassy, Washington

1.4 Summary of the Department's Performance in 2004-2005

As noted in the Minister's Message, the Government of Canada is currently refocusing and reinvigorating Canadian international policy and global engagement. The Department of Foreign Affairs and International Trade (*Foreign Affairs*) is at the centre of this effort.

Following is a summary of the key achievements made by the department last year, organized by strategic outcome. Under each outcome, the relevant main priorities from the department's 2004-2005 *Report on Plans and Priorities* are repeated in bold. Also discussed are the department's accomplishments related to its commitments (listed in Section 4.4 of the RPP, at http://www.tbs-sct.gc.ca/est-pre/20042005/FAC-AEC/FAC-AECr4501_e.asp#section4.4). While most of the department's commitments are ongoing, most of its plans for 2004-2005 have been accomplished. Some achievements exceeded expectations, but some planned activities require further improvement. Areas in which improvement is needed will be addressed in the department's 2006-2007 *Report on Plans and Priorities*.

The 2004-2005 achievements highlighted below—and many others—are discussed in greater detail in Section 2 of this report.

1.4.1 Strategic Outcome: Advancing Canada's Interests Internationally

Development of an international policy framework: The centrepiece of the department's work in 2004-2005 was its leadership role in developing the government's IPS (<http://www.dfait-maeci.gc.ca/cip-pic/>

[ips/ips-en.asp](http://www.dfait-maeci.gc.ca/cip-pic/)). The product of extensive consultation with federal and provincial/territorial partners, the IPS establishes a much more strategic and coordinated approach to advancing this country's international agenda. In essence, the IPS recognizes the world's changing geopolitical landscape, as well as the complexity of the issues Canada faces, and provides a whole-of-government, whole-of-Canada approach to international relations, including reinvestment in Canada's international instruments such as its diplomatic representation, foreign aid and national defence. It also includes new initiatives aimed at making Canada's international policies more effective and influential, including:

- establishment of the Global Peace and Security Fund to enable a faster, more effective Canadian response to protect people in failed and failing states;
- establishment of the Stabilization and Reconstruction Task Force (START) to coordinate Canadian responses to international security crises and contribute to international emergency support; and
- greater emphasis on policy capacity, public diplomacy, greater skills development for departmental employees, and more flexible and strategic deployment of resources abroad.

The IPS also recognizes that public diplomacy is an essential element in efforts to achieve Canada's foreign policy objectives. That is because public diplomacy broadens Canada's dialogue with other nations, supports our advocacy efforts and increases international awareness of this country as well as its influence on the world stage.

Establishment of the IPS, although critically important, is only the first step. Next, the department must do all it can to expedite its smooth implementation. One way in which this is being done is through two new inter-departmental committees, involving Deputy Ministers (DMs) and Assistant Deputy Ministers (ADMs), which support the Cabinet Committee on Global Affairs. In terms of the IPS, these committees will help to ensure a more cohesive, government-wide approach to implementation as well as coordination of international issues at the most senior levels of government.

Regular follow-up on IPS implementation is assured by the related annual update to Parliament to begin

next year. This will increase engagement of parliamentarians in Canada's international policies.

Enhanced Canada-U.S. relations (especially security and border issues): The IPS fully reflects a globally engaged Canada but also a Canada firmly rooted in North America. It also underscores that this country's most important bilateral relationship is with the U.S. The Canada-U.S. relationship is complex, affecting all of the department's programs and priorities.

The Canada-U.S. relationship received new impetus and prominence through three major events in 2004-2005: the Prime Minister's visit to the U.S. (<http://www.pm.gc.ca/eng/news.asp?id=199>); and the U.S. President's first official trip to Canada (<http://www.pm.gc.ca/eng/news.asp?id=341>) generated a number of important bilateral agreements on issues such as security and economic opportunity; and the meeting of the U.S. and Mexican Presidents and the Prime Minister in Texas (<http://pm.gc.ca/eng/news.asp?id=443>) launched the North American Security and Prosperity Partnership.

Over the past year, the department has undertaken several other key initiatives in Canada-U.S. relations as follows:

- To strengthen Canadian advocacy and business development in the U.S. and promote a whole-of-government approach to Canada-U.S. relations, the department continued its collaboration with eight other departments and agencies on the Enhanced Representation Initiative (ERI). According to direct feedback, partner departments were satisfied with the help the ERI provided in delivering advocacy and business development services in the U.S.
- To make Canadian advocacy in the U.S. more strategic, the department established the Washington Secretariat at the Canadian Embassy in the U.S. capital. The secretariat has two units, one supporting the activities of Parliament and the other enhancing provincial representation in the U.S.
- To increase awareness of Canada and its interests in the U.S., the department undertook a more targeted approach to engaging U.S. decision makers and opinion leaders. For instance, it launched new Web sites on Canada for U.S. audiences (<http://www.canadianally.com/ca/> and [\[matterstous.com/cm/\]\(http://matterstous.com/cm/\)\) and sponsored more strategic events, at which Canadian representatives spoke with American leaders. Overall, usage rates of the department's Web sites on Canada-U.S. relations increased 19 percent last year, with a total of 22 million hits.](http://www.canada

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- And, to increase cohesive engagement of Canadian partners in Canada-U.S. relations, the department undertook a number of measures, including publication of a widely distributed weekly *Advocacy Report Card* to provide information on the activities of Canadian missions in the U.S. as well as policy updates on key bilateral issues.

Meanwhile, there was continued implementation of the pivotal Canada-U.S. Smart Border Action Plan. Highlights included development of an agreement to share information on high-risk travellers entering either country as well as establishment of the Safe Third Country Agreement at the land border between the two countries, which enables Canada to better manage the flow of refugee claimants and reduce abuse of its asylum system. Other security-related initiatives of particular significance were amendment of the North American Aerospace Defence Command (NORAD) Agreement to make its missile warning available to the U.S. commands conducting ballistic missile defence, and establishment of new integrated Marine Security Operations Centres to strengthen security on the Great Lakes and St. Lawrence Seaway.

International threat reduction/counterterrorism:

One of the most significant issues facing the international community today is terrorism and other security threats.

The G8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction (http://www.dfait-maeci.gc.ca/foreign_policy/global_partnership/menu-en.asp), initiated under Canada's leadership at the Kananaskis Summit and building upon earlier U.S. efforts, now involves 22 nations working cooperatively to reduce risks associated with weapons and materials of mass destruction. Over the past year, Canada has made many valuable contributions to this program, including:

- funding projects to shut down Russia's weapons-grade plutonium-producing reactor in Zheleznogorsk;
- dismantling three Russian nuclear-powered submarines;
- carrying out critical infrastructure work at the Chemical Weapons Destruction Facility in Shchuch'ye (Kurgan Oblast); and
- funding research projects and other activities to redirect former weapons scientists in Russia and elsewhere in the former Soviet Union toward peaceful employment.

Former U.S. Senator Sam Nunn, co-chairman of the Nuclear Threat Initiative, a non-governmental organization working to reduce the threats from nuclear, biological and chemical weapons, recognized Canada's prominent role in the G8 Global Partnership at a February 2005 press conference in Washington DC (http://www.dfait-maeci.gc.ca/foreign_policy/global_partnership/contribution_agreement-en.asp). He said, "Canadians have a long and impressive record on threat reduction work. Canada played a very important role in the G8 Global Partnership Against Weapons and Materials of Mass Destruction—in both creating this important initiative and in working diligently to get it funded."

Canada has played a leadership role in advancing key international counterterrorism initiatives. These include enhanced aviation and marine security initiatives and strengthened international efforts to combat document fraud, including ensuring more secure identity and travel documents, enhanced cooperation among law enforcement and legal practitioners, and information sharing. Canada's leadership role has been demonstrated by agreements reached in international forums such as in the G8 Sea Island Summit, the Asia-Pacific Economic Cooperation forum (APEC), the ASEAN Regional Forum (ARF), the Organization of American States (OAS) and the Organization for Security and Cooperation in Europe (OSCE). Canada has also provided international counterterrorism capacity-building assistance through training and workshops on anti-terrorism legislation, anti-terrorism financing, aviation and marine security, effective border management and document security. This assistance, provided in collaboration with APEC, the Commonwealth, the OAS, the UN Office on Drugs and Crime and other international partners, has been appreciated

by recipients, participants and partners, as evidenced by formal and informal feedback. Given the growing international demand for Canadian assistance, the department has created a permanent Canadian Counter-Terrorism Capacity-Building Program in collaboration with 19 other federal departments and agencies. The program, announced in the April 2004 National Security Policy, is housed within this department and will contribute to enhanced security for beneficiary states and for Canadians at home and abroad.

In various hot spots around the world, Canada played an active role in addressing conflicts and reducing threats. For instance, this country took part in the North Atlantic Treaty Organization (NATO) mission in Afghanistan and provided police and corrections advisors to the UN assistance mission in that country (<http://www.canada-afghanistan.gc.ca/menu-en.asp> for more information on Canada's role in Afghan reconstruction). Canada made a significant contribution to the multinational interim force (from March to August 2004) as well as the ongoing UN stabilization mission in Haiti, including appointment of an RCMP officer as the UN police commissioner. This country also contributed to international efforts to resolve the crisis in Darfur by providing helicopters and other critical military and police support to the African Union mission in Sudan.

Another initiative in which Canada continued to play a prominent role—the 1997 Ottawa Convention to ban landmines (<http://www.mines.gc.ca/menu-en.asp>)—has been one of the great success stories in international disarmament and humanitarian cooperation. Nearly three-quarters of the world's countries are parties to the Convention. Only 15 nations retain a production capacity, down from over 50 in 1999. There is no longer any official trade, and new uses of anti-personnel mines are relatively rare. Signatory nations have destroyed over 37 million stockpiled mines, and large tracts of land have been cleared and returned to productive use. (For more information on current landmine status, see the Landmine Monitor's Web site at <http://www.icbl.org/lm>.) The International Campaign to Ban Landmine's decision to deposit both its Nobel Peace Prize and archival records in Canada (Library and Archives Canada) reflects Canada's intensive involvement in the global fight against landmines and the view that Ottawa is a natural home for the archives.

In 2004-2005, Canada provided more than \$27.2 million to some 90 projects in more than 60 mine-affected countries, and helped countries in every region of the world to meet their Convention obligations. During this period, three additional nations formally joined the Ottawa Convention: Estonia, Ethiopia and Papua New Guinea.

Strengthened multilateral organizations and key bilateral relationships: Canadians have always believed in the collective action of sovereign countries in addressing the challenges we all face in the international community. That is why Canada is contributing actively to the reform of key multilateral institutions. Over the course of the last year, it worked to reform not only the UN but also the Organization for Economic Cooperation and Development (OECD) and La Francophonie.

As this critical time in the UN's history, it is useful to recall the mix of pessimism and hope that led to the creation of the organization in 1945. As we did at that time, Canadians are working energetically now to ensure that the UN effectively upholds its ideals in a changing world. Canada is the seventh-largest contributor to the UN's regular budget, and is one of the few member states to always pay on time, in full and without conditions.

To mark its 60th birthday—and the fifth anniversary of the Millennium Declaration on reducing global poverty—world leaders will gather in New York in September 2005 to consider a package of reforms proposed by Secretary-General Kofi Annan (see more on Canada and the UN at 60 in *Canada World View* at <http://www.dfait-maeci.gc.ca/canada-magazine/menu-en.asp>).

Over the past year, Canada has submitted proposals and recommendations to the UN on reform of that body, both on its own as well as in partnership with other countries (see the following Web sites):

- http://w01.international.gc.ca/minpub/Publication.asp?publication_id=381557&Language=E—Canada and other members of the Group of Friends on United Nations Reform; and
- <http://www.un.int/canada/english.html>—Canada on Security Council enlargement.

The Prime Minister continued to promote his innovative idea of an L20 of world leaders at the 2004 World

Economic Forum in Davos, Switzerland and other key meetings. According to a September 2004 paper prepared by the director of the University of Toronto G8 Research Group, “there is now a growing consensus that the global community could benefit from a leaders’ level meeting of the G20. Some leaders of the systemically important G20 countries have welcomed an elevation of the G20 [of finance ministers] to a leaders’ level encounter. Some consequential members of the G8 have expressed a serious interest as well” (http://www.g7.utoronto.ca/scholar/kirton2004/kirton_040922.html). Meanwhile, the United Nations University Press published a book of essays on the L20 idea, entitled *Reforming from the Top: A Leaders’ 20 Summit* (<http://www.unu.edu/unupress/2005/reformingfromtop.html>), in October 2005. The book makes a case for why an L20 would be a worthwhile addition to the international architecture.

In terms of Canada's key bilateral relationships, Mexico has moved to the forefront of this country's foreign policy. Mexico has become Canada's fifth-largest trading partner worldwide. The Mexican government has identified Canada as a strategic partner, particularly with respect to governance issues, and as a model for reforms and potential ally in their bilateral agenda with the U.S. The October 2004 visit to Ottawa by Mexican President Vicente Fox promoted bilateral policy coherence in areas such as the environment and foreign policy, and established agreements on various issues, including academic cooperation, climate change and health care. A key outcome of the visit was the setting up of the Canada-Mexico Partnership, a high-level public-private forum designed to strengthen bilateral economic and policy cooperation in areas such as North American competitiveness, human capital, and housing and urban issues.

Other especially noteworthy bilateral initiatives in 2004-2005 included the following:

- Implementation of the March 2004 Canada-EU Partnership Agenda (http://www.dfait-maeci.gc.ca/canadaeuropa/partnership_agenda-en.asp) began in the past year. The agenda contains more than 50 initiatives intended to deepen and revitalize the Canada-EU relationship, and to help to deal effectively with issues of global concern.
- Progress was made in deepening bilateral relations with Brazil during Prime Minister Martin's trip to that country in November 2004.

Canada and Brazil signed a joint declaration (<http://www.pm.gc.ca/eng/news.asp?id=333>) calling for stronger ties as well as a global and hemispheric partnership.

- The India-Canada Joint Statement (<http://www1.pm.gc.ca/eng/news.asp?id=391>), which was announced during Prime Minister Martin's January 2005 visit to India, underlined that country's support for his L20 initiative, and reaffirmed bilateral dialogues on international and regional issues as well as commitments to cooperate on science, technology and the environment.
- The same month, the Prime Minister visited Japan, resulting in a Joint Statement with that country (http://www.dfait-maeci.gc.ca/asia/japan/2005_Joint_Statement-en.asp).
- Also in January 2005, Canada signed 10 accords with China to strengthen Sino-Canadian ties on issues such as culture and education, communications and scientific cooperation. Canada's embassy in China is its third largest in the world.
- The department continues to deliver various public diplomacy programs, including academic and cultural programs, projecting Canada as a dynamic, innovative, well-governed, sophisticated country and as a trustworthy ally and partner. This helps to increase awareness of Canada internationally. One related event last year was Canada-France 2004-2008, in which the department sought to modernize the image of Canada in France, strengthen Canada-France partnerships and networks, celebrate Canadian linguistic duality and cultural diversity, and commemorate four centuries of dialogue. Opinion polls in France conducted before and after the event showed a clear improvement in perceptions of Canada.
- The department's Public Diplomacy Program also funded 71 projects that enabled Canadians across the country to gain a better understanding of their country's foreign policy and Canada's role in the world. The program continued to engage official language minority communities and youth, with 22 percent and 80 percent of projects supporting these groups respectively. An independent survey of program grant recipients, conducted in early 2005, provided positive feedback about the impact of the program. For example, 96 percent agreed or strongly agreed that they had gained a greater awareness of Canada's international role, while 94 percent agreed or strongly agreed that

they had improved their understanding of global issues and realities through the program.

Promotion of democracy, human rights, good governance and the rule of law / implementing the G8

Africa Action Plan: Canadian foreign policy has always tried to advance the concerns of people around the world who seek freedom, stability, democracy and a better life. Canada continues to provide international leadership in the development and advancement of a human security agenda.

Canada hosted and chaired a ministerial meeting of the multinational Human Security Network in May 2005, which produced a statement on human security and UN reform (<http://www.humansecuritynetwork.org/docs/31may2005-e.php>). The department's successful Human Security Program (HSP) funded 200 projects in over 25 countries around the world last year, dealing with issues such as enhanced diplomatic leadership and advocacy, capacity building and protection of civilians. A number of these initiatives were undertaken in partnership or supported the work of OGDs including CIDA, the International Development Research Centre (IDRC), the RCMP, Justice Canada, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), Corrections Canada and National Defence. HSP support enabled Canada to take international leadership on such major issues as the promotion of the Rome Statute and the International Criminal Court (ICC), the Kimberly Process on conflict diamonds, the "Responsibility to Protect" debate, and the threat posed by the proliferation of small arms and light weapons. An independent evaluation of the first five years of the HSP concluded that it "is an effective tool to further Canada's human security strategy."

The majority of HSP-funded projects in Africa directly supported the G8 Africa Action Plan, of which Canada was a principal architect. Projects included deployment of two Canadian experts to the UN Development Programme for one year to assist with national preparations for disarmament, demobilization and reintegration in Sudan. Furthermore, in collaboration with Industry Canada, Health Canada, the Department of International Trade and CIDA, the department assisted the government in passing and bringing into force the Jean Chrétien Pledge to Africa Act. This legislation enables Canadian generic drug

manufacturers to produce and export generic versions of certain pharmaceutical products (those currently under patent in Canada) to countries that are unable to produce them. This makes Canada the first country to have implemented the World Trade Organization's decision on trade-related aspects of intellectual property rights, allowing developing countries to access affordable medicines. The department has organized information sessions at the UN for developed and developing country partners, while facilitating their sharing of information with Health Canada and Industry Canada.

In significant initiatives related to Asia Pacific, the department took the lead in guiding the government's response to the December 2004 Indian Ocean tsunami. The department ensured that Canada's humanitarian response to the disaster was robust, timely and well coordinated with the broader efforts of the international community and that the consular needs of Canadians in the region were effectively met. Meanwhile, Canada was a main contributor to the anti-corruption agenda of APEC. Canada has been instrumental in establishing APEC's anti-corruption task force (http://www.apec.org/apec/apec_groups/other_apec_groups/anticorruption.html) and in shaping the direction of its work. Its first meeting is to be held in September 2005.

In December 2004, Canada sent its largest-ever election observer delegation to the Ukrainian presidential runoff vote, drawing from volunteers who were selected from over 4,000 applications received by CANADEM, a Canadian NGO specializing in the selection and provision of election observers worldwide. This mission was the inaugural project of Canada Corps, an initiative aimed at engaging Canadian expertise to support good governance programming in developing and transition countries, and fragile states. Supporting democratic elections, such as the re-run presidential election in Ukraine, is an example of how Canadians can make a difference (see the final report of the observer mission, which was headed by former Prime Minister John Turner, at http://www.acdi-cida.gc.ca/cida_ind.nsf/vall/7439D1DD82640FAB8525700B0066A592?OpenDocument). Readers should note that Canada Corps was transferred to CIDA in November 2004.

In the Middle East, Canada provided police trainers and senior advisors to the Jordan International Police

Training Centre and the Iraqi Ministry of the Interior in Baghdad to support capacity building in Iraq's security sector. This department contributed to Canada's support for the Palestinian Authority presidential election by providing technical expertise as well as assistance with voter registration and deployment of election observers.

Around the world, the department's Young Professionals International initiative provided international job placements and enhanced labour market skills for 464 Canadian young people through 47 projects that reflect the department's mandate. About 40 percent of these placements focused on issues such as democratic development, good governance, human rights, human security and the rule of law. At a reunion of international interns in March 2005, the feedback from participants was positive (<http://www.dfait-maeci.gc.ca/youth/ypijpi/success-en.asp>). For instance, Bernard Koszyk said his internship, sponsored by the department and the University of Toronto's Munk Centre for International Studies, gave him skills in business development, international finance, international exports, and a network of contacts in the industry. Of her experience with the program, Jasmine Jarjour said, "I wish that every Canadian had the opportunity to do it because it's such a great way to learn about yourself and learn about a new culture and see how Canadians are thought of around the world."

1.4.2 Strategic Outcome: Serving Government Abroad

The department provides essential services and infrastructure at its headquarters and network of missions abroad. These services encompass accommodation, human resources, security, financial and property management, audit and evaluation, and information and technology. Working with 20 federal departments and 9 provincial departments, agencies and foreign governments, the Department of Foreign Affairs and International Trade (*Foreign Affairs*) manages this infrastructure and its related services in support of Government of Canada priorities around the world.

As of April 2004, these services are now governed by a generic MOU (<http://lbp.dfait-maeci.gc.ca/smd/mous-en.asp>) and related service delivery standards, in response to the request from partners for greater equity,

consistency, transparency and value for money. Department-specific annexes are now being developed, and an Interdepartmental Working Group on Common Services Abroad has been established to advance consultation with federal partners on this issue.

Last year, the department made improvements to the provision of common services abroad to make the process more efficient. As a result, 471 position changes were processed, with a net addition of 271 positions abroad. Of these new positions, 148 belong to this department, while 123 belong to partners such as Citizenship and Immigration Canada and CIDA. The Foreign Affairs positions are mainly program-related and primarily associated with the Enhanced Representation Initiative in the U.S. These new positions reflect strong overall growth in Government of Canada representation abroad.

The department finalized a framework for planning and managing growth in personnel at missions abroad, an important development given the ongoing expansion of international operations by federal and provincial partners. The department also continued its work to develop a protocol governing the opening, closing and reclassification of missions, emphasizing interdepartmental consultation on any such transactions.

The ERI has increased government-wide capacity for more focused advocacy in the U.S. Canada has now opened new consulates general in Miami and Denver; new consulates in Anchorage, Phoenix and Philadelphia; and a new trade office in Tucson. At the same time, it recruited eight additional honorary consuls.

Meanwhile, the department assigned Foreign Service officers to head up offices in Lithuania and Slovakia for the first time. The presence of Canadian representatives in these two new member countries of NATO and the EU will enable Canada to undertake more effective advocacy there. It will also help increase awareness of Canada and its values in both countries.

Around the world, the department manages more than 2,300 properties worth some \$2 billion. In Berlin, a new chancery has been completed, and preparations for relocating to it were finalized. Officially opened by Governor General Adrienne Clarkson in April 2005, it provides an excellent venue from which to reinforce Canada's relationship with Germany, a key G8 and EU

partner. At the opening ceremony, she remarked that the new chancery "will give a delightful and informed sense of Canada, with its rich and enormous geography. It contains wood from British Columbia and Quebec, and stone from Manitoba and Ontario. There are evidences of artistry here everywhere that you move and look." The guest of honour at the opening, German Foreign Minister Joschka Fischer, said the embassy will contribute to the character of the new centre of Berlin. German filmmaker Wim Wenders commented that the building, like Canada, "is open to the outside and inside; it represents this beautiful country."

Progress was also made on various other management projects worldwide, which decreased by about 20 percent the number of missions abroad that are experiencing chancery space shortages. Capital chancery projects were completed in Berlin and Ankara, while those in Dhaka, The Hague and Rome were under construction. Others in Abuja, Amman, Havana, Lima, Rabat, Tehran and Paris moved to the planning and design stage. Consultations were completed preparatory to seeking Treasury Board approval to institute a property growth charge. This will require other departments co-located at missions to share the costs of new property infrastructure that is needed to accommodate growth in their international operations.

Meanwhile, the Department of Foreign Affairs and International Trade (*Foreign Affairs*) maintained its ongoing investment in information technology, an essential tool throughout its operations. It continued to supply reliable common services at over 160 of the 300 points of service around the world, handling change and growth. This was supported by the department's ongoing reinvestment in equipment, training and engineering.

Canadians continued to regard departmental Web sites as a major source of information (an average of 45,000 visits a day last year). Always a leader in Web site design and innovation, the department continued to play a key role in further enhancing its own Internet presence as well as the international components of the Government of Canada Web site. It led ongoing improvements in the gateway for non-Canadian clients (<http://canadainternational.gc.ca>) and overall electronic service delivery. The gateway continues to provide a single point of access to information and services

related to doing business with Canada; visiting, working or studying in Canada; and exploring Canada's role in the world. An improved version of the gateway was launched in 2005, after exhaustive client research. To date, response from users has been positive.

1.4.3 Strategic Outcome: Serving Canadians Abroad

If Canada is to remain globally engaged, its citizens must be active participants on the world stage. As Canadians play a growing role internationally, there is an increased need for them to have quick, reliable access to consular and passport services.

In 2004-2005, there was a 10 percent increase in the services and information requested by Canadians, compared to the previous year. High-profile consular cases were better managed as a result of initiatives undertaken in 2004-2005. Likewise, the department's capacity to handle after-hours emergencies as well as the consular aspects of major world crises continues to improve through innovative use of technology applied to tools such as the Registration of Canadians Abroad (ROCA) system. Of all consular cases opened in 2004-2005, fully 82.5 percent were successfully closed during the same fiscal year. An on-line survey of clients, undertaken in August/September 2004, found that 88 percent were satisfied or very satisfied with the consular services they received.

Ongoing enhancements were also made to the consular Web site (<http://voyage.gc.ca>), which provided several updates last year on key issues such as avian flu and the December 2004 Indian Ocean tsunami. Canadians accessed this site in record numbers (an average of 241,667 hits per month, a 25 percent increase over the previous year).

The tsunami presented the biggest challenge for delivery of consular services last year, as the department coordinated the government-wide response. The department's Emergency Operations Centre received an unprecedented 100,000 calls from concerned friends and relatives of Canadians residing or vacationing in the affected areas. A review of the department's management of Canada's response to the tsunami resulted in an action plan, developed by the Consular Affairs

Bureau, to improve management of the department's emergency response. The bureau has purchased improved emergency response equipment and hired a company to develop training models. It is now working with Human Resources Branch to develop a staff roster for a multifaceted rapid deployment team.

In a world increasingly occupied with security issues, Passport Canada continues to apply the latest technology and thinking to enhance the integrity and safety of the Canadian passport and other travel documents. In 2004-2005, Passport Canada issued over 2.6 million passports, a 4.37 percent increase over 2003-2004. It also undertook several key measures, including:

- continuation of its extensive research and development related to the e-passport (containing an embedded electronic chip, in keeping with commitments made in the National Security Policy);
- amendment of the Canadian Passport Order to prescribe national security as grounds to refuse or revoke a passport and to provide legal authority to proceed with e-passport and facial recognition technologies; and
- establishment of MOUs with Correctional Services Canada, the RCMP's Canadian Police Information Centre, the Canada Border Services Agency, and Citizenship and Immigration Canada on the sharing of information needed to strengthen passport watch lists and improve enforcement of the Canadian Passport Order.

Passport Canada conducts an annual client survey to find out overall satisfaction with services provided and to set new goals for further improving service. Last year, rates of client satisfaction improved, approaching pre-9/11 levels. Nonetheless, Passport Canada is aware that more work is needed to fully meet commitments made for 2004-2005.

1.4.4 The Department's Transformation Agenda

Greater innovation throughout the department's operations: In late 2004, the department created an Office of Innovation and Excellence to help drive transformation. Of more than 160 innovative ideas it proposed, 20 were approved as priority projects related to organizational structure and governance, political /

economic renewal, representation abroad, consular services, human resources and information systems.

One of the first major developments was the ongoing alignment of organizational structures and budgets with the IPS. This has laid the groundwork for further major changes in the department's corporate structure and operations. Other key developments have been:

- reduction of the geographic branches from four to two (North America and Bilateral Relations);
- establishment of a combined central Strategy and Services Bureau to support the geographic branches, allowing them to focus more on core tasks; and
- creation of a new Global Issues Branch to improve Canadian foreign policy on global issues such as failing states, conflict prevention, promotion of democracy and human rights, and climate change.

The transformation agenda exceeds commitments made in the 2004-2005 RPP (under the heading of Forging an Innovative Organization). It also incorporates priorities identified by the Clerk of the Privy Council in his 12th Annual Report to the Prime Minister on the Public Service of Canada.

The department is focused more intensively than ever on ensuring that the right people are in the right places. Over the past year, key accomplishments include the establishment of a new performance management program for employees below the executive level, focused on competencies and results (eight other departments have expressed interest in adopting the system); improved alignment of human resources planning with business planning, as required by the Public Service Modernization Act; and first steps in implementation of the new Foreign Service classification standard and pay structure, a key component of the Government of Canada's strategy to revitalize the Foreign Service. The president of the Professional Association of Foreign Service Officers called the group's new collective agreement "a significant step forward for the FS group as a whole."

The department also made progress in meeting government-wide objectives related to human resources modernization, workforce diversity, and official languages and learning. Leading accomplish-

ments included creation of a Values and Ethics Unit, which is developing a roadmap and taking a lead role in development of the code of conduct for Canadian representatives abroad; and implementation of a training program on bias-free recruitment and diversity as well as a strategy for training in official languages. It should also be noted that the department's new recruitment strategy addresses employment equity for designated groups through accelerated internal promotions, and its 2005 recruitment campaign addresses the need for increased representation of designated groups in certain occupational categories.

Meanwhile, the department had a number of important accomplishments with respect to corporate services, which includes overall administration as well as management of finance, information technology, materiel, property and contracting. They included revision of the department's MRRS-PAA to reflect the transformation agenda; establishment of a corporate task force within the Department of Foreign Affairs and International Trade (*Foreign Affairs*) to realign the department's budgets with its new organizational structure, review resource allocations and develop a model for alternative means of delivery of common services at missions abroad; and continued leadership government-wide in making ongoing enhancements to international components of the Government of Canada Internet presence, which was ranked first among 22 countries evaluated for the fifth consecutive year by Accenture's latest report on e-government (http://www.accenture.com/xd/xd.asp?it=caweb&xd=locations/canada/insights/studies/leadership_cust.xml).

The corporate task force identified resources to meet Treasury Board expenditure reduction targets, which were approved by senior management. The funds were drawn from specific sectors and programs to avoid a flat tax across the department.

The department has taken care to increase the transparency and accountability of its operations, in response to the increased public focus on these issues generated by the Gomery inquiry. The department achieved significant progress on its modern management comptrollership agenda by reviewing its financial and accounting policies, procedures and systems to ensure compliance with government-wide requirements. In so doing, the department also took into

account the demands of the global financial management environment as well as the need for a strong financial management and control framework to support its own operations as well as those of the Department of International Trade.

The Department of Foreign Affairs and International Trade (*Foreign Affairs*) updated its funding framework to ensure that its senior financial officer confirms the soundness of financial and resource information contained in all its Memorandums to Cabinet, in accordance with Treasury Board requirements. This framework ensures that, when the department expands programs and services, funding is allocated to corporate services providers to enable them to maintain service levels and standards. Meanwhile, to improve resource management, the department created the Area Management Advisor Council to make recommendations to senior management on resource and comptrollership issues.

Readers can find a more complete summary of the achievements of Corporate Services and Human Resources in Section 2.4.

1.4.5 Lessons Learned

The application of lessons learned is a key element in the department's continuous efforts to generate benefits for Canadians.

- Experience in recent years has shown that Canada needs to strengthen its global network of missions. This issue is being addressed by the IPS as well as the department's transformation agenda, which includes reallocation of resources from headquarters to missions abroad. In fact, the Foreign Affairs Minister has set a resource allocation target that would evenly divide staff between Ottawa and the missions by 2010.
- The department is responding to the fact that its policy capacity lags behind that of comparable foreign ministries as well as federal partners. It recognizes the need for stronger, more regular engagement in policy analysis and development with the core international departments and agencies such as the Department of National

Defence and CIDA as well as the provinces and territories. This will ensure a whole-of-Canada approach to international policy. The department also must adapt to the accelerating convergence of domestic and international policies.

- The department is improving its passport and consular services in order to better meet requirements for more secure travel documents and demands for more timely and targeted travel information. Such improvements are referenced in the IPS.

1.4.6 For More Information

Readers should note that the performance information contained in the summary above provides only a snapshot of the department's main achievements in 2004-2005. Fuller details of these and other important work done by the department in the past year are presented in Section 2 of this report. Readers may also wish to consult the index at the back of this report for quicker reference to a specific program or issue.



Canadian Embassy, Mexico

Analysis of Performance by Strategic Outcome



Canadian Embassy, Berlin

Section 2

This section of the DPR presents a detailed analysis of the department's performance against the plans and priorities as described in the 2004-2005 RPP, and as they relate to the department's three strategic outcomes based on the program activities set out in the department's PAA.

Under each strategic outcome, the information is presented as follows:

1. **Our mandate in relation to the program activity** describes the corresponding program activity(ies) and what each is looking to accomplish in relation to the department's mandate.
2. **How we pursue our long-term outcome** demonstrates the linkage between departmental activities, outputs and strategic outcomes. This also describes the roles and responsibilities of some of the key partners that are involved in common initiatives with the department.
3. **Our working environment** describes the conditions under which the department manages itself.
4. **Accomplishments against priorities** identifies plans, priorities and commitments made in the 2004-

2005 RPP in relation to the strategic outcome and program activity(ies) under discussion.

5. **Performance assessment** presents some of the performance indicators used by the department to assess its performance.

6. **Achievement analysis and lessons learned** outlines key programs and/or services of the department that contribute to the strategic outcome and how they relate to the results achieved.

Readers will find a table presenting a summary of the department's financial and human resources against the program activities mentioned above in Section 1 on page 11.

2.1 Strategic Outcome 1: Advancing Canada's Interests Internationally

Canada's interests are advanced internationally—Working in partnership with Canadians, Canada and its values are projected to the world, Canada's interests are pursued abroad and Canadians are better able to interpret the world. This strategic outcome consists of the following program activities:

- **Strategic Policy:** Leading the formulation of Canada's overall international policy and inter-departmental development of whole-of-government strategies, including public diplomacy;
- **Global and Security Policy:**
 - a) **International Security**—Advocating Canadian international security interests and human security program interests bilaterally and multilaterally, as well as managing the department's responsibilities with respect to security and intelligence;
 - b) **Global Issues**—Advocating a stronger and more effective multilateral system, capable of addressing Canada's interests in global issues, in particular international economic relations and development, environment and sustainable development, human rights and human security;
- **Bilateral Relations:** Conducting and promoting Canada's bilateral diplomatic relations in Canada and abroad. There are two areas—North America and the World (excluding North America).

2.1.1 Strategic Policy

2.1.1.1 Our mandate in relation to the program activity

Strategic policy involves the following corporate functions, which contribute to the department's objectives of promoting and defending Canadian interests internationally by:

- acting as the focal point for medium- to long-term policy planning and department-wide priority setting through the work of the Policy Planning Secretariate; and
- developing and coordinating the department's public diplomacy activities to:
 - o promote an environment, internationally speaking, that is predisposed to Canadian values and interests; and
 - o increase Canadians' understanding, on the domestic front, of the international environment and Canadian foreign policy.

These functions contribute to the government's ability to deliver a coherent international policy, reflecting a whole-of-government, whole-of-Canada approach that is responsive to evolving global realities.

2.1.1.2 How we pursue our long-term outcome

In today's world, the international and the domestic are intertwined. Events are a composite of emerging trends and the unforeseeable. Strategic policy is the key function to the government's pursuit of a whole-of-government, whole-of-Canada international policy that is advanced in an environment receptive to Canadian values and interests.

The department's focus on strategic policy combines its in-house research and commissioned analysis from outside experts with input from missions abroad to provide an up-to-date evidential basis for policy development. DFAIT (*Foreign Affairs*) works with several partners in promoting the coherence of Canadian international policy. Key partners include other federal government departments (OGDs), provincial, territorial and municipal governments, Canadian non-government organizations (NGOs), academia and citizens, particularly youth.

In an effort to engage Canadians in informed dialogue on international policy issues, the department also works with other countries' governments, decision makers and opinion leaders to understand their positions and to promote Canadian objectives by fostering an understanding of Canada and its international policy objectives (e.g. policy-planning talks with Mexico and the U.S.). This is especially evident in relations with the G8, "pathfinder" countries (e.g. Poland, Spain) and key emerging countries (e.g. China).

2.1.1.3 Our working environment

Canada faces disparate albeit related threats, including terrorism, diseases in the form of international pandemics, cross-border threats to the environment and international crime. Multilateral institutions—Canada's long-standing international bulwark—are under strain. A new geopolitical constellation is emerging, marked by U.S. pre-eminence and new emerging powers. The short pause in global economic integration is over, and the global marketplace is once again growing in size and depth. There is also an increased international presence of provinces, territories and municipalities. These factors, along

with the cited intertwining of the domestic and international, suggest an integrated international policy.

2.1.1.4 Accomplishments against priorities

The 2004-2005 RPP identified the following priorities in terms of strategic policy:

- increasing the focus and coherence of international policy making;
- enhancing strategic partnerships;
- improving the department's communications; and
- increasing international awareness of Canada and its values.

Increasing the focus and coherence of international policy making

To foster future international policy coherence, DFAIT (*Foreign Affairs*) led the International Policy Review (IPR) based on extensive consultations in 2003-2004. This process also involved expert advice, both in-house and commissioned research on the international environment, to provide an analytical foundation for the review. In addition, it entailed the marshalling of partners across the federal government—particularly the Canadian International Development Agency (CIDA), the Department of National Defence (DND) and the Department of International Trade—and at the provincial/territorial level.

The IPR developed new initiatives aimed at making Canada's international policy more effective and reasserting Canada's global role. Examples include:

- Global Peace and Security Fund: to enable a faster, more effective Canadian response to protect people in failed and failing states;
- Stabilization and Reconstruction Task Force: to ensure timely, coordinated responses to international crises requiring effective whole-of-government action and to plan and deliver coherent, effective conflict prevention, crisis response and stabilization initiatives in fragile and failed state situations implicating Canadian interests;
- Placing greater emphasis on such areas as policy capacity, professional skills, public diplomacy, increased agility and maximization of field resources; and

- The IPR culminated in the government's release of its IPS on April 19, 2005, and also led to a new departmental process to further coherence in international public diplomacy.

Ongoing advice was provided to the Minister of Foreign Affairs and senior officials to ensure that relevant external trends and perspectives were considered in the development of Canadian policies, and that they contributed to a coherent whole-of-government approach. Advice covered G8 topics such as political and security initiatives (e.g. the broader Middle East and North Africa initiative), countering terrorism, and topics with a direct domestic impact such as health and the environment.

The John Holmes Fund was redesigned, as follows, while continuing to support Canadian foreign policy dialogues:

- Two additional funding categories were introduced (Evidence-based Policy Analysis and Research, Building Capacity for Independent Advice on International Policy).
- The fund's priorities were linked to those of the department and government.
- An interdepartmental approval process was set up.
- Increased transparency was introduced via the application process and client database.

Enhancing strategic partnerships

The IPR was based on partnerships with core international federal departments and agencies, provinces and territories, Canadian civil society and citizens to develop a whole-of-Canada approach.

Further collaboration with the provinces and territories included promoting cultural diversity through the negotiation of a United Nations Educational, Scientific and Cultural Organization (UNESCO) international convention, the Summit of the Americas (SOA), Tsunami Task Force, Canada-U.S. and Canada-EU relations.

Other federal-provincial partnerships included personnel interchanges, the continuing co-location of 16 provincial offices in Canadian missions, and the development of provincial international strategies. The department also hosted an International Policy Workshop with municipalities, providing them with an overview of Canada's international policy and an

opportunity to express their priorities and wishes concerning international collaboration.

Further to the Prime Minister's undertaking concerning provincial and territorial engagement in international affairs, federal-provincial-territorial working groups were established on Canada-U.S. relations and international negotiations and forums.

The department continued its focus on increasing networks of influential, informed individuals with ties to Canada (e.g. scholarships, youth exchanges, Canadian studies).

Improving the department's communications

The department continues to improve the Canadian International Policy (CIP) Web site (<http://www.international.gc.ca/cip-pic/lps/lps-en.asp>). This site now hosts on-line discussions, which provide DFAIT (*Foreign Affairs*) policy planners with input from Canadians on key issues. Background information on an international issue is provided on the site through net cast interviews with experts in foreign policy, some on location at the "hot spot," and via the posting of relevant foreign policy documents. Canadians are then invited to comment. Examples of recent e-discussion topics include UN reform, security, Canadian culture and know-how abroad, Canada's role in Haiti and Afghanistan, and Canada's response to the Indian Ocean tsunami. The use of e-discussions was piloted in Canadian university undergraduate courses and received a positive response. Further, the U.K. National E-Democracy Project selected the CIP site as a model of e-democracy.

With support from the department, a collaborative project entitled Canada and the New American Empire engaged 1.4 million viewers on the issue of Canada-U.S. relations.

The department continues to develop its provincial-territorial extranet site, which serves as a vehicle for sharing information with provincial/territorial governments. This site hosts a broad range of information of interest to the provinces and territories, including Info flow, which provides political and economic reporting from Canadian missions.

The Public Diplomacy Program funded 71 projects that enabled Canadians across the country to gain a

better understanding of their foreign policy and Canada's role in the world (e.g. 43 percent of projects originated from outside central Canada). The program continued to engage official language minority communities and youth, with 22 percent and 80 percent of projects supporting these groups respectively.

Increasing international awareness of Canada and its values

DFAIT (*Foreign Affairs*) worked interdepartmentally and through the Forum of Federations in developing an international role for the Forum and new sources of financing. The Forum of Federations, created as a result of a Canadian initiative, undertakes research and fosters the exchange of experience on federal governance.

As part of its management of public diplomacy, the department has developed strategic plans at the national and regional level to promote Canadian interests and values, in part by showcasing Canadian creativity and know-how abroad.

The department continues to deliver various academic and cultural programs, including the Public Diplomacy Fund, projecting Canada as a dynamic, innovative, well-governed, sophisticated country and as a trustworthy ally and partner. It also continues to leverage academic and cultural events to increase Canada's influence with key foreign decision makers to promote Canada's international agenda. A major activity last year was Canada-France 2004-2008.

Canada-France 2004-2008

Through Canada-France 2004-2008, the department sought to modernize the image of Canada in France, strengthen Canada-France partnerships and networks, celebrate Canadian linguistic duality and cultural diversity and commemorate four centuries of dialogue. The initiative also established strong partnerships within Canada itself, particularly in Atlantic Canada and Quebec. Canada-France 2004-2008 included numerous activities in France over a three-year period, ending in March 2005. In 2004-2005, projects launched in support of Canada-France 2004-2008 included:

- a major Inuit event, Quand la parole prend forme, at Le Musée de l'Homme, Paris, with French

President Jacques Chirac attending the official opening;

- la Maison Champlain, a state-of-the-art cultural and historical interpretation centre relating Canada and France's shared history, in Brouage (Poitou-Charentes);
- the Cyber-Explorer, a major interactive project linking the Cité des Sciences et de l'Industrie, Paris, and l'Université du Québec à Montréal;
- the promotion of Canada's Francophone culture at Le Festival Interceltique;
- the unveiling of a statue of Champlain located on the Place du Canada, Paris;
- a Canadian festival in Paris showcasing Canada's different provinces through their most popular films; and
- co-productions between Radio-Canada and Radio France.

Media attention resulted in unprecedented coverage of Canada, with 320 press and 33 radio-television items reaching virtually every household in France.

The department's Arts Promotion Program assisted more than 500 Canadian artists and groups last year, including the following:

- **Film:** 100 grants, totalling \$113,917, to filmmakers, enabling them to participate in leading international film festivals (e.g. the Berlin International Film Festival). Also, 19 grants, totalling \$382,100, to bring foreign cultural experts to Canadian film and TV festivals (e.g. Toronto International Film and Banff Television Festivals).
- **Dance:** 32 grants, totalling \$982,542 (e.g. Les Grands Ballets Canadiens de Montréal and the National Ballet to tour the U.S.).
- **Music:** 63 grants, totalling \$697,780 (e.g. Jane Bunnett to tour Europe, Les Violons du Roy to tour the U.S.).
- **Theatre:** 52 grants, totalling \$990,700 (e.g. Theatre Newfoundland/Labrador to tour the U.K., Canadian Stage Company to tour its production of *The Overcoat* in Australia).
- **Visual Arts:** 84 grants, totalling \$612,898 (e.g. the Kamloops Art Gallery to present the works of Rebecca Belmore at the Venice Biennale).
- **Literature:** 88 grants, totalling \$107,585 (e.g. M.G. Vassanji to read from his *The In-Between World of Vikram Lall* at the Edinburgh Book

Festival, Denise Boucher to read her poetry at the Festival International de Poésie à Lodère in France).

To advance Canada's foreign policy objectives, a total of \$1.9 million in cultural and public diplomacy funds was used by 39 missions. Projects ranged from small promotional events to large multi-artist spectacles (e.g. at the opening of the National Museum of the American Indian in Washington, the Canadian MUTEK Festival in Beijing, Tal Bachman's tour in South Africa, and Canadian authors at the PEN conference in Oslo).

Approximately 23,000 young Canadians travelled abroad, plus an equivalent number of foreign youths visited Canada, under the department's International Youth Program. This represents an increase from the previous year, which saw 18,818 young Canadians and 20,199 foreign young people involved. Travel quotas were raised again for Australia, New Zealand and South Korea.

To enhance Canada-U.S. mutual understanding, departmental support to the Fulbright Program was increased to \$600,000 and its scope broadened beyond the existing scholarships, fellowships and research grants to encompass, for example, visiting chairs, conferences and a mobility program. In addition, the department redirected an additional \$50,000 from its arts and cultural promotion budget to U.S. posts last year to develop a public diplomacy strategy linking our overall foreign policy objectives.

Various scholarship plans enabled promising foreigners to study in Canada. The Canadian Commonwealth Scholarship Plan and the Government of Canada Award sponsored some 250 promising young people to pursue advanced studies in Canada. In addition, an agreement with El Consejo Nacional de Ciencia y Tecnología (CONACYT) in Mexico and the Association of Universities and Colleges of Canada encourages Mexican students to study in Canada. The Canada-China Scholars Exchange Program offers scholarships to Chinese citizens studying in Canada and Canadians studying in China.

In February, the department was involved in a media visit highlighting education and training in Canada. Journalists from Austria, Brazil, Germany, India,

Iran, Malaysia, Mexico and the U.K. participated in the visit.

The department also continued to sponsor the Cultural Personalities Exchange Program, which supports Canadian academics, experts and artists in promoting knowledge of Canada, Canadian expertise and culture at colleges, universities and conferences abroad.

2.1.1.5 Performance assessment

A more cohesive international policy emerged from the IPR. This will better enable the government to protect and project Canadian interests abroad and respond more quickly and effectively to international crises.

Largely based on the knowledge acquired through the IPR, in January 2005, the department committed itself to “building a 21st century foreign ministry.” This transformation was founded on six corporate imperatives set to meet the challenges of the IPR. The “mainstreaming of public diplomacy” was recognized as one of the six departmental imperatives, with strengthened policy capacity being another.

An extensive evaluation of public and cultural diplomacy programs was undertaken (e.g. international academic relations, arts promotion, the Canada-France program, public diplomacy). Many of the evaluation’s recommendations were already being addressed at the time of its tabling (e.g. a policy framework for the cultural and public diplomacy programs). The Treasury Board Secretariat identified the department’s cultural and academic Results-based Management and Accountability Framework (RMAF) as a best practice.

The John Holmes Fund attracted a growing number of quality proposals. Some 32 projects were funded, 30 of which were public dialogues, six engaging youth in foreign policy discussions and one a television broadcast, in partnership with the Canadian Broadcasting Corporation, reaching approximately 1.4 million people. This served to enhance accountability (e.g. an improved review committee, and revamped practices to ensure full compliance with government regulations).

Provincial and territorial governments expressed satisfaction with their involvement in the development of Canada’s foreign policy. This was facilitated through consultations, regular visits to their capitals, and initiatives promoting information exchange and sharing.

2.1.1.6 Achievement analysis and lessons learned

Policy research and dialogue capacity lags behind comparable ministries of foreign affairs and OGDs. A departmental corporate imperative is to improve this capacity to provide a strong evidence-based, analytical foundation for policy development.

There is a need for ongoing engagement of the core international departments and agencies—CIDA, DND, DFAIT (*Foreign Affairs*) and Department of International Trade—to develop effective Canadian foreign and international policies.

A dialogue with provincial and territorial governments, on their particular interests, would enhance the achievement of a whole-of-Canada approach to international policy.

2.1.2 Global and Security Policy

2.1.2.1 International security

2.1.2.1.1 Our mandate in relation to the program activity

The focus is on critical security issues such as continental defence and security, counterterrorism, non-proliferation, arms control and disarmament, defence and security relations with other countries, transnational organized crime, global peace and security issues (e.g. failed and fragile states), conflict prevention, peace-support operations and programs for landmine action, and the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction (Global Partnership). The department promotes Canadian interests in multilateral, regional and bilateral defence and security relations and policy development to build an international environment where Canada is secure from threats from abroad. The

department is also responsible for developing and implementing strategies and policies with respect to peace-building, peace support, intelligence cooperation and the security of personnel and assets in our missions abroad. As a result of the 2005 Budget, DFAIT (*Foreign Affairs*) will have new resources to fund Global Peace and Security initiatives, including a new Stabilization and Reconstruction Task Force aimed at improving responses to international crises. New funding was also secured for security of personnel and missions abroad.

2.1.2.1.2 *How we pursue our long-term outcome*

In pursuing Canada's international security agenda, the department makes use of the full range of Canada's diplomatic tools and assets, including the network of Canadian diplomatic missions abroad. The department's missions to the North Atlantic Treaty Organization (NATO) in Brussels, the United Nations (UN) in Geneva and Vienna, and the Organization for Security and Cooperation in Europe (OSCE) in Vienna are responsible for the implementation of Canada's international security agenda.

DFAIT (*Foreign Affairs*) works with a wide range of domestic partners as well, including OGDs and agencies such as DND, Public Safety and Emergency Preparedness Canada (PSEPC), the Royal Canadian Mounted Police (RCMP), the Canadian Security Intelligence Service (CSIS), Canada Border Services Agency (CBSA), Citizenship and Immigration Canada (CIC), the departments of Finance, Health, Justice and Transport, the Canadian Air Transport Security Authority (CATSA), the Canadian Space Agency (CSA) and CIDA. In collaboration with its federal partners, the department develops security-related policies in accordance with a whole-of-government approach. In addition, it collaborates with the provinces, territories and municipalities as well as members of civil society. In pursuing Canada's international security agenda, including issues related to failed and fragile states, terrorism and transnational crime and weapons of mass destruction, DFAIT (*Foreign Affairs*) works with like-minded nations identified as partners in security matters, as well as with key multilateral and other international organizations.

2.1.2.1.3 *Our working environment*

The most dangerous threats we face today are beyond the control of any one country. States that pose threats, such as those developing nuclear weapons, often operate beyond the constraints of international law. There is a need for new strategies to influence international behaviour. Non-traditional security challenges identified in the April 2004 National Security Policy, including terrorism and transnational crime, cross national borders with relative ease and can threaten Canada even if their source is geographically remote. Terrorist attacks in distant parts of the world can kill or injure Canadians or otherwise negatively affect Canadian interests, either immediately or in the longer term. These global threats demand consistent and comprehensive international action based upon agreed norms, standards and institutions. Canada seeks to expand and reinforce effective global action to further enhance the security of Canadians at home and abroad.

Consistent with a shared concern with the U.S. about continental security, DFAIT (*Foreign Affairs*) is placing special emphasis on the efforts to modernize Canada-U.S. security cooperation in the fields of defence and counterterrorism.

Many countries pose a threat to the international community and their own citizens, not because of their strength, but because of their fragility. Their collapse creates humanitarian tragedies and poses wider security threats, including to Canadians. These challenges, including those resulting from failed and fragile states, increasingly transcend national boundaries, demanding more than ever that governments work multilaterally to find durable solutions.

Like many other countries, Canada is concerned that increasing rejection of multilateral approaches and a lack of progress in reforming key institutions could undercut their effectiveness and credibility, which in turn could encourage further unilateral or selective multilateral action by members of the international community.

2.1.2.1.4 Accomplishments against priorities

The 2004-2005 RPP identified the following priorities in terms of international security:

- Canada-U.S. affairs;
- international threat reduction and the campaign against terrorism;
- promotion of human rights, good governance and the rule of law; and
- strengthening multilateral institutions.

Canada-U.S. affairs

To enhance Canada-U.S. security cooperation, an amendment to the North American Aerospace Defence Command (NORAD) Agreement was signed on August 5, 2004, which allows NORAD's missile warning function to be used in support of U.S. commands conducting missile defence. While Canada decided not to participate in the U.S. ballistic missile defence (BMD) program, the amendment permitted NORAD's existing missile warning function to be made available to U.S. military commands responsible for BMD, preventing this function from being assigned to a U.S.-only command.

Working with partner departments and agencies

Canada-U.S. maritime security cooperation was strengthened through the creation of new integrated Marine Security Operations Centres for the collection, fusion and analysis of marine information and coordination of on-water responses and through other efforts to strengthen security on the Great Lakes and St. Lawrence Seaway:

- Aviation security was strengthened through expanded air marshal coverage on additional domestic and international flights, comprehensive background checks, restricted area passes, random checks of airport workers and passenger-screening programs.
- Work continued in the Binational Planning Group (BPG) to further strengthen cross-border defence and security cooperation, as well as on preparations for the next formal meeting of the Bilateral Consultative Group (BCG) on counterterrorism (<http://www.canadianally.com/ca>).

Cross-border cooperation on crime-related issues has contributed to strengthening relations with U.S. authorities while seeking to avoid disagreements and misunderstandings. The joint U.S.-Canada Drug Threat Assessment (http://www.sgc.gc.ca/publications/policing/drug_threat_e.asp), under the aegis of the Cross-Border Crime Forum, and Canadian outreach efforts have helped to dispel misconceptions, including in the media and U.S. government reports such as the *National Drug Threat Assessment 2005* (<http://www.usdoj.gov/ndic/pubs11/12620/index.htm>).

The Canada-U.S. relationship is complex and multi-faceted, affecting all of our programs and impacting all of our priorities. Many of our priorities are linked to or in common cause with the U.S. The U.S. and Canada are members of many of the same international organizations and processes, and as such, work closely together to support shared interests. In some cases, activities like the Proliferation Security Initiative (PSI) are led by the U.S., or programs such as the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, while now a G8 effort, mirror earlier U.S. initiatives (e.g. the Nunn-Lugar Threat Reduction Program). More broadly, Canada plays an active role in seeking to reinforce U.S. engagement in multilateral security regimes.

International threat reduction and the campaign against terrorism

The G8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, initiated under Canada's leadership at the Kananaskis Summit and building upon earlier U.S. efforts, now involves 22 nations working cooperatively to reduce risks associated with weapons and materials of mass destruction. Canada has committed up to \$1 billion over 10 years (<http://www.globalpartnership.gc.ca>). The past year has seen significant progress, including:

- Helping to halt the production of weapons-grade plutonium by contributing \$9 million to a U.S.-led project to shut down Russia's weapons-grade plutonium-producing reactor, located in Zheleznogorsk.
- Committing an additional \$10 million toward the construction of a chemical weapons destruction facility, Shchuch'ye (Kurganskaya Oblast), which will destroy Russia's most dangerous and

proliferation-prone nerve agents (i.e. 5,440 metric tonnes of Sarin, Soman and VX stored in more than 1.9 million munitions). Canada has committed \$48.35 million to the construction of this facility to date.

- Committing a cumulative \$2.6 million to 15 research projects through the Moscow-based International Science and Technology Center (ISTC), to redirect the efforts of hundreds of former nuclear, chemical and biological weapons and missile scientists from Russia, Armenia, Belarus, Georgia, Kazakhstan, and the Kyrgyz Republic to peaceful scientific pursuits. Canada also committed \$6.69 million to the ISTC to support supplemental programs that aim to sustain the redirection of the scientists, the salary of the Canadian Deputy Executive Director at the ISTC, and Canada's share of the Center's day-to-day activities.
- Defuelling and dismantling three Russian nuclear-powered submarines. This \$24.4 million project is an initial step in a \$120 million program to dismantle 12 submarines over four years.

Canada has also been active on non-proliferation, arms control and disarmament issues in a wide variety of other forums. (For general information in this regard, please see <http://www.international.gc.ca/arms/menu-en.asp> and <http://www.international.gc.ca/nnid-agency/menu-en.asp>.)

Canada has, for example, chaired the International Atomic Energy Agency (IAEA) Board of Governors since September 2004, providing leadership within the organization to seek strengthened international nuclear safeguards and address the verification challenges presented by Iran's long-standing undeclared nuclear activities, and shepherding toward consensus a U.S. proposal for a special committee of the board on safeguards and verification.

Canada worked with G8 colleagues to ensure a robust 2004 Sea Island Summit statement on non-proliferation activities, as well as the development of Guidance for the Import and Export of Radiological Sources, which was endorsed by G8 leaders in June 2004 and by the IAEA in September 2004.

In the First Committee of the 2004 UN General Assembly (UNGA), Canadian leadership resulted in the establishment of a UN panel of governmental

experts to examine verification and compliance issues. To support this and other efforts, the department assisted with the establishment of a world-class Canadian Centre for Treaty Compliance at Carleton University in March 2005.

Canada made a significant contribution to the activities of the PSI, including the hosting of an operational experts working group meeting in April 2004 and the development of a PSI Web site, launched in June 2004, that met PSI operational outreach objectives, a key contributor to attracting political support for the initiative (<http://www.international.gc.ca/arms/proliferation-en.asp>).

Canada's Biological and Toxin Weapons Convention (BTWC) Implementation Act received Royal Assent in May 2004. Canada also played a leading role in international efforts to expand participation in BTWC confidence-building measures and the development of several technical papers for the BTWC expert meetings.

In July 2004, proclamation of Section 8 of the Chemical Weapons Convention Implementation Act made it illegal, without proper authorization, for Canadians to possess, acquire or use the most dangerous chemical weapons agents. A licensing regime for these agents was instituted at the same time.

Canada led in the development of an UNGA resolution welcoming the Hague Code of Conduct on Ballistic Missiles (an agreement to curb proliferation and restrain accumulation of ballistic missiles, which has now been adopted by 120 countries).

Space security efforts in 2003-2004 included pressing the UN Committee on Peaceful Uses of Outer Space to develop space debris mitigation guidelines and raise awareness of the potential implications of debris as a result of conflict in space; drafting and introducing Bill C-25 (Remote Sensing Space Systems Act) into the House of Commons to address any security issues associated with Canadian remote-sensing space systems; and the provision of leadership in shaping the international space security debate (<http://www.spacesecurity.org>).

Canadian contributions to NATO's transformation agenda and reform process promoted an increased political role for NATO in fostering transatlantic consensus over key security issues, such as training of

Iraqi forces, and organizational changes supportive of NATO's capability requirements for deployability and interoperability. The NATO Response Force reached its initial operational capability of approximately 17,000 troops on October 13, 2004, and was ready to take on a full range of missions. The Force will reach full operational capability by October 2006 with about 21,000 troops.

Canada worked with other G8 member states on practical methods to combat international crime and terrorism. In the G8 Lyon/Roma Group on Crime and Terrorism, Canada collaborated on various G8 projects, including on the use and protection of intelligence information in criminal proceedings, on laws and practices relating to illegal Internet content, and on securing international transportation against terrorist attacks.

Through international organizations such as APEC, the ASEAN Regional Forum (ARF), the OAS and the OSCE, and pursuant to priorities identified for 2004-2005, Canada has promoted important policy objectives, including secure identity and travel documents, enhanced cooperation among law enforcement and legal practitioners, and information sharing. Canada has also provided counterterrorism capacity-building assistance through training and workshops on anti-terrorism legislation, anti-terrorism financing, aviation and marine security, effective border management and document security. In September 2004, Canada organized an OAS border-management symposium in Vancouver that introduced officials from across the Western hemisphere to Canada-U.S. Smart Border principles and practices. In collaboration with 19 federal departments and agencies, DFAIT (*Foreign Affairs*) has been elaborating a larger Counterterrorism Capacity-Building Program as announced in the April 2004 National Security Policy. Once operational, the program will contribute to enhanced security for Canadians and the inhabitants of beneficiary states.

DFAIT (*Foreign Affairs*) continued to lead the inter-departmental process for the listing of terrorist entities under Canadian regulations (UN Suppression of Terrorism Regulations and UN Afghanistan Regulations) in accordance with international obligations, including UN Security Council Resolutions. Currently, 503 groups are listed under the Canadian regulations.

The departmental Web site for background information on counterterrorism can be found at <http://www.international.gc.ca/internationalcrime/menu-en.asp>.

As of March 31, 2005, 144 countries had ratified or acceded to the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (known as the Ottawa Convention). In 2004-2005, Canada provided more than \$27.2 million for mine action programming (<http://www.mines.gc.ca>).

DFAIT (*Foreign Affairs*) contributed \$6.1 million and CIDA \$21.1 million toward mine action initiatives in some 90 projects in more than 60 mine-affected countries, and helped countries in every region of the world to meet their Convention obligations. During this period, three additional nations formally joined the Ottawa Convention: Estonia, Ethiopia and Papua New Guinea. Treasury Board approved a five-year, \$72 million extension of the Canadian Landmine Fund mandate to 2008. In addition:

- The Convention's first Review Conference, the Nairobi Summit on a Mine-Free World, took place from November 29 to December 3, 2004. Governor General Adrienne Clarkson led Canada's delegation to this extremely important event, reflecting the importance that Canada attaches to this issue. Canada played a strong leadership role in preparations for the Summit, including through our extensive work on the Action Plan adopted in Nairobi, in addition to supporting a wide range of preparatory meetings, funding valuable mine action projects, and providing Summit organizers with direct financial and other support.
- Canada's support of over \$1.5 million assisted Afghanistan, Bangladesh, Belarus, Colombia, Mauritania, and Serbia and Montenegro in their stockpile destruction programs. Globally, more than 30 million stockpiled mines have been destroyed in 65 countries. Canadian support to stockpile-destruction programs has been a key element in securing some nations' accession to the Ottawa Convention.
- Canada is active in expanding international recognition of cyber-security and critical infrastructure issues, particularly in the ARF and the OAS. Canada contributed to the development of

a secure OAS communications infrastructure for mutual legal assistance, as well as to the development of the first hemispheric cyber-security strategy. In the ARF, Canada has also been active on cyber-protection issues, specifically sharing Canadian best practices on such issues.

Promotion of human rights, good governance and the rule of law

Canada made a significant contribution to the Multinational Interim Force in Haiti (March-August 2004) and the ongoing UN Stabilization Mission, which began in June 2004, including the deployment of 100 Canadian civilian police and the appointment of an RCMP officer as the UN Police Commissioner.

The Prime Minister's commitment of \$20 million to the UN in October 2004 to assist in resolving the crisis in Darfur was implemented through the provision of essential helicopter support to the African Union (AU) Mission in Sudan and other critical military and police support essential to the successful expansion of the AU mission from 350 to 3,800 personnel.

The Canadian Forces' contribution to the Multinational Force and Observers in the Sinai increased from 28 to 32 officers, and Canada coordinated the Middle East Maritime Security Colloquium, involving Coast Guard and naval representatives from Middle Eastern countries, to discuss cooperation on search and rescue and maritime security issues.

Canada provided police trainers and senior advisors to the Jordan International Police Training Centre (20 trainers) and to the Iraqi Ministry of the Interior in Baghdad (two trainers) in order to support Iraqi security sector capacity building.

Canada also provided police and corrections advisors to the UN Assistance Mission in Afghanistan. Our contribution to the NATO mission in Afghanistan continued through 2004-2005, and as announced by the Prime Minister at the NATO Summit in February 2005, planning has begun for a renewed mandate in Afghanistan, including a Provincial Reconstruction Team in Kandahar.

The November 2004 OAS Conference of Defence Ministers in Ecuador achieved an agreement that

reflected Canadian views on enhancing hemispheric cooperation on interoperability for peace-support operations while also reaffirming OAS armed forces' respect for democracy, human rights and the rule of law.

On May 21, 2004, Canada signed the UN Convention Against Corruption (UNCAC) and is now working on the ratification procedures. As agreed in the G8, Canada assisted other countries in implementing UNCAC and the related UN Convention against Transnational Organized Crime, which also includes provisions on corruption and money laundering. Canada will continue to participate in the APEC Anti-Corruption Experts' Task Force. In February 2005, Canada presented an update on Canadian measures to implement the Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and also was lead reviewer of the United Kingdom's implementation of that Convention.

Canada was instrumental in reinforcing an international response to terrorism based upon common and agreed international norms and standards, including the rule of law, good governance and the respect for international human rights and humanitarian law, despite considerable resistance to highlighting the latter from some participants in some international forums. Canada won specific recognition of these international human rights obligations in both the Joint Statement of the 16th APEC Ministerial Meeting in Santiago, Chile, in November 2004, and the ARF Statement on Strengthening Transport Security Against International Terrorism in Jakarta, Indonesia, in July 2004.

Canada continues to provide international leadership in the development and advancement of a human security agenda. The prime mechanism to accomplish this is the \$10 million per year Human Security Program (HSP), which was renewed in early 2005 for a second five-year phase. Over the course of 2004-2005, the HSP funded 200 projects in more than 25 countries around the world, advancing Canada's people-centred approach to foreign policy. The fund supports enhanced diplomatic leadership and advocacy, the strengthening of multilateral mechanisms, Canadian capacity building, and targeted, country-specific initiatives that are focused on the protection of civilians,

conflict prevention, peace-support operations, security sector reform, governance, accountability and public safety.

In the promotion of good governance, Canada has concentrated on the rule of law. In the Middle East alone, the HSP supported the establishment of an on-line legal library for Palestinian and Israeli lawyers defending land appropriation and human rights cases in the Palestinian Territories; a project working with educators, community leaders and the legal establishment on promoting children's rights in the Palestinian Territories; and a judicial assessment mission to the Palestinian Territories, which was the foundation of the \$4.5 million project on Palestinian judicial capacity building recently announced by Prime Minister Martin. Canada also provided financial and substantive support to the Regional Human Security Centre in Amman, Jordan, via conferences, seminars and training workshops on human rights and government accountability, which helped to advance good governance in that country, and more broadly in the Middle East.

The majority of HSP-funded projects that took place in Africa directly supported Components 1 and 2 of the G8 Africa Action Plan, of which Canada was a principal architect (<http://www.g8.gc.ca/2002Kananaskis/kananaskis/afraction-en.pdf>). Some examples of this support include the deployment of two Canadian experts to the UN Development Programme for one year to assist with national preparations for disarmament, demobilization and reintegration in Sudan; also, support was provided to the Conference on Refugee Protection in Africa, which promoted the awareness of international/regional refugee law and provided information on new UN High Commissioner for Human Rights (UNHCHR) initiatives related to protection and durable solutions for protracted refugee situations.

On January 19-20, 2005, DFAIT (*Foreign Affairs*) hosted the 8th Annual Peacebuilding and Human Security Consultations on the theme of War to Peace Transitions. Coordinated in partnership with the Canadian Peacebuilding Coordinating Committee (CPCC), the Canadian Consortium on Human Security (CCHS), the International Development Research Centre (IDRC) and CIDA, the consultations were an opportunity to engage policy makers, aca-

demics and civil society representatives in peace-building and human security issues, and attracted a record 425 participants (http://www.humansecurity.gc.ca/canadiens_consultations-en.asp).

Canada is providing police to the UN Mission in Côte d'Ivoire (including the Police Commissioner), to the EU Police Mission in Kinshasa and police investigators to the Sierra Leone Special Court. Canada is also working with regional partners in West Africa to develop African capacity to conduct peace-support operations through the provision of civilian police training.

Complex security challenges posed by the illicit proliferation of small arms and light weapons require multifaceted responses and new partnerships. Canada has sought to advance progress in this area by working with the 13 countries of the Human Security Network (HSN) and other like-minded governments, in partnership with international NGOs, on issues that address both the supply and demand components of the problem. In so doing, Canada has been at the forefront of international efforts to promote a more comprehensive and robust approach to the problem of the proliferation of small arms and light weapons (SALW). Canada convened two international SALW expert group meetings in the spring of 2005 to explore emerging policy issues, such as global norms in transfer controls, civilian possession of firearms and the misuse of firearms by state security organizations. These meetings gave Canada a leading role in discussions on expanding the scope and effectiveness of the UN Program of Action. Funding from the HSP was used to advance this priority, for example, by supporting governments and civil society in the implementation of the Nairobi Declaration on Small Arms (endorsed in March 2000 by the states in the Horn of Africa and the Great Lakes Region).

Strengthening multilateral institutions

Negotiations with the European Union (EU) on a Framework Agreement on Canada's participation in EU-led civilian and military operations is assisting current and future Canadian military and civilian deployments; for example, in Bosnia (EUFOR and EUPM), and promoting closer relations between Canada and the EU in the field of crisis management.

Canada led efforts to enhance the effectiveness of the OSCE through reforms to its financial and administrative procedures as part of the new integrated resource management agenda. Canada also made a significant contribution to the OSCE election observation mission in Ukraine, playing a key role in the establishment of a Panel of Eminent Persons to make recommendations on how to improve the efficiency of the Organization and meet policy priorities in the area of human rights and good governance.

Through its active participation in the United Nations, the G8-affiliated Counterterrorism Action Group (CTAG), the APEC Counterterrorism Task Force, the ARF Intercessional Meeting on Counterterrorism and Transnational Crime, the Bali Regional Ministerial on Counterterrorism, the OAS Inter-American Committee against Terrorism (CICTE) and several OSCE workshops and seminars, Canada ensured more effective international action against terrorism, built upon practical partnerships among states. This included concrete cooperation among legal and law enforcement experts, substantive policy guidance, coordination among donors of counterterrorism capacity-building assistance to other states, and the provision of targeted Canadian capacity-building assistance to foreign partners who lack the resources and/or expertise to prevent and respond to terrorist activity, thereby contributing to their security and our own. For example, through the Bali Process on Counterterrorism, legal and law enforcement experts share information on extradition, mutual legal assistance, and cross-border enforcement, which will ultimately lead to increased enforcement and judicial cooperation among participating states. Tangible progress is also demonstrated through Canadian expert assistance to Southeast Asian countries on anti-terrorism legislation and contingency and response planning.

This year, Canada's annual contributions to the UN Office on Drugs and Crime (\$2 million) and to the OAS Inter-American Drug Abuse Control Commission (CICAD) (\$900,000) helped sustain these institutions and renew key multilateral processes, including the CICAD Multilateral Evaluation Mechanism (MEM). Canada chaired CICAD from November 2003 to November 2004.

As one of the leading advocates in the movement to create a strong and effective International Criminal Court (ICC) and international criminal tribunals to

bring to justice those responsible for genocide, crimes against humanity and war crimes, Canada exercised its leadership in 2005 with support from the HSP. In 2004, for example, Canada funded the McGill Sierra Leone Special Court Law Clinic for research support. The Court was created to try those who bear the greatest responsibility for serious violations of international humanitarian and Sierra Leonean law committed in the territory of Sierra Leone since November 30, 1996. Canada was also pleased to note that six more countries ratified the Convention in 2004-2005, all but one of which received ratification assistance from Canada. Last year, for example, Kenya participated in the HSP-supported University of Nottingham Cape Town training of key African national personnel on the ICC.

2.1.2.1.5 Performance assessment

A number of solid indicators underline the impact that departmental programs and activities have had over the past year. They are as follows:

- The achievements in Canada-U.S. relations in 2004-2005 have set the stage for an effective negotiation of the renewal of the NORAD Agreement, arguably the symbolic cornerstone of Canada-U.S. defence and security relations.
- Canada was again cited by the U.S. as a key partner and a model for bilateral cooperation in the campaign against terrorism.
- Canadian efforts and achievements in international organizations have set the stage for support of Canadian priorities and initiatives at such forums as the UN, the IAEA and the G8, for example in the negotiations at the Nuclear Non-proliferation Treaty's 2005 review conference, the finalization of the nuclear terrorism convention, the creation of a new Canadian-led Global Security and Strategic Planning Department at the ISTC and Canada's election to the Chairmanship of the IAEA Board of Governors.
- Respect for Canada's leadership in OAS/CICAD (the OAS drug program) led to Canada being acclaimed to chair the important review of the MEM in 2005-2006, and the CICAD Secretariat formally recognized Canada's leadership in CICAD's Maritime Narcotrafficking Experts Group in promoting international cooperation and coordination among member states.

- The department maintains a constant focus on delivering results by ensuring that approved projects have valid deliverables that clearly reflect the goals of the program as enunciated in the Results-based Management and Accountability Frameworks (RMAFs) and Risk-Based Audit Frameworks (RBAFs). An independent audit has been carried out and the report will be forthcoming.
- The HSP maintains a constant focus on delivering results by ensuring that approved projects have valid deliverables that clearly reflect the goals of the program as enunciated in the RMAFs and RBAFs that were initially developed as part of the approvals process for this highly successful program. Indeed, in assessing the first five years of the HSP, the final and summative independent evaluation concluded that “the HSP is fully supportive of Canada’s foreign policy objectives and the department’s Strategic Planning and Priorities Framework” and noted that “the HSP is an effective tool to further Canada’s human security strategy.” As a matter of course, 10 percent of HSP projects are audited every year.
- The Landmine Monitor’s Annual Report (<http://www.icbl.org/lm>) is a civil society initiative systematically monitoring and documenting nations’ compliance with the Ottawa Convention and the humanitarian response to the global landmine crisis. In 2004, the Landmine Monitor Report: Special Five-Year Review reported that there has been a significant reduction in landmine use, that production has dropped dramatically from more than 50 country producers to 15, and that the global trade has slowed to a trickle. Most important, victim rates in most countries continue to decline.
- Canada has actively and directly contributed to G8 nuclear threat-reduction efforts by defuelling two aging Russian nuclear submarines and dismantling one. A second submarine was 50 percent dismantled.
- The former U.S. Senator Sam Nunn, co-creator of the U.S. Cooperative Threat Reduction Program, recognized Canada’s prominent role in the Global Partnership at a February 7, 2005 press conference in Washington DC, following the signing of the Canada – Nuclear Threat Initiative Contribution Agreement.

2.1.2.1.6 Achievement analysis and lessons learned

The substantive lesson learned every year is that the international security situation remains very volatile. As a result, adjustments made during the year to reflect the changing nature of the international security environment (e.g. on Canada-U.S. affairs, and discussions on Ballistic Missile Defence) required negotiation of a NORAD amendment, while the visit of President Bush provided an occasion for a major message on continental security. Iran’s uncompromising position on nuclear issues required a more active Canadian role at the IAEA than planned. Sudden deterioration of situations in Haiti and Darfur required much heavier and more expensive engagement than expected. Terrorist threats against Canadian interests in Southeast Asia also demanded immediate and significant responses. Another lesson is that lack of funds inhibits DFAIT (*Foreign Affairs*) Canada’s ability to exercise leadership in responding to international crises. Budget 2005 begins to solve the financial issue.

2.1.2.2 Global issues

The focus of work in this area contributes to international security and cooperation, which is defined as “a peaceful, law-based international system reflecting Canadian values, in which Canada is secure from threats from abroad.” Work also contributes to sustainable development, a government-wide theme.

2.1.2.2.1 Our mandate in relation to the program activity

The department’s mandate is to promote a renewed multilateralism, which is focused on results that:

- advance human security through good governance, human rights protection and respect for diversity;
- support more effective sustainable development (SD) strategies, including through enhanced energy security;
- strengthen international development, including through public-health initiatives;
- modernize, strengthen and mobilize multilateral institutions for greater effectiveness; and

- contribute to strengthening Canada-U.S. relations, including by supporting efforts to combat terrorism and other threats to international security.

2.1.2.2.2 *How we pursue our long-term outcome*

Given the wide and often crosscutting range of issues falling within the mandate of DFAIT (*Foreign Affairs*), achieving outcomes on global issues requires extensive yet variable partnering, both domestically and internationally. Overall, the network of interlocutors must be large, with the specific constellation of partners depending on the issue and the objective pursued. Other key federal government departments with relevant mandates and expertise on specific global initiatives include the departments of Finance, Justice, CIDA, NRCan, Environment Canada, Canadian Forestry Service, Canadian Heritage, Fisheries and Oceans (DFO), Industry Canada, CIC, Human Resources and Skills Development Canada (HRSDC), Department of International Trade and Health Canada. Many of the issues involve areas of responsibility of provincial and territorial governments, which must also be actively engaged. Equally, the views and expertise of stakeholders—including the private sector, human rights, environmental and other NGOs, academics and think tanks—must be carefully considered. Internationally, the department's objectives are pursued with and through the many key institutions for which it has the lead responsibility within the government: the UN system, the G8, the proposed L20, the Commonwealth, La Francophonie, the OECD and APEC.

2.1.2.2.3 *Our working environment*

With deepening globalization, Canada's prosperity and security are more directly affected by international trends and events than ever before. Even the nature of sovereignty is evolving as the global community struggles to address issues ranging from the state's responsibility to protect its own population to a global commons threatened on several fronts. Major new issues have joined the international agenda, including migration and infectious disease. Longer-term energy security requires sustained attention. The international institutional architecture requires modernization in several areas to keep pace with the shifting environ-

ment, e.g. on human rights, peacebuilding and the importance of creating a representative and agile leaders' forum (the L20). Increasingly, comprehensive answers to domestic challenges must include robust and well-grounded Canadian leadership abroad. Given the multiplicity of players and interests both domestically and internationally, progress in achieving key Canadian objectives can seem ponderously slow; effective leadership requires persistence, flexibility in partnering and considerable energy over time. It is critical to remain focused on medium to longer-term objectives and solutions, while remaining agile enough to manage the tactics of the short term.

From a corporate perspective, the recent restructuring of DFAIT (*Foreign Affairs*) implies that work on global issues does not fit squarely in any one business line identified in the 2004-2005 RPP. Reporting for the past fiscal year thus relates to several priorities.

2.1.2.2.4 *Accomplishments against priorities*

The 2004-2005 RPP identified the following priorities in terms of global issues:

- Canada-U.S. affairs;
- international threat reduction and the campaign against terrorism;
- the promotion of human rights, good governance and the rule of law;
- the strengthening of multilateral institutions; and
- sustainable development (SD).

Canada-U.S. affairs

Canadian participation in G8 Sea Island Summit preparations and activities afforded an opportunity to reinforce the bilateral relationship and achieve shared priorities for G8 action. Canadian support for and subsequent participation in high-priority U.S. initiatives on security and the broader Middle East and North Africa was particularly well received. Canada also played a role in helping to ease tensions in the transatlantic G8 relationship over the war in Iraq; this was a key Summit priority, linked to our further goal of helping to reinforce U.S. multilateral engagement at a difficult time by helping them host a successful Summit (<http://www.g8.gc.ca/sumdocs2004-en.asp>).

As the pace quickened on the debate on UN reform, Canada closely engaged the U.S., notably through the U.S. Institute of Peace Task Force headed by former Senator George Mitchell and former Speaker Newt Gingrich.

In keeping with the aims of the National Security Policy and the Smart Border Action Plan, DFAIT (*Foreign Affairs*) worked with CIC and the Privy Council Office (PCO) to bring into force the Agreement for Cooperation in the Examination of Refugee Claims from Nationals of Third Countries. The Agreement is designed to ensure that the United States and Canada share the responsibility of providing protection to genuine refugees and manage refugee claims in a more orderly fashion. It also defines parameters for monitoring and reporting factors for the designation of a “safe third country.”

International threat reduction and the campaign against terrorism

In close collaboration with the U.S., Canada played a leading role in promoting APEC’s work on fighting terrorism in the Asia Pacific region. Canada helped to establish guidelines on the control of Man-Portable Air Defence Systems (MANPADS) and promoted the implementation of the Additional Protocols with the IAEA. Canada worked through APEC to increase the counterterrorism capacity of our partners in Asia Pacific, and organized two workshops: Travel Document Security in Malaysia and Airport Security in China (http://www.apec.org/apec/apec_groups/som_special_task_groups/counter_terrorism.htm).

DFAIT (*Foreign Affairs*), CIDA and Finance designed a new management framework for the International Assistance Envelope, which will ensure that international assistance is allocated to Canadian priorities in a transparent, collegial manner. The new framework places greater emphasis on peace and security. DFAIT (*Foreign Affairs*) will manage the Peace and Security Pool within the Envelope, of some \$400 million in 2005-2006, in support of IPS commitments to advance global peace and security.

Over the past year, DFAIT (*Foreign Affairs*) has supported Industry Canada’s leadership in APEC discussions of e-commerce and cyber-security issues.

Industry Canada previously chaired APEC’s Electronic Commerce Steering Group, and now serves as vice-chair (http://www.apec.org/content/apec/apec_groups/som_special_task_groups/electronic_commerce.htm).

Promotion of human rights, good governance and the rule of law

At the last Francophone Summit in Ouagadougou, Burkina Faso, heads of state and government agreed, at the initiative of Prime Minister Martin, to hold a Ministerial Conference of La Francophonie on conflict prevention and human security. The conference will be held in Canada in the spring of 2006. This conference will contribute to strengthening the Francophonie Bamako Declaration on democratic practices, rights and freedoms and advance the principle of the responsibility to protect. It is worth noting that, as a result of a Canadian proposal, the final declaration of the Ouagadougou Summit recognizes the principle of the responsibility to protect.

Canada proposed to co-sponsor, along with other like-minded countries, a new resolution at the UN Commission on Human Rights (UNCHR) on the issue of combatting discrimination on the grounds of sexual orientation. Due to the ongoing controversies regarding such an initiative, this resolution was never considered. Nevertheless, Canada was able to reach agreement with 32 other governments on a joint statement on the issue made in the plenary session, which was well received.

The year 2005 marked the 10th anniversary of the Fourth World International Conference on Women (Beijing 1995) and its landmark Declaration and Platform for Action. Canada was instrumental in ensuring that international standards on women’s human rights and gender equality were consensually reaffirmed in the Beijing +10 Declaration. This declaration underscores the continued relevance of the Beijing agenda in the context of the Millennium Development Goals (MDGs) (<http://www.un.org/womenwatch/daw/csw/csw49/documents.html>).

At the 10th anniversary of the International Conference on Population and Development (ICPD), marked by a special UN high-level session on October 14, 2004, Prime Minister Martin joined other leaders in

signing the World Leaders' Statement, a document which reaffirmed the 1994 ICPD Programme of Action to combat poverty and promote reproductive health and human rights.

Canada was one of the main contributors to APEC's anti-corruption agenda in 2004-2005. APEC held its first meeting of anti-corruption experts in September 2004 in Santiago, and in February 2005 adopted the terms of reference that established APEC's anti-corruption task force. Canada is part of the small group of member economies overseeing the work of this task force (http://www.apec.org/apec/apec_groups/other_apec_groups/anti-corruption.html).

In 2004, Canada successfully promoted the inclusion of transparency standards in APEC members' Individual Action Plans (IAPs), which require annual reporting. APEC's transparency standards commit members to such measures as publishing all laws, and establishing appeal mechanisms for administrative decisions. Reporting on transparency standards is expected to lead to greater implementation of them. Leading by example, Canada reported on a voluntary basis in 2005 (http://www.apec.org/apec/about_apec/how_apec_operates/action_plans_.html).

The Sea Island G8 Summit agreed on a plan on Fighting Corruption and Improving Transparency, aimed at providing support to developing countries (http://www.g8.gc.ca/g8_fight_corr-en.asp).

Canada played a decisive role in the decision of the International Organization of La Francophonie (OIF) to suspend Togo from Francophonie organizations as a result of the constitutional coup following the death of President Eyadema in March 2005. That was the first time the OIF applied sanctions under the Bamako Declaration.

Canada has encouraged and supported the efforts of the OIF Secretary-General through mediation and good offices to identify solutions to the crises in the Republic of Côte d'Ivoire (RCI) and Africa's Great Lakes region in particular. Although much remains to be done, progress—fragile though it may be—has been made in the RCI.

After strengthening dialogue with national Aboriginal organizations on the UN and OAS draft declarations on

the rights of Indigenous peoples, Canada played a lead role in both multilateral processes, particularly at the UN, driving consensus building around such key issues as the right to self-determination. At the same time, the department helped to promote and broaden understanding of non-rights-based Indigenous issues by collaborating with OGDs to organize a March 2005 international conference in Ottawa on Indigenous connectivity, which will feed into preparations for the second stage of the World Summit on the Information Society.

Canada strengthened its leadership role in circumpolar affairs by participating in the November 2004 Arctic Council Ministerial meeting in Reykjavik, Iceland, where ground-breaking reports in Canadian priority areas such as climate change, human development and Arctic marine shipping were endorsed by ministers.

In 2004-2005 Young Professionals International provided international job placements and consequently enhanced labour market skills for 464 young people, through 47 projects that reflect the department's mandate. About 40 percent of these placements focused on issues such as democratic development, good governance, human rights, human security and the rule of law. This program succeeded in preparing more Canadian organizations and youth, including employment equity groups, to work internationally. The program has created unique access to the international labour market and greater overseas awareness of Canada and its values.

Approximately 70 Young Professionals International placements were made in seven multilateral organizations, plus 15 agencies and divisions of the UN system. Some 40 placements were in the U.S., 30 of which related to SD.

Canada significantly stepped up its international advocacy on the Responsibility to Protect (R2P), achieving formal consideration of R2P at the UN in the context of UN reform. This growing international consensus was reflected in the December 2004 report of the High-Level Panel on Threats, Challenges and Change, which endorsed core elements of R2P, as recommended by Canada in its submission to the panel. Canada also drafted and negotiated a cross-regional "Friends of UN Reform" paper on R2P, which was a significant step toward the Secretary-General's follow-through on the panel's recommendations, in his report *In Larger Freedom*. By continuing to lead efforts on R2P, Canada is

promoting the strengthening of international norms to enable the international community to respond in a more timely and effective manner to serious violations of international human rights and humanitarian law, such as war crimes, genocide, ethnic cleansing and crimes against humanity (http://www.international.gc.ca/canada_un/HLP_submission-en.asp).

Strengthening multilateral institutions

In 2004, given then-current tensions over Iraq, Canada had as an objective in the G8 to strengthen the transatlantic relationship. The G8 also provides ongoing political support for the agendas of other multilateral institutions, such as APEC, OECD and World Trade Organization (WTO) priorities.

Canada works actively to strengthen APEC. Ministers approved a list of recommendations in November 2004, streamlining internal procedures, augmenting coordination between forums, and improving dialogue with the business community and other stakeholders. These measures are aimed at making APEC working-level activities more priority-focused, policy-oriented, and responsive to leaders' and ministers' instructions (http://www.apec.org/apec/ministerial_statements/annual_ministerial/2004_16th_apec_ministerial.html under APEC Reform).

Canada has earmarked financial assistance for the OIF and its operators to afford them greater latitude in terms of program development. Canada would like to persuade other financial donors to follow suit.

Canada played a key role in developing a 10-year strategic framework adopted at the Ouagadougou Summit, which identifies La Francophonie's key missions for the next 10 years. Canada also insisted that institutional reform of La Francophonie be pursued (<http://www.francophonie.org>).

A mission to the site of the 2006 Francophonie Summit in Bucharest was completed to assess Romania's organizational needs and the contribution Canada could make in staging the Summit.

Negotiations have begun with Quebec government authorities for the signing of an MOU between Canada and Quebec on the sharing of responsibilities in organizing the 2008 Quebec Summit.

Through alliances of like-minded governments such as the Geneva Group of major UN contributors, Canada and its allies developed and implemented common strategies on institutional governance issues, such as oversight (in particular internal and external audit), results-based management and priority-setting in UN organizations.

DFAIT (*Foreign Affairs*) organized the government's participation in the UN-Habitat's 2004 World Urban Forum (WUF), and coordinated negotiating positions for its Governing Council. Canada has re-engaged with UN-Habitat as a key partner, and will host the 2006 WUF. Canada is actively working with UN-Habitat to improve the structure and effectiveness of the WUF to address the significant challenges of global urbanization, and through work on the Governing Council, strengthening UN-Habitat's work plan and financial status.

Canada is active in ongoing efforts at reform and renewal of the OECD. As part of a long-term goal to make the OECD's work more global in reach and relevance, Canada is leading the development of a strategy for enhanced outreach to non-members, and has undertaken to chair the committee that will implement this strategy over the coming year. Canada, with the U.S. and others, achieved agreement on undertaking governance reform of the OECD as a precursor to enlargement. DFAIT (*Foreign Affairs*) engaged in consultations to provide a whole-of-government view of Canadian priorities to inform the work program and budget process at the OECD. In addition, Canada provided an auditor to sit on the Board of Auditors, in an ongoing effort to enhance management reform.

DFAIT (*Foreign Affairs*) continued to chair an Interdepartmental Committee on Specialized Agencies to ensure a common approach on crosscutting issues. The fruits of this approach were visible in the good coordination of Canadian delegations to major UN meetings, which in turn permitted Canada to achieve its objectives more effectively in the UN. Joint approaches were especially evident in the work on implementing the World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC), in negotiations on the WHO's International Health Regulations and in leading Canada's preparations for the second phase of the World Summit on the Information Society (WSIS), to take place in November 2005 in Tunis.

In support of SD, the department organized two meetings of interested parties within civil society and different levels of government to instigate the development of an approach for national engagement in the UN Decade of Education for Sustainable Development (DESD). As a result, a network of some 60 groups is active under the direction of an Interim Steering Committee. The overall goal of the DESD is to integrate the values inherent in SD into all aspects of learning to encourage changes in behaviour that allow for a more sustainable and just society for all.

A review process was instituted regarding preparations for the UNGA and UNCHR, which allowed the department to enhance cooperation with OGDs and civil society on issues of interest, as well as to focus on priorities for the government.

The department successfully led Canadian preparations for the January 2005 UN World Conference on Disaster Reduction in Kobe, Japan, engaging eight federal departments, numerous academics and NGOs. Canada's well-developed and thoughtful positions influenced the final conference outcomes.

In addition to its work on the R2P, Canada continued its pursuit of UN reform through another substantive submission to the High-Level Panel on Threats, Challenges and Change. A number of Canada's ideas were reflected in the panel's December 2004 report, which in turn formed the basis for the Secretary-General's own proposals in March 2005 in his report *In Larger Freedom*. Canada welcomed the panel's submission and the Secretary-General's report. Dialogue continues with allies and the UN to encourage implementation of these ideas and proposals.

Canada contributed to stronger language in the Secretary-General's report on UN reform, both on human rights and on a credible and effective human rights body with a peer-review mechanism. Canada also ensured that the document reflected the importance of human rights in the work of the UN, and the important role of the Office of the High Commissioner for Human Rights (OHCHR).

DFAIT (*Foreign Affairs*) worked closely with CIC on a Canadian submission to the Global Commission on International Migration (December 2003-autumn 2005), which will submit recommendations to the UN

Secretary-General in October 2005 regarding national and international migration governance issues.

Sustainable development

SD was a crosscutting issue at several APEC meetings this year, and was incorporated into APEC's annual work plan in May 2004. The ECOTECH committee will coordinate crosscutting activities related to SD. Canada also organized a successful workshop to analyze and explain the environmental impact of trade liberalization measures (http://www.apec.org/apec/apec_groups/other_apec_groups/sustainable_development.html).

DFAIT (*Foreign Affairs*), in close coordination with Department of International Trade, played an active role in ensuring that key recommendations of the Report of the Ten-Year Review and Assessment Committee to the Council of the Commission for Environmental Cooperation (CEC) were integrated into the CEC's operations and activities. For example, DFAIT (*Foreign Affairs*) has been instrumental in the development of the CEC Strategic Plan on Trade and Environment, and in ensuring that North American Free Trade Agreement (NAFTA) Free Trade Commission and the CEC better coordinate their efforts in the elaboration of the CEC work program.

The UN Convention on Biological Diversity provides the forum for discussion of an international regime on access to genetic resources and benefit sharing. Canada has successfully identified and discussed areas of concern to both developed and developing countries, taking into account the experience gained from the national access regime and the implementation of the Bonn guidelines, and existing international instruments, in the negotiation of an international regime. A Working Group of the Convention has met three times to discuss gaps in the regulatory status quo and options to address them. An expert workshop held at the initiative of Canada and Mexico in December 2004 has been widely acknowledged as an important contribution to knowledge on the issues, and a model that could be followed in the future. Canadian delegations to these meetings, co-headed by Environment Canada and DFAIT (*Foreign Affairs*), have been very active (<http://www.biodiv.org/programmes/socio-eco/benefit/default.asp>).

Effective engagement of Russia by DFAIT (*Foreign Affairs*) and other departments bolstered international efforts to promote ratification of the Kyoto Protocol, and resulted in its entry into force in February 2005. The implementation of the Marrakech Accords will be completed at the 11th Conference of the Parties to the UN Framework Convention on Climate Change, and the first meeting of the Kyoto Protocol Parties will be hosted by Canada in Montreal in 2005. The meeting is scheduled to be held between November 28 and December 9, 2005. The intensified policy dialogue on the future climate change regime is under way. The rigorous analysis of Canadian interests and options for future commitments is under interdepartmental review, and will be advanced in preparation for Montreal and the international negotiations to follow. Increased interest in the Kyoto mechanisms has promoted further discussion of climate change issues and the means to address them. The department's Clean Development Mechanism and Joint Implementation Office will continue to promote the mechanisms in Canada and in developing countries.

In April, DFAIT (*Foreign Affairs*) facilitated an international seminar on clean development mechanisms (CDMs)—the basis for an operational partnership for sustainable development within La Francophonie, held in Montreal under the aegis of the Institut de l'énergie et de l'environnement de la Francophonie. The participants launched a Francophone partnership initiative for CDMs with a Francophone strategy for 2005-2009. The CDMs are an integral component in the implementation of the Kyoto Accord (<http://www.iepf.org>).

The department ensured that its initiatives were compliant with sustainable development-based legislative, directive and policy instruments. In 2004-2005, the department reported progress on the department's sustainable development strategy, Agenda 2006; completed strategic environmental assessments of its Memorandum to Cabinet as per the 2004 Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals; completed environmental assessments of nine international projects under the Canadian Environmental Assessment Act; and continued implementing its Environmental Management System as part of the department's operations domestically and abroad.

Other accomplishments

The following are important departmental accomplishments that deserve mention despite the fact that they did not fit under established priorities.

Disaster relief and prevention

The department's Humanitarian Affairs Unit effectively and efficiently coordinated Canada's interdepartmental response to the December 26, 2004 Indian Ocean tsunami. Building on existing practices and standard operating procedures, DFAIT (*Foreign Affairs*) actively engaged some 17 OGDs and agencies, provinces and territories, municipalities, NGOs and UN agencies to ensure that Canada responded in a coherent and timely manner to the needs of the more than one million people affected by the disaster, in addition to actively participating in related high-profile international decision-making forums, such as the January Special ASEAN Leaders' Meeting on the Aftermath of the Indian Ocean Tsunami (Indonesia), and the Ministerial Meeting on Tsunami Early Warning (Thailand) (<http://www.international.gc.ca/asia/tsunami-en.asp>).

DFAIT (*Foreign Affairs*) and CIDA successfully co-managed the follow-up to the Good Humanitarian Donorship initiative in 2004-2005, including convening the second international meeting on the initiative in October 2004 in Ottawa, involving some 22 countries, UN agencies, NGOs and the Red Cross/Crescent Movement. The efforts have resulted in more focus and attention to the need for greater donor accountability. It has also contributed to efforts aimed at improving multilateral humanitarian action, including on civil-military coordination, and has fed directly into the Secretary-General's report *In Larger Freedom* (http://www.international.gc.ca/foreign_policy/human-rights/ha1-humanitarian_donorship-en.asp).

HIV/AIDS

In consultation with OGDs and civil society, DFAIT (*Foreign Affairs*) developed a draft strategy paper for the department to effectively address the HIV/AIDS pandemic.

In collaboration with Industry Canada, Health Canada, Department of International Trade and CIDA, the

department successfully helped the government to pass and bring into force the Jean Chrétien Pledge to Africa Act, which implements a WTO decision on access to medicines. Under this legislation, Canadian pharmaceutical manufacturers must obtain licences to help provide more affordable medicines to countries in need. Canada, along with Norway, was one of the first countries to implement this decision.

Canada and the G8 endorsed and called for the launch of the Global HIV Vaccine Enterprise, to accelerate HIV vaccine development by enhancing global coordination, information sharing and collaboration.

Public diplomacy

Canada is providing financial support (\$2.6 million) to help organize the Francophonie Games to be held in Niamey, Niger, in December 2005. A large delegation of young Canadians will participate in these Games (<http://www.jeux.francophonie.org>).

2.1.2.2.5 Performance assessment

The Safe Third Country Agreement came into force in December 2004.

An independent evaluation was completed of the department's tsunami response, and feedback was received from an interdepartmental "lessons learned" exercise.

Substantive Canadian submissions on R2P and UN reform were reflected in the UN Secretary-General's report.

On the issue of HIV/AIDS, a draft departmental policy is under consideration for approval and the Jean Chrétien Pledge to Africa Act came into force on May 14, 2005.

The Kyoto Protocol entered into force in February 2005, later than originally anticipated.

The provinces and territories have been supportive of Canadian positions on access to genetic resources and benefit sharing in the Convention on Biological Diversity.

The G8 Research Group of the University of Toronto rated Canada as a top Sea Island performer in terms of compliance with agreements (along with the U.S. and the EU). According to the research group, Canada has either led or been one of the top two performers in six of the last nine summits, most recently receiving a rating of B minus. However, the group questioned the extent to which Sea Island outcomes had served Canadian interests (http://www.g7.utoronto.ca/evaluations/2004seaisland/gra_des.html).

The new framework for the Global Peace and Security Fund, a part of the International Assistance Envelope consisting of \$500 million over five years, was announced in the February 2005 Budget.

Multiple resolutions at the UN reflected Canadian priorities on human rights.

DFAIT (*Foreign Affairs*) remains engaged with civil society on human rights issues, through regular and informal consultations. On Iran, for example, Canada received positive responses from civil society and the media.

Canada achieved its major objectives in negotiations on the FCTC, the International Health Regulations and the WSIS.

External audits of UN agencies make it possible to track progress on results-based management.

Canada received positive feedback from OGDs, parliamentarians, NGO stakeholders, other countries and UN agencies on the Beijing +10 process.

Human rights considerations are fully integrated into the considerations of the Canada Border Services Agency.

Canada was actively engaged in preparations for the 2005 G8 Summit, which was chaired by the U.K.

2.1.2.2.6 Achievement analysis and lessons learned

The department's contribution to the Canada-U.S. relationship is positive. This was clearly expressed in Canada's support for the U.S. as it chaired the G8 in 2004.

Reducing threats is an objective to which DFAIT (*Foreign Affairs*) contributes through the promotion

of multilateralism, human rights and sound strategies for sustainable development, among other things. Other contributions include a coordinating role in various summits. The coincidence of Canadian priorities with U.S. interests helped Canada to achieve successful outcomes in important negotiations on this topic.

Of all the themes pursued by the department in multilateral forums, human rights and good governance were foremost in 2004-2005. Both are deeply held Canadian values, which are shared by several partner countries. While Canada was successful in moving these themes forward, this is but a step in an ongoing process. R2P was also a prominent, focused theme. The push behind this innovative intellectual doctrine, which Canada helped to develop—and which therefore has branding power—has been met with success in 2004-2005.

In 2004, the G8 process provided a key forum in which to mend the relationship between the U.S. and continental Europe, a significant strategic objective that could not have been anticipated in the RPP but that was fulfilled. However, despite the fact that several Sea Island outcomes furthered Canadian priorities, some observers raised questions on the definition of Canadian priorities.

At the time of drafting this report, the multifaceted topic of UN reform holds centrestage among institutional issues. Although it is only a step to successful reform, in 2004-2005, Canada was able to positively influence the process, particularly on substance. Other key institutions, such as APEC and La Francophonie, are both healthy and relevant. The absence of several heavyweights makes these institutions more responsive to Canadian priorities, and this report confirms that Canada uses its influence therein to advance its priorities.

Sustainable development is continually being integrated, both in corporate practices and in our foreign policy. Internationally, all major multilateral institutions now seem engaged in SD. The coming into force of the Kyoto Protocol is significant, especially given that it is known to Canadians.

The department's leadership role in guiding the government's response to the Indian Ocean tsunami deserves particular mention. The vast dimensions of

the crisis garnered significant interest among Canadians. The department ensured that Canada's humanitarian response to the disaster was robust, timely and well coordinated with the broader efforts of the international community.

The period 2004-2005 highlighted the need for and the value of ongoing interdepartmental consultation and coordination on complex, multifaceted issues, such as HIV/AIDS, emergency preparedness and disaster response, migration, trafficking in persons and human rights. Such collaboration is key to developing and promoting coherent and comprehensive responses, both domestically and internationally.

The period 2004-2005 also demonstrated the critical importance of timely diplomatic engagement by Canada to contribute toward preventing violations of international humanitarian, human rights and refugee law and policy. For instance, Canadian engagement on the deteriorating situation in Nepal led to agreement on the deployment of human rights monitors to the country.

2.1.3 Bilateral Relations—North America and the World

2.1.3.1 North America (the United States and Mexico)

2.1.3.1.1 Our mandate in relation to the program activity

In the area of North American bilateral relations, the department is responsible for advancing Canada's political, economic, cultural and social interests in its relations with the U.S. and Mexico; promoting Canada's broad foreign policy objectives within and through the Canada-U.S. and the Canada-Mexico bilateral relationships; and supporting the wider North American/trilateral agenda of the Government of Canada.

Along with managing a network of 23 missions in the U.S. and three in Mexico, key departmental functions include: fostering a strategic approach to Canada's engagement with the U.S. and Mexico, while bringing a whole-of-government/whole-of-relationship approach to managing the network of missions; preparing and

delivering a whole-of-government/whole-of-relationship advocacy program in the U.S. and Mexico; developing a trilateral dimension to Canada's agenda with the U.S. and Mexico; being a centre of expertise within the Government of Canada on the whole relationship with the U.S. and Mexico; and providing a focal point within the department on how the U.S. and Mexico should factor into Canada's position on multilateral and foreign policy issues.

The department is engaged in the Enhanced Representation Initiative (ERI) for the U.S., which is a partnership of eight departments and agencies whose objective is to augment advocacy and business development activities in the United States. Through this initiative, DFAIT (*Foreign Affairs*) fosters a strategic, whole-of-government approach to Canada's engagement with the U.S., particularly in the preparation and delivery of targeted advocacy programs.

2.1.3.1.2 How we pursue our long-term outcome

The implications of the Canada-U.S. relationship are so complex and pervasive that most OGDs, all provinces and territories and many municipalities have dealings with the U.S. The Mexico-Canada relationship is also gaining in importance, as is the push toward trilateralization in a North American context. Close cooperation and coordination with partner departments is therefore critical to maintaining a consistent and cohesive approach to Canada-U.S. and Canada-Mexico relations.

DFAIT (*Foreign Affairs*) provides strategic guidance and overall management for the 23 missions in the U.S. and the three missions in Mexico, which are responsible for program delivery on a national and regional basis. As issues arise or as initiatives are put forward, the department works with the relevant departments to develop advocacy strategies, which are implemented through the network of missions in the U.S. and in Mexico. For example, on cross-border issues and on the implementation of the Smart Border Action Plan, the department works in concert with PCO, PSEPC, CBSA, DFO, CIC, Transport Canada and Environment Canada; on defence and security issues, there is close coordination with DND and PSEPC; and on Mexico issues there is involve-

ment by HRSDC, CIC and Indian and Northern Affairs Canada (INAC).

Through its weekly Advocacy Report Card (ARC), the department shares information with partner departments and agencies on upcoming events in the U.S., and reports back on initiatives that took place in the past weeks. A quarterly booklet entitled *Key Messages*, which provides communications lines on key bilateral priorities, is distributed widely to OGDs and Canadian stakeholders, including provinces, territories and the private sector.

In view of the overriding importance of Canada-U.S. trade to Canada's economic health, DFAIT (*Foreign Affairs*) and Department of International Trade are essentially twinned at the missions in the U.S., and the latter is well represented at the missions in Mexico. In addition, new mechanisms such as the Washington Advocacy Secretariat, the PCO Secretariat for Canada-U.S. Relations and the ERI provide for both a coordinated, whole-of-government approach for managing Canada-U.S. relations and a more diversified yet targeted approach of engaging U.S. decision makers and stakeholders.

2.1.3.1.3 Our working environment

Management of the Canada-U.S. relationship is the critical foreign policy challenge for Canada. All areas of our national life—economic, security, political, cultural, as well as the larger dimensions of our international policies—are influenced by the course of Canada-U.S. relations. Nevertheless, the Canada-U.S. relationship is highly asymmetrical. Exports and imports with Canada represent 4.2 percent of the U.S. GDP, while Canadian trade with the U.S. represents 52 percent of Canada's GDP. Further, the U.S. is looking at issues all around the world, from nuclear proliferation to terrorism in the Middle East, to economic issues with China, and has a tendency to take its peaceful northern neighbour for granted. It therefore requires particular and consistent effort to get and sustain U.S. attention on issues of importance to Canada.

The after-effects of September 11, 2001 continue to overshadow U.S. relations with all countries. The U.S.

remains consumed with the need to protect its physical and economic security. This trumps all other issues in Washington, and everything that is done in terms of the relationship between Canada and the U.S. has to be understood through that prism.

President Bush's re-election in 2004 led to a renewed focus on key domestic "legacy creating" issues such as Social Security reform and conservative judicial appointments. These, joined with the war in Iraq and looming potential nuclear crises with Iran and North Korea, have had the effect of overcrowding the national agenda, making it increasingly difficult to place Canadian issues on the agendas of either the President or the Secretary of State.

Mexico has now also moved to the forefront of Canadian foreign and trade policy. Under NAFTA, Mexico has grown to become our sixth-largest trading partner in the world and our second most important trading partner in the Americas. The Mexican government has identified Canada as a strategic partner, particularly in terms of modernization of governance, and as a model for reforms and a potential ally in their bilateral agenda with the U.S. Moreover, Mexico has moved away from its tradition of isolationism, and has become a more dynamic and engaged multilateralist middle power with which Canada can cooperate.

Over the reporting period, the context of Canada-U.S. relations continued to evolve. The three North American leaders agreed at Waco, Texas, to move forward with a "Security and Prosperity Partnership" governed by the principle that "three should talk but two can act." The agenda is sharply focused on realistically deliverable enhancements across a wide spectrum of economic, defence and security, and environmental files without broaching the controversial concept of a "big bang." Early briefings of U.S. officials on the IPS and Canadian defence policy have raised Washington's expectations of a larger, more activist Canadian role as our capabilities in defence, security, diplomacy, development and intelligence are restored and enhanced, both on the global stage and in the continental context.

2.1.3.1.4 Accomplishments against priorities

The 2004-2005 RPP identified the following priorities:

- manage and enhance the Canada-U.S. relationship;
- promote Canada-U.S. bilateral trade and investment; and
- continue to deepen and broaden the relationship with Mexico.

Manage and enhance the Canada-U.S. relationship

The Canada-U.S. relationship received new impetus and prominence through three major events in 2004-2005: the Prime Minister's first official visit to the U.S.; the U.S. President's first official visit to Canada; and the meeting of the Presidents of the United States and Mexico and the Prime Minister at Waco, Texas. The department contributed to shaping the agenda and setting the tone for all three meetings. The meetings fostered the political relationship at the highest level, and strengthened security and defence for Canadians. They led to the establishment of a cooperative approach to advancing our common security and prosperity interests. Specifically, the Waco meeting resulted in the signature of the Security and Prosperity Partnership of North America.

A new ERI governance structure was established, which better integrates partner concerns and promotes a whole-of-government approach for Canada-U.S. relations, and helped Canada to achieve a more effective influence in the U.S. As well, the department has increased its capacity for more focused advocacy in the U.S. by expanding Canada's network of missions in the U.S. Consulates general were established in Miami and Denver; consulates were opened in Anchorage, Phoenix and Philadelphia; a trade office was established in Tucson; and an additional eight honorary consuls were recruited.

Two key processes for cementing the partnership and advancing the whole-of-government approach to U.S. relations are being instituted: placement of partner personnel into U.S. advocacy and trade commissioner positions will permit partners to gain first-hand experience promoting Canada's interests in the U.S.; and implementation of the ERI program funding for advocacy and for business development activities will

promote increased trade opportunities, investment in Canada, and the flow of technology to Canadian firms.

Another initiative—the establishment of the Washington Secretariat—addressed the need for more intensive advocacy of Canadian interests in a more complex U.S. political and media context. One unit of the Secretariat supports the activities of the Parliament of Canada and the Interparliamentary Group; the other focuses on enhancing provincial representation in Washington. Both of these represent significant departures from historical Canadian practice.

The department contributed significantly to greater convergence on policies and coordination of issues between Canada and the U.S. in the areas of border, environment, energy and trade policy. Regular meetings and conference calls among Canadian senior officials fostered a whole-of-government approach to Canada-U.S. issues and facilitated coherence of messaging to the United States. The department was successful in increasing awareness in the U.S. of Canada's agenda and of Canadian capabilities, and in shaping the internal U.S. debate pertaining to a number of issues.

The department advanced the objectives of the Smart Border Action Plan by:

- ensuring that Canada-U.S. visa policy coordination was appropriately considered in the visa policy review of new EU member states, which led toward a decision by Canada not to lift visa requirements at this time;
- contributing to the development of a new Container Security Initiative with Hong Kong port and government authorities;
- assisting in the development of a NEXUS-Marine joint pilot project in the Windsor/Detroit area, which seeks to give pre-approved participants expedited clearance when travelling by private boat into Canada and the United States;
- contributing to the development of the agreement for Canada and the United States to share advance passenger information and passenger name record information on high-risk travellers destined to either country using a jointly developed risk-scoring mechanism. The first phase of this exchange was implemented on August 10, 2004;
- contributing to the development of the Safe Third Country Agreement at the land border

between Canada and the U.S., signed in December 2004, which allows Canada to more effectively manage the flow of refugee claimants and reduces the abuse of our asylum system while improving management of our shared border;

- providing key policy and legal guidance to negotiations with the U.S. Department of Homeland Security toward a Land Preclearance Agreement that facilitates the movement of people and goods. A framework agreement was announced on December 17, 2004, and formal negotiations began in June 2005; and
- extending air pre-clearance to Halifax International Airport in December 2004, thus ensuring shorter and easier connections to U.S. cities and enabling airlines to serve U.S. cities that do not have customs and immigration facilities.

The department promoted sustainability and improved transboundary air quality and water resources by working with partner departments to develop whole-of-government positions on such emerging issues as:

- Work on Devils Lake outlet in North Dakota led to greater public and policy makers' awareness of the importance of the Boundary Waters Treaty.
- Work on the Great Lakes Charter and Water Quality Agreement increased protection of the waters of the Great Lakes and promoted sustainable use of these precious resources.
- Work on the Canada-U.S. Air Quality Agreement pilot projects on international air shed management led to a commitment to reduce and manage regional and transboundary air pollution.
- Development of a North American (NA) strategy on invasive alien species was conducive to the protection of the NA environment and ecosystems from the impact of invasive alien species, costing governments billions of dollars to mitigate once they have been introduced.
- Collaboration with U.S. NGOs and others helped to advance Canada's position with respect to protecting the Arctic National Wildlife Refuge from drilling.
- Canada's position with respect to the sustainable use of seals was advanced within the U.S., and efforts by DFO to manage communication activities in the U.S. were supported.
- Canada's position in the development of North American energy markets was reinforced to the

U.S. while Canadian objectives were promoted, including protecting the Aboriginal culture and way of life from the impact of oil and gas development, by contributing to the establishment of an Electricity Reliability Organization and the technical and policy preparations for an Alaskan natural gas pipeline.

In other areas, the department contributed to preventing the escalation of major irritants through its increased advocacy capability to react to and ease potential strains and irritants by working closely with partner departments:

- with regard to outstanding boundary disputes with the United States, ensured that Canada's positions were protected and that issues in the disputed zones, such as Machias Seal Island fisheries, were managed so as not to damage Canada's position with respect to sovereignty claims; and
- resolved a looming dispute over the differential application of Canadian marine navigation fees between certain Canadian and U.S. Great Lakes. This eliminated inadvertent discrimination against U.S. vessels and avoided investigation by the U.S. Federal Maritime Administration and probable retaliation against Canadian vessels.

To ensure that Canada's interests are protected, it is essential to create and foster a better understanding of Canada and Canadian policies among key members of Congress, the U.S. media, academia and the foreign policy community. This was accomplished in a variety of ways, including the following:

- The department expanded its network of Web sites carrying common general information on the key aspects of the Canada-U.S. bilateral relationship to all major posts. Over the reporting period, these sites attracted more than 3.6 million clients with over 22 million individual hits.
- The department launched two new thematic Web sites to inform the U.S. audience of the importance of Canada's contribution to the international fight against terrorism and to highlight the importance of the trading relationship between our two countries (<http://www.canadianally.com/ca> and <http://www.CanadaMattersToUS.com>).
- The Washington Secretariat made outreach calls to members of Congress advocating Canada's

position on various issues, including border security, Devils Lake, bovine spongiform encephalopathy (BSE) and softwood lumber.

- Some 1,800 staffers and members of Congress attended Canada-U.S. Partnership Day on Capitol Hill along with the International Trade Minister, the Canada-U.S. Inter-Parliamentary Group, the Senate Standing Committee on Agriculture and Forestry, provincial and territorial ministers responsible for international trade and forestry, and several industry associations. This event provided an opportunity for MPs, senators, provincial partners and the Government of Canada to engage with U.S. legislators and their staff to discuss the importance of the Canada-U.S. relationship and to highlight specific themes such as North American competitiveness, security, investment in Canada and the need to resolve trade disputes.
- Congressional staffers and think-tank researchers visited the Canada-U.S. border (including land border, airports and maritime ports) to communicate Canada's efforts under the Canada-U.S. Smart Border Action Plan to groups of key U.S. decision makers and influencers.
- Regular editorial board meetings by Heads of Mission (HOMs) and other visiting Canadian officials helped to engage U.S. media.
- Canadian studies initiatives in the U.S. were expanded as a source of information on Canada and a way to generate dialogue on key bilateral issues in Canada.

The department expanded advocacy efforts in the U.S. by engaging parliamentarians, premiers, mayors and other Canadians, fostering a whole-of-government, whole-of-Canada approach by:

- coordinating multiple visits by parliamentarians and provincial/territorial officials to various locations in the United States;
- encouraging participation by parliamentarians and provincial/territorial representatives in the annual HOM meeting in Ottawa;
- supporting binational municipal collaboration by partnering with the Federation of Canadian Municipalities (FCM), which is formalizing and solidifying its partnership with the U.S. National League of Cities to share best practices, build a cross-border policy and advocacy network, and plan next steps;

- producing a booklet entitled *Key Messages* for use by Canadian officials and partners (provinces/territories, municipal leaders, and key industry stakeholders) to reinforce the whole-of-government approach in our relations with the United States. Production has been expanded to more than 1,000 copies per quarterly edition; and
- developing and producing a weekly ARC, which is distributed directly to 347 contacts working for partner departments and other levels of government and shared with hundreds more to provide timely reports on our missions' activities and policy updates to partners on key bilateral priorities (e.g. BSE, border security, Devils Lake).

Promote Canada-U.S. bilateral trade and investment

The department played a lead role in the management and coordination of the International Business Development (IBD) program in the U.S. Through the ERI, which has provided increased points of service in the U.S. and enhanced coordination with partners and clients while providing more than \$2 million in additional funding, the IBD program has successfully integrated the core elements of trade, investment, and science and technology partnering. This program is vital in supporting the world's largest bilateral business relationship. In the aerospace sector, for example, a joint government-industry coalition was successful in winning 35 contracts, worth more than \$100 million, for Canadian firms under the U.S. Joint Strike Fighter Program.

In close collaboration with in-Canada partners and its network of posts, the department managed an active program to attract new business to Canada, focusing on knowledge-based sectors—the growth industries of tomorrow. The program has had notable successes: technology leaders such as Dell Computers, Hershey's, IBM and Merck Frosst launched major new or expanded investments into Canada during the year.

The department took a lead role in the development of multi-stakeholder strategies in priority sectors in the U.S., and in the reinforcement of consistent messages to an ever-expanding network of potential U.S. business partners. The biosciences marketing strategy, for example, successfully highlighted unique Canadian capabilities and promoted profitable cross-border collaboration, such as recognition of the advantages of conducting clinical trials in Canada.

Departmental activities contributed to increased participation by potential U.S. business partners at Canadian business development events. A program of targeted outcalls to key U.S. firms and research institutes generated a new wave of interest in Canada. As a result, U.S. business partners were prominent at major Canadian events across a range of emerging industries, for example environment (Globe), biosciences (biopartnering), alternative energy (Fuel Cells Canada), and homeland security (Procurement Conference of the Americas).

Support for Canadians conducting business in the U.S. was improved. The department worked in close collaboration with in-Canada partners and the network of commercial offices in the U.S. to deliver key business services to Canadian clients. The government assists more than 16,000 companies annually in the U.S. marketplace, the vast majority of them small and medium-sized enterprises (SMEs).

Last year marked the 20th anniversary of the highly successful ExportUSA program, which provides new Canadian exporters with market information and first-hand exposure to the U.S. marketplace. In 2004-2005, 1,400 companies participated in 97 seminars and missions under this program. Since it first began, more than 21,000 Canadian companies have benefited from participation in ExportUSA.

Efforts to make Canadian SMEs more competitive and more active through increased information flow and introductions to key contacts showed success. The ERI helped the newly created Technology Partnering Initiative (TPI) to become firmly established in 2004-2005. The TPI enabled 100 Canadian firms to participate in six targeted technology-partnering missions to the United States. These missions, designed to promote commercialization and collaboration in emerging sectors, were organized in priority sectors, including nanotechnology, alternative energy, homeland security, clinical trials, medical devices and photonics. Canada now has a robust framework that will ensure that new and emerging priority sectors (such as ocean technologies) will receive support for future technology partnering and collaboration.

The department ensured that Canadian businesses gained foreign market exposure by coordinating Canadian participation at major (multi-post) U.S. events, such as the Cellular Telecommunications

and Internet Association (CTIA) Wireless '05, Biotechnology Industry Association (BIO '04), Offshore Technology Conference (OTC '04) and International Builders' Show (IBS '05).

The department also led a concerted effort to manage and mitigate the fallout from key U.S. domestic issues, which could have adversely affected Canada-U.S. commercial relations. Major campaigns included Internet pharmacy, outsourcing and softwood lumber advocacy.

Continue to deepen and broaden the relationship with Mexico

Good progress was achieved in strengthening our relationship with Mexico and in establishing greater coherence between Mexican and Canadian policy interests in Latin America, particularly human rights, human security and in the SOA process. The department successfully engaged Mexico to host the January 2004 Monterrey Special Summit of the Americas, in part by providing financial assistance through the HSP.

Support for the work of the OHCHR and for the Diagnostic on Human Rights in Mexico published in December 2003, provided Mexico with a base from which to launch a National Human Rights Program in December 2004. Specifically, in June 2004, a Mexican delegation visited Ottawa to examine how Canadian authorities and civil society measure progress in human rights, in order to incorporate human rights indicators into their National Human Rights Program. Regular video-conferences and annual meetings among senior officials in Ottawa, Mexico City and New York have aligned both countries' policies, not only within the Group of Friends on UN reform, but also toward greater coherence on mutual multilateral policy interests in Latin America regarding human rights and human security. A specific outcome was to increase Mexican involvement in the HSN.

Cooperation and consultations with a number of Canadian government departments resulted in the participation of eight ministers joining Mexican President Vicente Fox in a highly successful working visit to Ottawa in October 2004. The visit promoted policy coherence with Mexico in areas such as health care, environment and foreign policy, and provided a forum for the signature of a number of instruments,

including the Canada-Mexico Partnership (CMP), letters of intent on academic cooperation, climate change initiatives, and health-sector collaboration. Extensive ongoing outreach activities (such as Canada Week, "Indigenous Autumn" events, and events surrounding the celebration of the 60th anniversary of the Canada-Mexico diplomatic relationship), and support for visits in Mexico of the premiers of Quebec and of Nunavut, served to raise Canada's profile in Mexico and deepen understanding of Canadian challenges and priorities. Additional outreach activities with Canadian business representatives and all major political parties will ensure that Canada and Canadian economic and political interests will be protected irrespective of changes to the political environment, and that key players in the new Mexican government (after 2006) have a better understanding of Canada's foreign policy and good governance agenda.

Progress in the areas of human rights and Indigenous issues was achieved through regular consultations between governments. This contributed to a greater coincidence of views between Canadian and Mexican public and foreign policy on human rights, democracy and good governance, supported by initiatives such as a study trip to Canada for drafters of the Mexican National Human Rights Program in July 2004, and the signing of instruments such as the Letter of Intent to Promote Cooperation on Indigenous Issues. Consultations with the Institute for Connectivity in the Americas (ICA), a component of IDRC, contributed to the development of @Campus Mexico, officially launched by President Fox on October 20, 2004. This initiative, which targets some 47,700 managers, ranging from analysts to general directors in 85 federal agencies, provides Web-based training and evaluation programs for Mexico's public service in support of democracy and good governance. @Campus Mexico will help to create a more modern, professional public service in Mexico that will survive the change of government in 2006.

In the area of UN peacekeeping operations, transparent discussions produced a better understanding of the challenges ahead. Workshops and training sessions for Mexican officials helped to increase their interest in participating in humanitarian assistance operations. In February 2005, the Mexican Senate approved a constitutional reform giving the President more flexibility

in sending troops abroad for humanitarian and rescue operations.

Close and continuing consultations and cooperation with HRSDC and CIC to extend the Seasonal Agricultural Workers Program resulted in an extension of the program to all Canadian provinces, except Newfoundland and Labrador. More than 11,000 Mexican workers now come to work on Canadian farms each year.

The CMP Housing and Urban Development Working Group's efforts in 2004-2005 resulted in Canadian expertise in urban development being deployed in over 10 major projects in selected large cities in Mexico. The projects have opened new markets for Canadian urban and environmental technologies and services, and have advanced commercialization and trade opportunities between Canada and Mexico. A commitment by Mexican developers to use innovative Canadian technologies in five major housing development projects in Mexico will help companies better understand the specific nature of the Mexican housing industry, identify ways to make their products and services more competitive, and ultimately increase their market share.

Overall, two-way trade increased to \$16.4 billion in 2004 from \$14.4 billion, ranking Mexico fifth among Canada's export markets. More than 500 Canadian and 1,500 Mexican companies participated in sectoral missions, seminars, matchmaking events and trade shows. Media campaigns during trade shows and missions' outreach activities, and visits and seminars resulted in increased trade, greater awareness of opportunities in Mexico, and in 348 additional companies identifying Mexico as a target market.

Key market access results in 2004 included improved import conditions in the agricultural sector (meats, pet food, grains, additional beef products, etc.); removal of avian influenza-related measures against duck meat; an agreement to resume trade in seed potatoes from across Canada; the addition of actuaries and plant pathologists in the mutual recognition agreement; and the implementation of a series of measures to liberalize the NAFTA rules of origin applicable to seven products. In addition, 80 potential targets for foreign direct investment (FDI) into Canada were identified.

The trilateral agenda was advanced significantly through the Security and Prosperity Partnership of North America initiative, which was signed by Canada, Mexico and the United States on March 23, 2005 in Waco, Texas. Trilateral discussions to expand the marine security initiative to Mexico are ongoing. On container security issues, Mexico has expressed an interest in having its main western container ports considered secure, which would help address U.S. security concerns with Mexico. Opportunities for trilateral defence cooperation may also be identified in the course of NORAD renewal and North American defence discussions.

2.1.3.1.5 Performance assessment

Performance monitoring of policy initiatives is fraught with uncertainty. For example, progress toward enhanced relations with and more effective influence in the U.S. is neither directly measurable nor quantifiable. Activities that were monitored include:

- Can-Am Web sites usage rates: seven new sites; 19 percent increase in clients; 22 million hits;
- number of official visits to the U.S. by Canadian parliamentarians and provincial legislators facilitated by the department;
- number of official visits by U.S. and state legislators to Canada facilitated by the department; and
- academic and media commentary for reflection of key public diplomacy and advocacy priorities.

Other monitoring activities intended to track progress in the policy realm included:

- tracking the evolution of desired policy outcomes in forums such as the Shared Border Accord meetings, the Transportation Border Working Group, and the Cross-Border Crime Forum;
- tracking the level of bilateral and internal engagement on Canadian issues at senior official and ministerial levels beyond public statements; and
- participating at key stakeholder events on policy proposals such as land pre-clearance, as well as feedback from advocacy activities.

Positive results were registered in all of these areas, leading to the subjective assessment that good progress was achieved.

With respect to ERI implementation, an RMAF for measuring the performance of the ERI has been developed. However, since the ERI was in the process of implementation in 2004-2005, data on the selected indicators will not be available until 2005-2006.

The ERI did meet its program objectives with respect to increased representation (mission additions/changes, staffing assignments, honorary consuls recruited) and managing the partnership (governance events, communications, management projects). Based on direct feedback, partners were satisfied with the progress made in both the development of the partnership (including decision making, funding allocations, project approval and staffing decisions) as well as their ability to deliver advocacy and business development services in the U.S. through the missions.

The department monitored progress in bilateral trade and investment through various means:

- Client satisfaction was verified through client surveys (the 2004-2005 annual survey of posts' clients is completed but not yet released).
- Feedback was received from Canadian SMEs that participated in department-organized events and trade fairs. Information was also received or intelligence generated by the department. For example:
 - o Visitors to the Canada Pavilion at CTIA Wireless 2005 in New Orleans, Louisiana, were surveyed for their views on a number of elements concerning the Canada Pavilion, Canadian wireless capabilities, investment opportunities, and sourcing. Fully 86.5 percent of respondents (422) said that their visit to the Canada Pavilion was either "very important" or "somewhat important" for their company or organization. Another survey of Canada Pavilion exhibitors showed a high level of satisfaction, as illustrated by the following testimony: "Participating in the Canada Pavilion put our company on a visibility level of our competitors that also exhibited. As a small start-up, we do not have the resources to exhibit at the level the pavilion offered (exhibit booth look, location and cost). The benefit of exhibiting in the pavilion is that we can show our technology at CTIA and give customers the

comfort level to complete a sale, something we cannot do from a meeting at our office." WaveTeq, Kelowna, BC.

- o Statistical reports, including those at the end of fiscal year 2004-2005, showed that 6,806 Canadian companies registered in the Virtual Trade Commissioner (VTC) program were active in the U.S. market as exporters, and a further 5,035 indicated that they were interested in this market but not yet exporting.

Progress achieved in the Canada-Mexico relationship was indicated by:

- Mexican support of Canadian positions in international organizations, as demonstrated by Mexican involvement multilaterally, including the UNGA, the Group of Friends on UN Reform, and the OAS, and by their explicit support for Canadian-led initiatives such as R2P and L20;
- introduction by Mexico of legislation, regulations and policy statements that enhance good governance, reflecting Canadian advice and training, as demonstrated by the development and implementation of the Mexican National Human Rights Program, the signing of a number of instruments during President Fox's visit, and the tabling of major proposals in areas such as the energy sector, fiscal, labour, justice and public security reform, which have contributed to enhancing good governance in Mexico; and
- a higher level of coherence across a broad range of Canadian government activities, as demonstrated by the signing of the CMP and of a number of instruments between the Mexican government and other Canadian government departments (such as HRSDC, Industry Canada, Health Canada, INAC and Canadian Institutes of Health Research), particularly in the lead-up to President Fox's visit. Exchange of best practices and sharing of information have been facilitated through such forums as the 13th Canada-Mexico Interparliamentary Meeting and the working visits of provincial leaders and senior officials in Mexico, which required planning between missions, OGDs and provincial governments.

2.1.3.1.6 *Achievement analysis and lessons learned*

As part of the department's transformation agenda, the geographic branches have been significantly reorganized. The North America Branch now includes the North America Bureau, which covers the U.S. and Mexico as well as the Enhanced Representation Initiative in the U.S. The purpose of this restructuring is to increase operational strength and agility and respond to new institutional realities. This reorganization, while well under way, has posed some operational challenges in terms of the Branch's ability to meet all the other diverse demands on its time and resources—an issue that arises during any structural change, particularly one of this broad scope.

As noted above, one of the principal accomplishments of the past year was the successful launch of the Washington Secretariat at the Canadian Embassy in Washington DC. However, the services offered by one of its two units, which supports the activities of the Parliament of Canada, have not been accessed to the extent expected. The main reason for this underutilization had to do with the constraints placed on parliamentarians by the complexities of a minority government situation, particularly with respect to their ability to spend time away from Ottawa. While this factor was clearly beyond its control, the department has concluded that more effort is required to bring the unique advantages of the Secretariat in general—and this unit in particular—to the attention of stakeholders.

While Canada's advocacy efforts in the U.S. have increased in scope and effectiveness, the department needs to make greater progress in addressing some false impressions about this country that persist among some Americans. These include misunderstandings about the strength of Canada's border security measures and this country's role in international counterterrorism.

2.1.3.2 *Bilateral Relations: The world (excluding the U.S. and Mexico)*

The 2004-2005 RPP identified the following priorities:

- implementing the Africa Action Plan / strengthening key bilateral relations;

- strengthening multilateral organizations and multilateral institutions;
- effective advocacy of Canada's global and human security interest to enhance support for human rights, democracy and good governance;
- increasing international awareness of Canada and its values; and
- greater innovations throughout the department's operations.

2.1.3.2.1 *Our mandate in relation to the program activity*

As part of the strategic repositioning of the department, a consolidated Bilateral Relations Branch was formed. This newly created Branch combines the former Africa and Middle East, Latin America and Caribbean, Asia-Pacific and Europe bureaus. The purpose of the reorganization is to increase operational strength, and to provide the agility to respond effectively to short-term crises, unexpected developments, and longer-term priorities.

The Branch's role in this realm is to manage and coordinate Canada's relations with all regions of the world (except the United States and Mexico), providing resources and guidance to missions abroad. It also provides policy advice to the Minister, based on country and regional analysis, manages certain core departmental programs and all business line activities, and coordinates the initiatives of OGDs and agencies co-located at missions abroad. The department manages 247 points of service, from full-service missions to honorary consulates. Broken down by region, Canada has 76 missions in Europe, 54 in Asia Pacific, 63 in Africa and the Middle East, and 54 in Latin America and the Caribbean.

The role of the missions is to represent the Government of Canada and advance Canadian interests in designated countries, subregions and multilateral organizations. Missions play a central role in delivering on Canada's key international objectives pertaining to foreign and trade policies, public diplomacy, defence, immigration and development assistance. They also play a growing role in the support of domestic programs and activities, ranging from food inspection to public health. Except for those in the U.S. and Mexico, HOMs in all bilateral posts report

back to the Minister of Foreign Affairs through the Bilateral Relations Branch.

Communicating with the public both at home and abroad is an important activity of the missions. HOMs and other personnel conduct frequent outreach activities in Canada and in their countries of accreditation. In addition, each geographic bureau and most missions within the department maintain an extensive presence on the DFAIT (*Foreign Affairs*) Web site, providing country statistics and profiles, advice on travel and detailed information on priorities and activities.

2.1.3.2.2 *How we pursue our long-term outcome*

A new process for developing whole-of-government, coordinated country strategies is providing the department with a mechanism for improved consistency in policy coordination and consultations with functional bureaus and partner departments. In this way, DFAIT (*Foreign Affairs*) is taking an enhanced foreign policy leadership role across government. A new Strategy and Services Bureau is being established in order to support both of these objectives.

In concert with country strategies and a range of Government of Canada policies, a series of bilateral and multilateral agreements and statements guide the management of our relations with key countries. These include the Canada-Japan Economic Framework (http://www.international.gc.ca/asia/japan/2005_Launch_Econ_Framework-en.asp), the Canada-India Joint Statement (<http://www.pm.gc.ca/eng/news.asp?id=391>), the Joint Declaration of Intent between Canada and South Africa, and the high-level mechanism for political consultations agreed to by the President of Brazil and Prime Minister Martin during their November 2004 meeting. Finally, the department and its related missions engage with both the EU and EU member states to implement the Canada-EU Partnership Agenda (http://www.international.gc.ca/canadaeuropa/partnership_agenda-en.asp).

The department also maintains an extensive range of consultation mechanisms for key countries and regions. Working with OGDs, NGOs and private industry, these consultative bodies allow for important

two-way dialogue between the department and interested parties. Such mechanisms include the Canada-China Strategic Working Group, Focus India, the Canada-Japan Forum, the Brazil Interdepartmental Working Group, Canada-EU Summits, and bilateral consultations with representatives of other countries.

The department also pursues its objectives through multilateral forums. Initiatives include promoting reform of inter-American institutions—notably the OAS—and providing leadership in the SOA process to ensure that Canadian interests are reflected in the hemispheric agenda. It is important to note that Canada's work on the hemispheric agenda is well recognized and appreciated by the United States. Canada also participates in multilateral decision-making bodies, while working with like-minded countries to promote shared priorities at the UN and other international organizations. Consistent with the October 2004 Speech from the Throne, the department leads a whole-of-government approach to supporting a New Partnership for Africa's Development (NEPAD), leading up to the 2005 G8 Summit and beyond. This includes ongoing implementation of the G8 Africa Action Plan. Canada's engagement on security and economic issues with the APEC forum and ASEAN is also supported. The geographic bureaus within DFAIT (*Foreign Affairs*) play an important role in influencing various countries to support Canada's bilateral, regional and multilateral initiatives related to the L20, UN reform and other issues.

The department works closely with partner departments to pursue common objectives in support of Canada's prosperity, security and responsibility agendas. For example, it promotes Canadian economic and trade interests in collaboration with the Department of International Trade and the Department of Finance. A significant contribution to this priority is development of the department's capacity to understand and interpret economic events. In collaboration with the Department of International Trade and the Department of Finance, the department develops high-quality economic reporting from around the world. The department also works with CIDA with respect to the effective management and delivery of poverty reduction and peace and security programs around the world and with CIC and DND on a range of issues. All of these departments and many others

have staff co-located in Canadian missions around the world.

Finally, through extensive outreach and consultation, the department works to ensure that provincial governments and business leaders more fully understand Canada's economic interests and strengths, and engage with the federal government on bilateral, regional and global economic initiatives.

2.1.3.2.3 Our working environment

In the area of bilateral relations, the department is challenged by a wide variety of events and circumstances across the globe. Europe is characterized by a rapidly changing political and economic environment, exemplified by the EU's expansion to 25, the debate over an EU Constitution and Europe's role in the world, and by historic democratic changes taking place in Ukraine. The evolution of transatlantic relations had important implications for the global political environment as well as for Canada's bilateral relations in Europe, in a symbolic year marked by the 60th anniversaries of D-Day and the liberation of Auschwitz.

In 2001, the NEPAD, the African-led plan to end social and economic marginalization, identified peace and security, and good governance as prerequisites to achieving sustainable development. Africa has made good progress. However, Africa suffers from political, economic and health crises that are qualitatively and quantitatively worse than in any other region: Africa takes up about 70 percent of UN Security Council time, and recent assessments of progress to meet the 2015 target date for the MDGs confirm that only a handful of African countries are on track and, as a region, Africa is least likely to achieve them.

In the Middle East and North Africa, successful elections in Iraq and in the West Bank and Gaza in January 2005, along with progress toward Israel's withdrawal from Gaza and parts of the West Bank, provided cause for optimism in the context of these conflicts. Relations with Iran, however, remained strained due to ongoing concerns over that country's human rights record and efforts to acquire the full nuclear fuel cycle.

The Latin America and Caribbean region is Canada's backyard. The region is a destination for millions of

Canadian tourists, indeed, usually their first contact with the developing world, and for about \$80 billion or 20 percent of Canadian FDI abroad. Following many years of relative progress, this year brought numerous challenges on many fronts, including devastating hurricanes, political turmoil and violence in Haiti, and political instability in several countries, fuelled in large part by perceptions that the benefits of globalization and economic growth have not translated into real gains for much of their populations.

The major challenges and trends that influenced the operating environment in Asia Pacific in 2004-2005 were increasing global economic influence and regional integration; the rising political weight of countries such as China and India; the ongoing presence in the region of a number of undemocratic political regimes and the concomitant security concerns; and growing people-to-people links with Canada. The South and Southeast Asia region also includes most of the countries severely affected by the December 2004 tsunami in the Indian Ocean, requiring ongoing humanitarian assistance and longer-term reconstruction.

The dual transition from four regional branches to one Bilateral Relations Branch, and from one organization to two organizations, were major challenges for the geographic divisions as well as for missions. While this restructuring will provide for enhanced capacity and capability, in the short term the challenge is to implement the changes while meeting all other demands.

2.1.3.2.4 Accomplishments against priorities

Implementing the G8 Africa Action Plan / strengthening key bilateral relations

Working with key partners, the department took a lead role in projecting Canada to the world in a wide variety of ways. In Europe, for example, Canada strengthened its relations with key partners and underscored its commitment to a vibrant transatlantic community by ensuring a strong presence at events in France marking the 60th anniversary of D-Day, and in Poland marking the liberation of Auschwitz.

The Canada-EU Partnership Agenda—the roadmap adopted in March 2004 that sets out areas of cooper-

ation on global challenges—is being successfully implemented, reflecting mutual recognition by Canada and the EU as strategic partners (http://international.gc.ca/canadaeuropa/partnership_agenda-en.asp). This partnership allowed Canada to participate in the EU-led observer mission to the Palestinian elections, as well as in EU civilian and military crisis management operations in Bosnia and Herzegovina and the Democratic Republic of Congo. Additionally, Canada launched negotiations of a framework agreement for the participation of Canada in EU-led crisis management operations. We also concluded negotiations with the EU on an Agreement on the Processing of Advance Passenger Information and Passenger Name Record (API/PNR) data, balancing the need for enhanced security with the protection of individual rights.

Changes in transatlantic dynamics made it more challenging for Canada to advance its interests and manage bilateral relationships. EU institutions and member states were focused on enlargement and constitutional issues, as well as on relations with the U.S. and immediate neighbours. EU enlargement makes decision making in the region more complex and requires refined Canadian advocacy strategies in EU institutions and in national capitals. Given Europe's influence on issues affecting Canada's priority interests, it will be critical to strengthen our own influence among European decision makers and build support for Canadian objectives.

In recognition of Brazil as an emerging economic power in Latin America and beyond, Prime Minister Martin visited Brazil in November 2004 for bilateral discussions. The leaders issued a Joint Declaration that called for “strengthening and deepening ties between Brazil and Canada” and a global and hemispheric partnership (<http://www.pm.gc.ca/eng/news.asp?id=333>). The Declaration also called for the creation of a high-level mechanism for political consultations. Foreign Minister Pierre Pettigrew met with his Brazilian counterpart in June 2005, and both expressed a strong commitment to deepen political ties between Canada and Brazil. International Trade Minister Jim Peterson led, at the same time as the Prime Minister's November visit to Brazil, a 50-member Canadian business delegation to explore commercial opportunities and prospects for enhanced trade.

DFAIT (*Foreign Affairs*) has met a degree of success in its strategy to achieve a balanced, privileged and multi-faceted relationship with Brazil, including the Prime Minister's November 2004 visit to Brazil, a change in the tone of our overall bilateral relationship, Brazil's support for Canada's L20 proposal and our ongoing cooperation in Haiti. Ongoing challenges include building a higher profile in Brazil, securing greater engagement from the Brazilians and greater transparency and more specific parameters for regional aircraft financing by the two governments.

In January 2005, Prime Minister Martin travelled to several Asian countries. Economic objectives and other priorities of the domestic agenda were key among the purposes of the trip. In Japan, leaders agreed to address strategic economic priorities and emerging opportunities through an innovative Canada-Japan Economic Framework. In China, the leaders agreed upon a framework for the activities of a Strategic Working Group (SWG), which will serve as the architecture for our bilateral engagement with China. Chinese agreement was obtained to grant approved destination status (ADS) to Canada (implementation negotiations are pending) and to further negotiations on a Canada-China Foreign Investment Protection and Promotion Agreement (FIPA). A bilateral Cultural Agreement was also signed. In addition, the Prime Minister announced Canada's commitment to the Pacific Gateway concept, which will facilitate the expansion of bilateral trade by increasing British Columbia's port, rail and highway capacity. In India, leaders agreed to pursue a Partnership for Prosperity agenda, which includes a new CEO Roundtable, and the conclusion of a FIPA. The two countries have also established the Canada-India S&T Agreement, a mechanism through which Canada hopes to develop further science and technology linkages in key areas with India and advance the commercialization of research.

The department continued to demonstrate its active commitment to Africa. In the year-long approach to the July 2005 G8 Gleneagles Summit, Canada met a Speech from the Throne commitment: keeping Africa at the top of the international agenda and strengthening support for the NEPAD, the African-led plan to end social and economic marginalization. Canada's June 2005 national progress report described how Canada has implemented the G8 Africa Action Plan

and other Africa-related initiatives against our many objectives (<http://www.g8.gc.ca/aap-national-report-2005-en.asp>). In the February 2005 Budget, Canada committed to double aid to Africa by 2008-2009 (from 2003-2004 levels) and to provide significantly increased funding for vaccines and immunization, the Global Fund to Fight AIDS, Tuberculosis and Malaria, polio eradication, debt, and peace and security initiatives.

Canada-South Africa bilateral consultations (May 2005) strengthened Canada's relations with our principal political and economic partner in sub-Saharan Africa. The consultations provide for progress toward concluding a bilateral development cooperation treaty. They also provide for agreement to conduct a joint study on collaboration in peace support; integrate trade discussions in the consultations; proceed on arts and culture projects; explore possibilities for health cooperation and for commitments to resume investment protection and air service discussions.

The two priority areas within the Middle East and North Africa where progress was made in 2004-2005 were in managing Canadian efforts in support of Iraqi reconstruction, and the Middle East Peace Process. In Iraq, our commitment is based on the belief that a stable, secure and prosperous Iraq is in everyone's interest. On the bilateral front, we worked to build up Iraqi capacity in the security sector, especially on policing. Twenty Canadian police officers were active at the multinational training academy in Jordan to put Iraqi recruits through basic training. A series of senior Canadian police officers were also deployed in Baghdad, where they offered guidance on modern policing to the new Ministry of the Interior. At the NATO Summit in February, Prime Minister Martin announced additional assistance for the training of the Iraqi armed forces.

DFAIT (*Foreign Affairs*) is leading the interdepartmental process toward re-establishing a Canadian Embassy in Baghdad for the first time since 1991. Working with other interested departments, including CIDA, the Department of International Trade, and DND, the department has the identified suitable space within the International Zone, where the security risks can best be managed. Canada's Ambassador to Jordan has been designated as non-resident Ambassador to Iraq.

Canada also demonstrated its commitment to support the Middle East Peace Process and the parties' efforts to fulfill their reciprocal Roadmap obligations through diplomatic and financial engagement. Canada launched an initiative to promote fair, constructive and pragmatic UN Middle East resolutions, consistent with Roadmap obligations and the Quartet's statements, which resulted in some changes in Canadian votes. DFAIT (*Foreign Affairs*) contributed to meaningful Canadian support to the Palestinian Authority presidential election, including support to Palestinian voter registration, deployment of election observers, and extension of technical expertise. Minister Pettigrew's visit to Jordan, Israel, the West Bank and Gaza, Lebanon and Syria in February 2005 presented an opportunity to engage regional leaders at the highest level at a time of renewed opportunities for peace. In addition, Canada continued its lead role on Palestinian refugee issues as Gavel Holder (chair) of the multilateral Refugee Working Group.

Using a wide variety of mechanisms, the department sought to integrate foreign and domestic policies. In 2004-2005, there was further development of our extensive network of contacts in partner departments, provinces, business associations, academia, and among opinion leaders in Canada and in all regions. For example, to better manage Canada's relations with the United Kingdom on a whole-of-government basis, DFAIT (*Foreign Affairs*) brought 30 partner departments and agencies together to agree on common objectives and to establish a permanent Interdepartmental Core Group. Networks such as this, function in a collaborative manner, with quality information and advice being shared by all sides.

The Asia Pacific Research and Conference Fund (RCF) provided financial support for academics whose projects strengthen Canadian linkages and enhance Canadians' knowledge of Asia Pacific. In 2004-2005, the RCF provided support to 33 such projects (total \$881,000). Projects involved research or conferences in a variety of areas, including peace and security, governance, and economic development (<http://www.international.gc.ca/asia/public/rcf-en.asp>).

Canada advanced its negotiations on a Framework Agreement on Youth Mobility with several members of the EU and concluded negotiations with four. Approximately 18,000 young Canadians and

Europeans crossed the Atlantic through youth mobility programs in 2004.

The Middle East Peace Process is a complex and politically sensitive issue. The past year witnessed numerous high-level visits to the region on the part of various government departments, while the Prime Minister maintained a personal interest in this issue. This meant that DFAIT (*Foreign Affairs*) officials were frequently called upon by other departments and PCO for policy recommendations and advice. Parliamentarians, academics, journalists, NGOs and others also requested briefings on a regular basis. While there are strong views on all sides of these issues, interlocutors appreciated the consistency of the department's approach to these questions, which stresses our long-standing commitment to the goal of a comprehensive, just and lasting peace in the Middle East, and the creation of a sovereign, independent, viable, democratic and territorially contiguous Palestinian state living side by side in peace and security with Israel.

Strengthening multilateral organizations and multilateral institutions

The department plays an active role in support of a wide variety of multilateral commitments. For example, in Iraq, Canada agreed to take on the responsibility of chair of the Donors' Committee (http://www.international.gc.ca/middle_east/iraq_assistance-en.asp) in February 2005, and began an effort to broaden the donor base, improve donor coordination, and increase Iraqi ownership of the process in order to make the multilateral mechanisms function better. Canada also contributed \$100 million to the International Reconstruction Fund Facility for Iraq, the UN/World Bank trust fund.

The department continued to provide leadership in fulfilling Canada's commitments to the Plans of Action in follow-up to the 2001 SOA held in Quebec City and to the 2004 Monterrey Special SOA. The plans primarily address issues of good governance and economic prosperity in the Americas. The department ensured strengthening of the implementation of the Inter-American Democratic Charter and reinforcement of the fight against corruption, key commitments of the Summits. The department also led inter-departmental preparations for the fourth SOA, to be held in Argentina in November 2005.

Canada made significant inroads in its efforts to pursue a substantive and broad-based relationship with ASEAN. The department followed through successfully on all the commitments made during the July 2004 ASEAN Post Ministerial Conference by then Foreign Minister Bill Graham. These included a highly successful Canada-ASEAN Senior Officials' Meeting hosted by Canada in April 2005 and attended by the ASEAN Secretary General. The meeting included our first high-level retreat with ASEAN senior officials, which produced a very frank and productive exchange on key issues of mutual interest; as well as a site visit to the Maritime Forces Pacific base in Esquimalt, BC to highlight Canada's security presence in the Asia Pacific. In addition, the inaugural Canada-ASEAN Senior Economic Officials' Meeting and its sister event oriented to the private sector, the Canada-ASEAN Business Forum, were both held in Toronto in early May 2005. The combination of senior officials discussing economic, trade and investment strategies, together with a private-sector forum drawing high-level academic and business participation, worked in tandem to underscore the impressive economic developments taking place in Southeast Asia (<http://www.international.gc.ca/jakarta/canada-asean21-en.asp>). During the Prime Minister's and other ministerial and high-level visits, and in many other forums, the department and the missions have sought to promote the Canadian initiative for a meeting of G20 leaders to discuss issues of global concern, such as terrorism, development and global public health.

Effective advocacy of Canada's international security, and global and human security interests to enhance support abroad for human rights, democracy and good governance

Canada developed its political dialogue with Russia through high-level visits and consultations on security issues: a joint statement on counterterrorism was adopted (<http://www.pm.gc.ca/eng/news.asp?id=282>), the northern dimension of our relations was re-invigorated, and a high-level dialogue on strategic energy issues was launched.

Working to promote global security, human security and good governance are key priorities of the department. Canada contributed to international efforts to strengthen respect for human rights and international humanitarian law in Colombia. Canada chaired the Group of 24 donor countries from January to June

2005, and was actively involved in coordinating international input to the February 2005 Cartagena Declaration, which calls on all parties to respect human rights. Canada also maintained its active engagement with Venezuela, participating through the OAS in the observation of the presidential recall referendum of August 2004 in order to help ensure that elections would be held according to international democratic norms. As well, Canada spoke repeatedly in favour of peaceful methods to reconcile domestic political differences in Venezuela and Haiti.

The parties to Sudan's long-running southern civil war signed a peace agreement on January 9, 2005. Over the years, Canada and the international community provided financial and diplomatic support, through the Inter-Governmental Authority on Development (IGAD) negotiating process and peacebuilding activities to help stop the conflict and grave human security violations (<http://www.international.gc.ca/africa/sudan-canada-en.asp>). Also, Canada took strong action to address the critical humanitarian crisis in Darfur, arising from the conflict between the Government of Sudan and rebel groups. Canada focused on protecting and helping civilians, and attempting to stop the conflict by providing support for:

- the African Union (AU) Mission in Sudan to monitor and uphold the cease-fire agreement, with \$170 million in military and technical assistance, including expansion of an original, crucial \$20 million helicopter support;
- humanitarian assistance, through a \$28 million contribution;
- AU-led peace talks in Abuja (Nigeria) where important accords on security and humanitarian access were signed;
- the ICC, to facilitate the investigation of war crimes and crimes against humanity; and
- The Prime Minister's creation, in May 2005, of a Special Advisory Team on Darfur, headed by Ambassador Robert Fowler, and including Senators Roméo Dallaire and Mobina Jaffer.

DFAIT (*Foreign Affairs*), working with partners at CIDA and DND, delivered Canada's 3-D (Defence, Development and Diplomacy) effort in Afghanistan involving a 2004-2005 contribution of \$100 million. These efforts have helped to build Canada's profile and influence on key international peace and security

issues. At times, 3-D coordination has proved challenging, due in part to competing departmental priorities and protracted consultation processes. Our diplomatic presence has facilitated progress on a number of issues, including the launch of a soon-to-be-completed process on the cantonment of heavy weapons in Afghanistan. The department has also played a significant role in supporting free and fair elections, and has been lauded for its approach to Afghanistan's development by supporting Afghan-led national reconstruction programs and priorities. Most important, Canadian efforts—alongside those of our allies—have meaningfully contributed to Afghanistan's transition toward democracy, stability and self-sufficiency (<http://www.canada-afghanistan.gc.ca/menu-en.asp>).

Canada and Japan have reaffirmed their determination to continue to work together to support international efforts for a safer world, and identified new areas for collaboration in response to challenges that have arisen in the post-9/11 world, as specified in the 2005 Canada-Japan Agenda for Peace and Security Cooperation (http://www.international.gc.ca/asia/japan/2005_Peace_Security_Agenda-en.asp).

Canada undertook a leadership role in international efforts to re-establish security and stability in Haiti, and to assist in the longer-term reform and reconstruction efforts. In 2004, Canada quadrupled its aid to Haiti from \$23 million to more than \$90 million (as part of an 18-month commitment of \$183 million), making it our largest aid recipient in the Americas, and making Canada the second-largest bilateral donor to Haiti. Canada is making a major civilian police contribution to the UN Stabilization Mission and leads the civilian police force component of the UN Stabilization Mission in Haiti (MINUSTAH). This follows on a significant contribution in August 2004 of 550 Canadian Forces personnel to the UN-mandated Multinational Interim Force, which began in March 2004 and remained in Haiti to facilitate the transition to MINUSTAH. Through its commitment to long-term engagement, Canada is contributing to the reinforcement of the democratic process, the restoration of peace and security and the improvement of the living conditions of the Haitian population.

The department played a key role in successful efforts to reform the OAS to improve its effectiveness in dealing with crises (e.g. Haiti and Ecuador), and to enable

the OAS to better reflect Canadian priorities, especially with respect to democracy and human security. The department also succeeded in increasing the Canadian presence within the OAS staff. The department worked relentlessly to encourage a positive engagement on the part of the Caribbean Community (CARICOM) toward the reconstruction of democratic institutions in Haiti. Extra efforts were deployed to respond to strong resistance on the part of some members of CARICOM toward Haiti's interim government.

Canada's activities in support of democracy in Ukraine helped lay the basis for major democratic changes and the "Orange Revolution." Canada's Ambassador in Kyiv led a group of 28 other ambassadors to monitor the presidential election and to apply pressure to ensure a free and fair election that met international standards. Canada also sent approximately 500 election observers to monitor the run-off vote to ensure that the democratic will of the Ukrainian people was respected.

Canada worked with key players in the EU, NATO as well as the U.S. to improve cooperation with the International Criminal Tribunal for Former Yugoslavia (ICTY). This has been done multilaterally as well as bilaterally, through sustained and coordinated pressure by Canada's posts in the Balkans and at headquarters. There has been a marked increase in the number of indictees sent to The Hague from Bosnia and Herzegovina, Serbia and Montenegro, and improved cooperation by Croatia, though efforts must continue.

Staff from several Canadian embassies observed the out-of-country voting effort for the first democratic Iraqi elections on January 30, 2005. With little lead time, Elections Canada put together an expert peer assessment of the Iraqi vote, in cooperation with other elections agencies. Canada supported this mission with a \$7 million contribution. It was viewed as a major contribution in support of Iraq's political transition. There was a significant Iraqi diaspora population eligible to participate in the out-of-country portion of the vote, but no framework for observation. Elections Canada requested the support of Canadian embassies in Turkey, Syria, Iran, Jordan, Denmark, Germany and the Netherlands. After a careful evaluation of security issues, Canadian officials observed registration and polling in several of these centres, and produced comprehensive assessments that fed into the final Elections Canada report. The department is exploring

how it might assist in other governance-related areas, including the drafting of the new constitution.

Canada has yet to see a serious investigation by Iran into the death of Canadian photojournalist Zahra Kazemi, who was killed in an Iranian prison in 2003. Canada deplores Iran's failure to bring the perpetrators of this crime to justice, in spite of strenuous efforts by DFAIT (*Foreign Affairs*), including through bilateral representations at all levels, consultations with and support of like-minded countries, and resolutions and statements in the UN Human Rights system condemning Iran's broad human rights performance. Minister Pettigrew has recently announced new restrictions on Canada-Iran relations to express Canada's displeasure and to demand anew Iran's cooperation in piecing together the events that led to this tragic outcome, and to return Ms. Kazemi's body to Canada as per the wishes of her son.

The 1997-2002 Congo (DRC)/Great Lakes Region conflict resulted in a humanitarian crisis of immense dimensions (about 3.5 million dead). Canada supported measures crucial to consolidate peace in the still-fragile region. The November 2004 Dar-es-Salaam declaration marked the first time that all 11 heads of government of the parties to the conflict agreed on a shared, long-term vision of peace, security and development in the region (http://w01.international.gc.ca/minpub/Publication.asp?Language=E&publication_id=381814&docnumber=138).

The Muslim Communities Working Group (MCWG) brings together a number of DFAIT (*Foreign Affairs*) divisions with an interest in enhancing Canadian engagement with Muslim communities in Canada and abroad. Among a range of activities it is undertaking, the MCWG led the department's response to the Standing Committee on Foreign Affairs and International Trade (SCFAIT) study of Canada's relations with countries of the Muslim world. The response was tabled in the House of Commons in March 2005 (http://www.parl.gc.ca/Infocom/Docs/Documents/38/1/parlbus/commbus/house/reports/FAA_E_Rpt01/05-hon-e.htm).

Canada actively supported an annual resolution on the Democratic People's Republic of Korea (DPRK) at the UNCHR and presented several textual suggestions

to improve its strength and scope, including on the topic of North Korean asylum seekers.

Increasing international awareness of Canada and its values (This priority is linked to one under Strategic Policy.)

Events marking the 400th anniversary of the first French settlements in North America projected a modern image of Canada and greatly improved its visibility with a key G8 partner (<http://www.canada-2004.org>). Opinion polls conducted before and after Canada-France 1604-2004 show a clear improvement in how Canada is perceived, since Canada improved its position as the most popular foreign country among the French, surpassing all other countries, including EU partners. The poll also revealed that 89 percent believe that Canada is a modern country; the majority of opinion leaders hear more about Canada and have a clearer image of the country today; and 25 percent of business leaders show an interest in investing in Canada.

Greater innovations throughout the department's operations

The e³ (equilibrium, effectiveness, excellence) initiative is a multi-year change effort spearheaded by the Asia bureaus of the Bilateral Relations Branch. It is dedicated to striking a balance between clear priorities and the resources available to achieve them. e³ is both a formal process (which seeks to find new ways of doing things and new ways of organizing the department to identify and deliver on priorities) and an informal process (a way of thinking about what employees do and for whom). This initiative assists employees at posts and headquarters in managing priorities through development of guidelines to redress recurring issues/problems (messages, reporting agreements), by organizing activities to improve effectiveness in the workplace (workshops; focus groups on upward feedback, individual learning plans, and common services unit; A5 Administrative Assistant Team champion; welcome fair; National Quality Institute excellence workshops piloted at two posts; headquarters outreach), and by identifying the latest best practices and communicating them to all staff through an intranet site (<http://lbp.dfait-maeci.gc.ca/e3/menu-e.asp>).

Other accomplishments

The following are important departmental accomplishments that deserve mention despite the fact that they did not fit under established priorities.

The Canadian Embassy in Athens provided exemplary client service to Canadians before, during and after the 2004 Summer Olympics. The Embassy became the central coordinator for the Canadian presence, which included more than 500 athletes, 500 media representatives, coaches and sponsors, 20,000 Canadian spectators, artists and performers, Canadian firms sponsoring or looking for business, the Premier of BC, and numerous federal and provincial government ministers, members of Parliament and provincial legislatures, and mayors.

Strengthened policy and crisis response capacities

The department played the central role in the coordination of the Canadian government's response to Hurricane Juan, which struck the Caribbean in September 2004. The department's response included the provision of emergency consular services, including the evacuation of Canadian citizens out of Grenada and the Cayman Islands, and the deployment of a consular team to the Cayman Islands. The department worked closely with CIDA to ensure the rapid delivery of large quantities of emergency supplies to Grenada, and was instrumental in the nomination of a Special Adviser for Grenada, providing the necessary support required. By doing so, the department contributed to the positive engagement of the Caribbean diaspora toward the reconstruction effort.

On September 29, 2004, 44 North Korean asylum seekers came over the wall of the Canadian Embassy in Beijing, with the ultimate desire of being allowed transit to South Korea. Through acts well beyond the call of duty, the staff of the Canadian Embassy organized sanctuary, safety and care for the asylum seekers, which included men, women and children. For more than 80 days a difficult negotiation ensued between Embassy officials and the Chinese government, whose position was that all asylum seekers should be returned to North Korea. Ultimately, the Canadian negotiators prevailed and all 44 persons were allowed transit to South Korea through a third country.

On December 26, 2004, a tsunami struck many countries in South Asia, Southeast Asia and Africa, leading to the terrible loss of 220,000 lives in 11 countries. The same day, DFAIT (*Foreign Affairs*) established an interdepartmental task force. Canada's missions in the affected region responded immediately, calling back from holidays all available staff. The priority at missions was to provide consular services to Canadians in the area. However, all missions were also heavily involved in humanitarian relief work on the ground. Three temporary offices were opened and 53 temporary duty personnel were deployed from other missions and from headquarters to missions in the affected region. When Prime Minister Martin travelled to Asia in 2005, he added tsunami-hit Thailand and Sri Lanka to his itinerary. The Prime Minister was able to witness first-hand the impact of the tragedy, which helped to demonstrate to Canadians and to our partners in the region our commitment to help them cope (<http://www.international.gc.ca/asia/tsunami-en.asp>).

2.1.3.2.5 Performance assessment

Engagement with Canadians

Communicating with the public both at home and abroad is one of the department's most important activities. HOMs and other personnel conducted frequent outreach activities in Canada and in their countries of accreditation. In October 2004, for instance, almost all Canadian HOMs based in Asia Pacific returned to Canada for a major conference on Asia Pacific issues, hosted by the Asia Pacific Foundation of Canada. Following the conference, the HOMs proceeded to fan out across the country to meet with academics, students, business people, provincial colleagues and community groups. In addition, geographic bureaus and missions enhanced their presence on the DFAIT (*Foreign Affairs*) Web site, providing updated country statistics and profiles, advice on travel, and detailed information on priorities and activities.

High-level visits

The Prime Minister and many Cabinet ministers made numerous high-level visits to several countries, including China, Japan, India, Russia, France, Sudan, Brazil,

Israel, the West Bank, Syria and Haiti. These visits were instrumental in promoting key initiatives and consolidating efforts in a wide variety of areas.

Bilateral agreements signed

Key bilateral agreements were signed or implemented with several countries, including Russia, Japan, China, India, the EU, Brazil and South Africa. These agreements represent many months of discussions and negotiations, and serve as a fundamental basis for ongoing bilateral efforts in key areas of importance to Canada.

2.1.3.2.6 Achievement analysis and lessons learned

As part of the strategic repositioning of the department, the consolidated Bilateral Relations Branch was formed. The purpose of the reorganization is to increase operational strength and provide the agility to respond effectively to short-term crises, unexpected developments, and longer-term priorities. The scope of this reorganization could not be anticipated when the 2004-2005 RPP was prepared. While this restructuring will provide for enhanced capacity and capability, in the short term it has been a challenge to implement the changes while meeting all other demands.

Unexpected events such as the Indian Ocean tsunami and Hurricane Juan, and new and ongoing political crises in countries such as Haiti and Darfur, Sudan, demonstrate the need for DFAIT (*Foreign Affairs*):

- to be forward looking and anticipate challenges that will make demands on policy capacity and human and financial resources; and
- to be even more capable of reallocating resources in times of crisis and rapidly changing demands as a result of a volatile and politically uncertain environment. Our ability to ensure that Canada's interests continue to be advanced in this context will depend on the improvement of our performance in this area.



Canadian Embassy, Berlin

2.2 Strategic Outcome 2: Serving Government Abroad

Canada's missions abroad deliver cost-effective and efficient services and infrastructure to enable government to deliver programs in a secure environment. This strategic outcome consists of the following program activities:

- Common Services and Infrastructure (Support from Headquarters); and
- Common Services and Infrastructure (Missions Abroad).

2.2.1 Common Services and Infrastructure (Support from Headquarters) and Common Services and Infrastructure (Missions Abroad)

2.2.1.1 *Our mandate in relation to the program activities¹*

The department is mandated to provide cost-effective and quality common services and infrastructure for OGDs and federal agencies operating outside Canada, on a collaborative basis. Canada has diplomatic relations with approximately 162 of the 193 independent states in the world, with approximately 300 points of service (embassies, high commissions, consulates general, consulates, consulates headed by honorary consuls, permanent missions and other offices). Canada's representation abroad now consists of 20 federal departments and agencies and three provinces, all pursuing policies and delivering programs to further Canadian interests. Chief among them are CIC, CIDA, DND and the RCMP. Other entities found at various missions abroad (referred to as co-locators) include Export Development Canada

(EDC) and the provincial governments of Alberta, Quebec and Ontario. As well, Canada's missions abroad provide support, on a cost-recovery basis, to international co-locators (currently Australia and Sweden) in situations where specific service agreements have been negotiated.

A whole-of-government, collaborative approach is essential to common service delivery. Such an approach ensures not only that the proper mechanisms exist to enable the department and its partners to deliver their programs abroad but, more important, that open, consultative forums and frameworks are fostered to allow for effective discussion of common services policy. This involves the day-to-day management of partner requirements for common services, common service policy development, and the development and implementation of a generic MOU and service standards for the programs of the department and its partners. The department also coordinates annual whole-of-government consultations on representation abroad.

The department is mandated to provide physical resources to the Government of Canada's programs abroad, including chancery and official residence accommodation, Crown-owned staff quarters, asset management services, property maintenance services, materiel services, and advice and policy development pertaining to property and materiel. It also provides a common, robust, global information technology (IT) infrastructure and related support services to meet the needs of DFAIT (*Foreign Affairs*) and the Department of International Trade and the Government of Canada's other programs abroad in a sustainable and cost-effective manner. In addition, the department directs and oversees the functions of finance, planning, compensation and related service delivery for the department as a whole, as well as for its foreign missions, providing infrastructures, international banking, costing of services provided and cost recovery from other departments and co-locators. The coordination of common services and infrastructure from the department's headquarters is predominantly the responsibility of a division within the Corporate Services Branch.

¹ It should be noted that within the department's PAA Common Services and Infrastructure (Support from Headquarters) and Common Services and Infrastructure (Missions Abroad) there are distinct program activities. However, given the fact that these program activities are complementary as a whole to the department's common services functions they have been merged for presentation purposes.

The Locally Engaged Staff Services Bureau, part of the Human Resources Branch, provides HR policy and operations support for the management of locally engaged staff (LES). The Bureau manages and delivers select HR services in support of government programs delivered abroad, including staffing, classification, compensation, pension and insurance, and labour relations, particularly in the interpretation and monitoring of regulations governing LES, the development and maintenance of the LES position classification plan, the determination and approval of LES compensation (salary and benefits) and the administration of the pension scheme for employees of the Government of Canada locally engaged outside Canada. The Human Resources Branch also provides counselling services for all staff, Canadian-based staff, LES and their dependants, as well as preparation and relocation of staff and dependants through various training, counselling and administrative programs.

The two geographic branches—North America and Bilateral Relations (the rest of the world)—manage and coordinate Canada's relations in their geographic areas of the world, providing resources and guidance to Canada's missions on all aspects of foreign policy and consular services. The geographic branches ensure that in the course of their work the missions provide common services in accordance with the applicable rules, regulations and Acts of the federal government (e.g. the Financial Administration Act).

Expected results

Headquarters-provided and mission-provided common services to government programs and partners operating abroad are managed and delivered satisfactorily.

Results achieved

To understand the results achieved, it is important to know how we pursue our long-term outcome and to be familiar with our working environment.

2.2.1.2 How we pursue our long-term outcome

A consultation with partners takes place each January and is complemented by an interim summer consultation. Together, these serve as the venue for partner

departments and co-locating entities to bring forward their annual plans for representation abroad.

The Committee on Representation Abroad (CORA) meets on the third Wednesday of every month, bringing together departmental staff from human resources, area management, physical resources, IT and common services. The committee also meets electronically at regular intervals. CORA provides advice and recommendations to the Executive Committee on the creation, reclassification and deletion of positions abroad. Its terms of reference are outlined in the Framework for Planning and Managing Change in Missions Abroad (<http://lbp.dfait-maeci.gc.ca/smd/cora-en.asp>).

The delivery of common services at missions abroad is the responsibility of the mission management. However, some small missions receive common services from another mission. These are referred to as “hub and spoke missions,” with one or several smaller missions of varying sizes drawing support and other services from a larger regional centre. Spoke missions are usually single-purpose offices, and are linked to a hub mission in order to reduce costs by avoiding or minimizing duplication of administrative or other services.

2.2.1.3 Our working environment

The department faces many challenges in the management of its assets abroad. The Government of Canada is adapting to the accelerating forces that are erasing the distinction between domestic and foreign policy for governments around the world. Departments are changing their structure, processes and culture in response to these forces.

The Government of Canada as a whole is facing growing expectations from Canadians for electronic service delivery and for integrated client-centred services across diverse agencies in an increasingly globally connected world. The traditional model of a closed, inward-focused department is being replaced by one with many connections to external contacts and colleagues in other departments, governments and organizations, with major implications for information sharing and security.

Other issues facing the department include:

- significant growth in representation abroad with a related increase in the number of chanceries that are unable to accommodate further growth (“threshold missions”);
- enhanced post-9/11 physical security requirements; and
- an increase in the number of forced moves. These are brought about by:
 - security requirements;
 - rust-out of aging inventory;
 - health and safety issues;
 - program growth overtaking mission capacity; and
 - local economic or political factors (moves of capitals or of central business districts, deterioration of neighbourhoods, etc.).

2.2.1.4 Accomplishments against priorities

In the 2004-2005 *Report on Plans and Priorities*, the following priorities were identified for this program activity (under the former business line of Services to Partner Departments):

- policies and processes to facilitate more strategic deployment of representation abroad;
- frameworks to facilitate common service delivery at missions; and
- simplified administration of policies and programs.

To fulfill its mandate to provide cost-effective and quality common services and infrastructure to OGDs and agencies operating outside Canada, the department performs the following functions:

Policies and processes to facilitate more strategic deployment of representation abroad

In 2001, the Executive Committee approved the Framework for Planning and Managing Growth in Personnel at Missions Abroad, which sets out the principles upon which growth in representation abroad is planned. Its successor document, the Framework for Planning and Managing Change in Missions Abroad, serves as the terms of reference for CORA.

In planning growth abroad, the department has placed increased emphasis on the necessity of linking foreign

policy priorities and resource allocation through the relevant country strategies.

Business planning has been improved, in part through the creation of a committee of directors general representing geographic, functional and services branches. New mission plans identify the context, priorities and key results at the mission, country and regional levels, and incorporate a whole-of-government approach at the mission level.

Progress was also made on various other property management projects worldwide, which reduced the number of missions that are experiencing chancery space shortages by about 20 percent.

Frameworks to facilitate common service delivery at missions

The Interdepartmental Memorandum of Understanding on Operations and Support at Missions Abroad (the generic MOU), developed in collaboration with partner departments with representation abroad, came into effect on April 1, 2004. The generic MOU replaces a number of bilateral common services agreements, and fulfills partners’ demands for equity, consistency, transparency and value for money in common service agreements (<http://lbp.dfait-maeci.gc.ca/smd/mous-en.asp>).

Department-specific annexes to the generic MOU, in which partner departments outline program-specific common service arrangements, are currently under development for the Department of National Defence, Public Safety and Emergency Preparedness Canada, and Justice Canada. Negotiations are complete and ratification was achieved for the Department of Canadian Heritage program-specific annex. Similarly, the department-specific annex for the Royal Canadian Mounted Police is currently at the signature stage. The completion of these annexes enhances the generic MOU and strengthens relationships with partner departments overseas.

Missions use the Service Delivery Standards (SDSs) to ensure the delivery of consistent and equitable common services to all departments at Canadian missions. The SDSs, an integral part of the generic MOU, form the basis upon which DFAIT (*Foreign Affairs*) and partner departments measure, assess and report on mission management activities related to common

service delivery. Missions were required to review the generic service standards and to adapt the document to a mission-specific configuration, for ratification by the Committee on Mission Management. These service standards identify the common services that the department provides, the respective roles and responsibilities of all parties concerned, and the related SDSs that participating programs should expect. A total of 89 missions out of the 116 identified for this exercise have completed this implementation phase (<http://lbp.dfait-maeci.gc.ca/smd/standards-en.asp>).

The Interdepartmental Working Group on Common Services Abroad (IWGCSA), a subsidiary of the Director General-level Common Services Abroad Committee mandated by Section 4.1 of the generic MOU, meets every three weeks to discuss issues arising from the implementation of the generic MOU and all other items emerging from the provision of common services overseas. It serves, most notably, as a dispute resolution mechanism to which all partners may have recourse. During the past year, 16 disputes were resolved and none remain outstanding.

The Common Services Abroad Charge was developed and implemented by the department in 2002 to address the issue of significant increases to personnel placed abroad without the associated incremental funding necessary to hire administrative common services support. The policy, its scope and the amount of the charge are due for re-examination with partners in 2005. In preparation, the department has consulted extensively with stakeholders.

The Common Services Abroad Planning and Coordination Division site (<http://lbp.dfait-maeci.gc.ca/smd/menu-en.asp>) has been expanded to include the completed SDSs from missions abroad. In the near future, the site will include completed annexes to the generic MOU, a compendium of the policy documents guiding the department's operations, records of decisions from meetings of the various Common Services Abroad committees, and a list of Canada's missions worldwide.

Corporate Information Management and Technology services continued to supply reliable common services at more than 160 points of service around the world, while dealing with continued change and growth. This

was ensured by the current program of regular investment in replacement, training and engineering.

A two-year project to upgrade the common service infrastructure at headquarters and at missions abroad from version 2 to version 3 was completed slightly (9 percent) under budget. The upgrade will ensure that vendor support and replacement parts remain available, and will provide users with a modern operating system and office suite.

A new three-year contract was signed for international telecommunications services (supplied as a common service at headquarters and to all Government of Canada co-locators abroad). The new contract reduces the cost of the service and ensures the capacity required for major strategic applications such as the Virtual Trade Commissioner (International Trade) and Global Case Management (CIC).

Simplified administration of policies and programs

In March 2005, the department began to develop a mission opening, reclassification and closing protocol. Still under development, this protocol guided the successful ministerial ratification of the Recife (Brazil) mission-opening initiative. The protocol calls for interdepartmental and department-wide consultation on the policy implications and viability of the desired opening, reclassification or closing. Best practices and lessons learned will inform the development of a final policy for Executive Committee approval.

In support of the department's objective to streamline administrative processes and make corporate databases more accurate, a significant Human Resources Management System reconciliation exercise is currently under way. Completion of the database regularization is anticipated in the autumn of 2005.

To bring coherence and accuracy to corporate information on Canada's presence abroad, a comprehensive list of missions abroad, including their present configuration, is being compiled. Once complete, the list will become the departmental authority on Canada's deployment abroad.

Under the auspices of ongoing costing reform, a series of meetings with departmental stakeholders and partners culminated with a policy statement on costing

principles. The principles respond to partner concerns for equity, consistency and transparency of the processes undertaken to develop position costings (<http://lbp.dfait-maeci.gc.ca/smd/costings-en.asp>).

In spring 2005, the department initiated the Team Costing Review Committee. This mandatory phase in costing preparation ensures a high level of scrutiny and oversight of the costing methodologies employed, and has yielded a measurable increase in consistency. The committee also builds analyst capacity.

The department envisages tangible benefits to common service delivery through the greater horizontal integration of property, IM/IT, HR management and other corporate functions. Ultimately, this will be realized through an alternative service delivery mechanism that will optimize performance and engender greater satisfaction from co-located partners.

DFAIT (*Foreign Affairs*) has followed up the reorganization of the IM/IT function with initiatives to review internal processes, define and cost its services, establish associated policies and standards, and strengthen the department's ability to make effective use of IM/IT. These initiatives are expected to produce results or recommendations during 2005-2006. They will help resolve internal investment issues, and also enable the department to adapt to reorganization of the management of common services provided to all government operations abroad and of shared services at headquarters, and adapt to the Government of Canada's proposed centralization of common administrative services.

The department continued implementation of the Enhanced Support Model Abroad, to improve IM/IT support at missions. Over a three-year period, this will increase the proportion of users with local access to IM/IT support, supplied as a common service to the Government of Canada abroad, from 46 percent to 70 percent. The IMT Learning Portal, which provides mission staff with the same access to training available in Ottawa, has been developed and marketed. The department also reviewed the basic framework for establishing the terms and conditions of employment for LES at missions in order to harmonize the framework with the intent and principles of the Public Service Modernization Act. Work is under way, following widespread consultations and employee surveying, to have a new set of regulations approved and a train-

ing program developed for managers abroad. The department also developed competency profiles for Head of Mission (HOM) and Management and Consular Officer (MCO) positions abroad.

The departmental Legal Services Unit provided legal advice on many complex situations involving departmental staff abroad, including locally engaged staff, as well as on the restructuring of the Foreign Service with new pay and classification scales.

Other priorities

Increasing collaboration with key partners in managing federal assets abroad

Since 2003, meetings of the IWGCSA have consistently taken place every two to three weeks. The IWGCSA serves as the forum where partner department representatives and departmental staff discuss the implementation of the department's common services policies.

The generic MOU is recognized as the authoritative document framing the common service relationship between partner departments and DFAIT (*Foreign Affairs*). As mentioned, negotiation of annexes is under way for a number of OGDs and agencies.

The Service Delivery Standards, a component of the generic MOU, have been ratified by 89 missions out of the 116 identified for the exercise at the time of publication. The other missions have provided assurance of their eventual compliance. Furthermore, a policy amendment was successfully agreed upon by partners at the IWGCSA, and was broadcast to missions for incorporation into the standards. The department, its partners and the missions are demonstrably focused on building a comprehensive accountability framework for common services.

Capacity building of client service analysts has yielded results in expediting position creations, reclassifications, deletions and redeployments. A total of 471 position changes were processed, resulting in a net increase of 271 positions.

Information management and technology

The new Common Services Abroad Planning and Coordination Division site (<http://lbp.dfait-maeci.gc.ca>).

[ca/smd/menu-en.asp](#)) is a comprehensive repository of information of use to partner departments and stakeholders at headquarters and missions. Compliance with corporate IM strategies is demonstrated through the use of InfoBank, a new information management solution being implemented at the department, which provides quick and efficient storage and retrieval of information.

2.2.1.5 Performance assessment

Capacity building of client service analysts has yielded results in expediting position creations, reclassifications, deletions and redeployments. A total of 471 position changes were processed, with a net increase of 271 positions.

Successful dispute resolution of common services policy and implementation issues was achieved through the IWGCSA: 16 disputes were resolved during the year, with none left outstanding.

During 2004-2005, the number of missions that have run out of chancery space decreased by about 20 percent with the delivery of new projects, including expansions for CIC.

The department's record on meeting project cost and schedule objectives during 2004-2005 was consistent with the record for previous fiscal years. That is, 85 to 100 percent of projects meet cost objectives and approximately 50 percent of projects meet the schedule (completion) objective. However, 100 percent of projects are being delivered within three months of the completion objectives.

The aim of operations is reliability. Reliability of outsourced services is monitored by the availability rate, which is between 90 and 99 percent depending on the region and the state of the local public infrastructure.

The reliability of services supplied in-house is tracked by operational statistics and user calls, and is measured against acceptable downtime for individual services. Because of the complexity of services, useful overall measurements have not been developed.

Other services are monitored and adjusted through user feedback to the help desk and account managers, focus groups and surveys.

The monitoring of chancery projects provides information on the extent to which the department can meet property and space requirements at missions abroad. In 2004-2005, the department completed the Ankara Chancery and the Consulate General in Chandigarh. Chancery projects are progressing for completion in 2005-2006 for Abu Dhabi, Bucharest, Budapest, Milan, Singapore and Wellington. Other chancery capital projects in Berlin, Dhaka, The Hague and Rome are on track.

2.2.1.6 Achievement analysis and lessons learned

One of the lessons from previous years was that the department needed to improve its business practices for costing its positions in missions abroad. The department has taken concrete action, and these practices are now more consistent and accurate. In addition, costing principles were better defined and published this year.

A number of other lessons were also learned during the course of this year. The first year of the implementation, the generic MOU helped to reduce the number of complaints and made the resolution of those complaints more transparent. However, there is still a need to improve certain areas of headquarters support for common services abroad. For instance, more work is needed to ensure that there are clear communications to all stakeholders regarding the utilization of common services abroad charge funding.

In 2005-2006, the department will produce recommendations on the IM/IT function as a result of the reorganization initiatives this year.

Finally, over the next year, the department will examine the feasibility and potential benefits of centralizing the common services function by establishing an alternative service delivery mechanism with a clear accountability structure, distinct authorities, a separate budget and an independent governance structure, including a board of directors representing key partner departments. The recommendations produced as a result of the IM/IT reorganization will feed into the creation of this alternative service delivery mechanism, which is expected to improve performance and increase the satisfaction of partners operating at missions abroad.



2.3 Strategic Outcome 3: Serving Canadians Abroad

Canadians travelling or living abroad are provided with effective assistance, guidance, advice and services for their travel documents and consular needs. This strategic outcome consists of the following program activities:

- Consular Affairs: managing and delivering consular services to Canadians; and
- Passport Canada: managing and delivering passport services to Canadians (through use of the Passport Revolving Fund).

2.3.1 Consular Affairs

2.3.1.1 *Our mandate in relation to the program activity*

The mandate of DFAIT (*Foreign Affairs*) as it pertains to consular affairs is primarily twofold: (1) to provide Canadians with credible information and timely advice to prepare them for international travel; and (2) to provide appropriate consular services, in cooperation with partners and missions abroad, to Canadians 24/7 if they encounter trouble or need assistance abroad in individual cases or crisis situations. Part of this mandate entails 24/7 management of the Operations Centre, monitoring world events, and functioning as a call centre during major international incidents or crises.

The consular program is delivered overseas through consular resources at missions abroad. Headquarters provides functional direction to officers at these locations; and the overall management of the missions is the responsibility of the geographic branches.

2.3.1.2 *How we pursue our long-term outcome*

Every day, 24 hours a day and seven days a week, the department provides a broad range of consular services to Canadians around the world. Assistance is provided to those travelling or living abroad in the event of an injury or death, child abduction or custody dispute, kidnapping, or need for emergency evacuation as a result of a disaster or crisis. Aid is also provided to those arrested or detained in foreign countries. Services continue to be provided until the results of cases or issues are final. This assistance is offered at more than 275² points of service around the world, including embassies, high commissions, consulates and honorary consuls.

Canadians benefit when they are abroad from the availability of a wide range of fast, efficient and professional services from a recognized and trusted source. These services also help Canadians to deal with the differences that exist between our legal, social and business systems and those of foreign countries. The department makes advanced use of IT to monitor international developments, alert Canadians to trouble (including the frequent updating of travel reports and warnings), connect them directly to consular officers for advice and assistance, enable consular staff to provide a rapid and professional response, and measure the results of services provided.

Consular services are based on written service standards. These detail the services to be provided, along with qualitative and quantitative standards to be used by employees. The service standards are available at http://www.voyage.gc.ca/main/about/service_standards-en.asp as well as at all missions abroad, where they are either in public view or can be provided by employees.

2.3.1.3 *Our working environment*

While the department plays the central role in providing consular services to Canadians around the world, it also plays a critical role in ensuring that Canadians are prepared before departing for their travels outside Canada. The department is committed to providing

²DFAIT (Foreign Affairs) has a total of 300 points of service abroad, including Canadian embassies / high commissions, permanent missions, consulates general, consulates, consulates headed by honorary consuls, offices and representative offices, and 15 points of service (14 Australian and one Swedish) provided according to consular sharing agreements between Canada and those two countries.

credible information and timely advice to prepare Canadians for international travel. This information and advice enables them to make responsible decisions about possible safety and security risks overseas, and about the ways they can minimize these risks. The consular Web site at <http://voyage.gc.ca> is the main vehicle by which consular information is disseminated to the Canadian public and the travel industry.

In providing consular services, the department collaborates with other federal departments and agencies—including the Department of Justice, CIC, Correctional Service of Canada, the RCMP, HRSDC, and Health Canada—as well as with the provinces and territories. In addition, the department works closely with international agencies and NGOs such as the Red Cross and Red Crescent Societies, and International Social Services Canada, a non-profit agency with links to social services agencies worldwide. Consular outreach activities are supported through partnerships with the travel industry and sponsors in the private sector. Cooperative arrangements with like-minded countries enable us to coordinate and streamline activities, particularly when rapid intervention is required due to a crisis, accident or disaster.

2.3.1.4 *Accomplishments against priorities*

The 2004-2005 RPP identified the following priorities in terms of consular affairs:

- delivering essential consular services worldwide; and
- improving public communications and outreach related to issues of safe travel.

With millions of Canadians living and working overseas, and more than 40 million overseas visits made by Canadian citizens every year, the demand for the full range of consular services continues to grow. Also, requests for services and information from Canadians abroad increased by approximately 10 percent in 2004 over the previous year. In 2004-2005, the department received more than 320,000 calls, about 20 percent of which were received after regular business hours.

This increased demand for services is not surprising given the growing number of Canadians who live

abroad for work or retirement, as well as the increasing interest in international travel. The demand for services has also been affected by the diversity of Canadian society, specifically with regard to issues of dual nationality.

With the low cost of air travel, easier air connections to exotic or high-risk locations, expanding Canadian business and trade interests in non-traditional markets, a strengthening Canadian dollar against U.S. currency, and easier communication, more Canadians are opting to travel to remote and dangerous destinations, and more business opportunities are being pursued in high-risk areas of the world.

The profile of Canadian travellers is also changing. Trends indicate that the number of travellers who are under the age of 18, disabled or challenged, as well as the number of seniors, is increasing. Also, more Canadians are travelling independently rather than on organized tours.

Not surprisingly, these changes to destinations and traveller profiles provide some unique challenges for the department regarding the safety and security of Canadians. This, coupled with the increased threat from global terrorist networks, presents a greater risk of Canadians being involved in attacks or being caught up in other forms of international crime, and calls for new measures (i.e. biometric data on passports) to help tackle terrorism and organized crime.

Along with the increased and changing demand for services, the department continues to experience pressure for cost-effective responses as a result of rising public expectations of the services that people are eligible to receive from the government, and corresponding pressure for higher levels of consular services, as well as intense media interest in the department's handling of some consular cases. Given the breadth of services and the current operating environment of the government, and the department in particular, consular cases/crises are becoming more complex and resource intensive, generating significant media and public interest. The department is challenged by the need to find and maintain a balance between rising demands/expectations and resources, both human and financial.

2.3.1.5 Performance assessment

Delivering essential consular services worldwide

High-profile consular cases are better managed as a result of initiatives undertaken during the past year. A Consular Coordinating Committee was established to develop strategic plans for managing difficult cases, including coordination and consultation with outside agencies as appropriate. To support these efforts, funds were reallocated from lower-priority items to create a Senior Consular Advisor in the Consular Bureau to help manage sensitive cases and to ensure that all stakeholders are kept fully apprised of cases that have the potential to become high profile. Guidelines for managing such cases, including those involving dual nationals and those where the death penalty may be applied, were developed and promulgated for Canadian offices abroad. Consular officers in the field will also benefit from a two-day workshop, which has been designed to assist consular officers in identifying and providing appropriate assistance in prisoner cases where torture is suspected. Finally, a plan was developed to implement the commitment made by the foreign ministers of Canada and the U.S. in January 2004 to formally notify and consult with each other prior to removing a national of either country from the territory of the other to a third country.

Case management success story:

Kidnapping in Iraq

The department was notified that a Canadian-Lebanese citizen working in Iraq had been abducted and was reportedly being held by militia. Offences for which he was accused could have resulted in his execution. Canadian politicians and senior DFAIT (*Foreign Affairs*) officials went public with evidence of the individual's Canadian citizenship and identity. This led to his immediate release and return to Canada.

Passport security will be improved as a result of close cooperation with Passport Canada on a project to develop a new approach to passport production. This approach will centralize printing in Canada and ensure that Canadians both domestically and overseas are issued with the same state-of-the-art machine-readable passports. As part of this project, the Passport

Management Program module of the Consular Management and Operations System (COSMOS) was converted to an Internet-based application. Work on the passport-issuing systems of both the department and Passport Canada is under way to ensure appropriate exchange of information, a process that is key to the success of the project. The estimated completion date for this project is the end of calendar year 2005.

The number of Canada's missions headed by honorary consuls rose from 107 to 117 during the past year. A department-led study of the Honorary Consul Program completed in 2004-2005 confirmed these operations as a cost-effective mechanism through which a variety of Canadian government programs, including consular services, are delivered. The study resulted in a number of recommendations to further enhance the program. Work on implementing these recommendations will begin in September 2005.

The department's capacity to handle after-hours emergencies and the consular aspects of major world crises continues to improve through the innovative use of technology. In consultation with Passport Canada, a system was designed and developed to provide officers in the 24-hour Operations Centre with read-only access to passport records, enabling them to confirm the identity and passport history of Canadians in need of assistance, and to enable immediate access to next-of-kin information where a Canadian has passed away abroad. Though hampered by limitations in funding, work resumed near the end of the fiscal year to finalize a new crisis management module within COSMOS. Delivery of this system is expected in early 2005-2006. Minor technological enhancements were made to the Registration of Canadians Abroad (ROCA) system, and some policy and procedural changes have reduced the workload at missions. More significant improvements were planned but could not move forward due to insufficient funding.

Emergency Services personnel are better trained as a result of a number of specifically designed courses relevant to client service. These include courses to assist personnel in dealing with grieving families, difficult clients and crisis situations. Sessions were also arranged for all employees working shifts to help them cope with the inherent stress of shift work.

The above initiatives helped the department to successfully manage many crises during fiscal year 2004-2005

that affected the safety and security of Canadians abroad. In November 2004, Canadians had to be evacuated from Côte d'Ivoire due to the deteriorating security situation. As well, 2004 was a record year for both the frequency and intensity of hurricanes in the Caribbean. Numerous travel warnings were issued and evacuations were conducted in Grenada and the Cayman Islands.

The biggest challenge, however, came on December 26, with the Indian Ocean tsunami. The department's Emergency Operations Centre received an unprecedented 100,000 calls from concerned friends and relatives of Canadians residing or vacationing in the affected areas. While procedures to face such situations exist, the sheer magnitude of the crisis, combined with the holiday period, posed serious challenges. The physical capacity of the Emergency Operations Centre and the existing telephone system were overwhelmed. The tools used to record and manage cases were not designed to handle such volume, and presented some specific challenges. The roster of available personnel was largely insufficient due to the holiday period when many were travelling. Nevertheless, the public response to the department's handling of the crisis was primarily favourable, a success that can be attributed to the dedication and hard work of its employees.

Improving public communications and outreach related to issues of safe travel

Canadians planning their travel abroad now benefit from streamlined and updated information designed to encourage better preparedness, and to make travellers more aware of their own responsibilities regarding their safety.

A major content review of the flagship publication, *Bon Voyage But...* (http://www.voyage.gc.ca/main/pubs/bon_voyage_but-en.asp) resulted in more concise information, limited to the consular mandate. This exercise also led to a smaller booklet with reduced production costs. A new brochure entitled *Canadian Consular Services: Providing Assistance to Canadians Abroad* (http://www.voyage.gc.ca/main/pubs/consular_services-en.asp) was released in June 2004. This brochure contains stories that depict situations in which Canadians may benefit from consular assistance, and describes what the Canadian government can and cannot do in such situations.

More than 3.2 million safe-travel publications were distributed in 2004-2005 compared with approximately 2.1 million in the previous year. See http://www.voyage.gc.ca/main/pubs_menu-en.asp for a full list of publications.

Public satisfaction with the department's consular services is illustrated by the following testimonial:

"I just read through the Canadian Consular Services booklet included with my passport, and thought I'd send my comments—the booklet is great! Really handy, a good size to pack if need be, and the stories included are good to give me an understanding of situations that can arise while travelling abroad. Thanks for making it so easy to read and informative!"

Canadians continue to benefit from the department's Consular Affairs Web site (<http://voyage.gc.ca>), which was updated several times in 2004-2005 to highlight changing world events, including avian flu, the Olympic and Paralympic Games, teaching overseas, and the Indian Ocean tsunami. Canadians accessed the site in record numbers. In 2004-2005 the site attracted an average of 241,667 visits per month, which represents a 25 percent increase over the previous year. Canadians were also kept well informed through frequent updates to country-specific travel reports. All 217 current reports were updated during the year. Crisis situations and world events affecting travel resulted in 407 emergency updates to these reports, as well as the publishing of 38 warnings and 144 current issues. The wording in these reports was also standardized to bring it into line with the practices of other like-minded countries.

The dissemination of safe-travel information was further enhanced by the formalization of a number of partnerships with private- and public-sector organizations that deliver key consular messages, including publications, to their members via announcements, publications and their Web sites. Partnership revenues of \$370,000 covered the cost of producing and printing 1.25 million copies of *Bon Voyage, But...*; however, this was insufficient to meet the demand for this publication.

More outreach activities to promote safe travel were undertaken in 2004-2005. The consular outreach team participated in 51 such activities, compared with 29 in the previous year. These include major travel shows

aimed at the Canadian public and the travel industry; media events; direct mail campaigns to the travel industry; presentations/briefing sessions at universities and colleges to students undertaking international travel or exchanges; presentations and briefing sessions to students enrolled in tourism programs across Canada; and a joint presentation with Passport Canada to MPs and staff. A Safe Travel Planner was created and distributed, via a partnership with the private sector, to teachers of travel and tourism programs and their students at colleges across Canada. This educational tool is intended to raise awareness about the safe-travel information published by the department.

Looking at ourselves

In 2004-2005, the department undertook a comprehensive internal review of the Consular Program. This review, carried out by the Office of the Inspector General (OIG), concluded that it is a sound program, regarded as a leader in the field, which properly and diligently delivers its services to distressed Canadians in most of the cases. The review also concluded that the level of resources allocated to the headquarters operation of the program is insufficient.

An in-house review by the Consular Affairs Bureau itself began as Phase 1 work of the OIG review was being completed. This review focused on:

- a forward-looking policy and operational framework;
- capacity to respond to demands (resources/funding); and
- pressures/risks (human resources, crisis management, communications/awareness).

These reviews led to the development of several new policy documents, guidelines and action plans, including a Consular Framework of Operations, Guidelines for the Travel Information Program, a Crisis Management and Response Action Plan, and a Consular Awareness Campaign Action Plan. These documents are intended to help consular personnel at headquarters and missions abroad deliver a more consistent and professional response to any consular emergency abroad in individual cases or crisis situations.

A three-year consular strategy was also developed, which focuses on the following goals:

- to continue to provide consistent and universally accessible consular services.
- to create a sustainable and stable financial resource base for the Consular Program; and
- to provide support to, and appropriate recognition of, our employees.

Client feedback

As part of the OIG review of the consular program, an on-line client survey seeking views about consular services, both in Canada and abroad, was undertaken during a four-week period in August-September 2004. According to this survey, 88 percent of clients are either satisfied (31 percent) or very satisfied (57 percent) with the consular services they received.

Missions use a standardized client feedback form to monitor performance and measure client satisfaction. Based on feedback from these forms since they were introduced in September 2003, 85 percent of respondents were satisfied with the overall service they received. Of these, 77 percent said they were very satisfied. As well, 81 percent of the comments provided on the forms were compliments about the service and staff. Comments and suggestions included on these forms are used to assess training needs and to identify areas where service improvements should be made.

Service Standards

- Passport Issuance

In 2004-2005, close to 113,000 passports were issued overseas, representing a 10 percent increase over the previous year. Meeting existing passport service standards continues to be a challenge as missions face increasing demand with finite resources. The service standards for mail-in applications (10 working days) were met by 64 percent of missions, while standards for walk-in applications (5 working days) were met by 63 percent of missions. This represents a declining trend since 2001-2002, and it is recognized that existing standards may no longer be appropriate. A review of passport standards is under way in connection with the project to centralize the printing of passports in Canada.

- Contact with Prisoners

In 2004-2005, service standards for arrest/detention cases were met 68 percent of the time. This figure is based on cases where the Canadian is in prison, in a detention centre, in jail or under house arrest. The time standards that have been established are tied to geographic regions, and missions are permitted some discretion in their application. Contact is defined as in person, in writing, by telephone or through appropriate intermediaries. The 68 percent figure appears low; however, there are cases in which an individual has indicated that he/she does not want to be contacted. In other cases, the department has not been granted access to an individual.

2.3.1.6 *Achievement analysis and lessons learned*

It is our assessment that the department's Consular Affairs Bureau priorities identified in the 2004-2005 *Report on Plans and Priorities* have been achieved to the extent that was possible with existing human and financial resources. Major world events such as the tsunami are evidence that greater effort and resources must be put into contingency planning and emergency response, and effective communications with the Canadian travelling public stressing the necessity of Canadian travellers to prepare themselves thoroughly before leaving Canada. Departmental senior management has recognized that the Consular Affairs Bureau is chronically underfunded but supports the three-year consular strategy mentioned above.

2.3.2 **Passport Canada**

2.3.2.1 *Our mandate in relation to the program activity*

The provision of internationally respected travel documents, including passports, to Canadian citizens and eligible residents of Canada.

2.3.2.2 *How we pursue our long-term outcome*

Passport Canada is a special operating agency of DFAIT (*Foreign Affairs*), and operates much like a private-sector enterprise. It is responsible for the issuance, revocation, refusal, recovery and use of Canadian passports. It pro-

vides guidance to the department's missions about issuing passports abroad and supervises all matters related to Canadian travel documents. There are 33 Passport Canada offices across the country (see http://pptnet/operations/offices_e.asp).

Passport Canada works closely with:

- provincial and territorial governments, particularly registrars of vital statistics;
- law enforcement and security agencies, as well as others who have an interest in secure identity documents in Canada and abroad;
- Canada Post Corporation and Service Canada;
- the International Civil Aviation Organization (ICAO);
- other federal departments and agencies; and
- Canada's "Five Nations" partners: the United Kingdom, the United States, New Zealand and Australia.

Collaboration with foreign passport authorities enables Passport Canada to share best practices, which in turn improves its planning and management strategies.

2.3.2.3 *Our working environment*

Passport Canada is a special operating agency, created with a focus on service delivery. However, there is increasing pressure to look outward and evolve, while at the same time focusing on core services to clients, Canadian citizens, refugees, persons in need of protection lawfully staying in Canada, and permanent residents. Passport Canada continues to monitor the level of customer service delivered, as well as customer needs and expectations for methods of service delivery.

Technology has continuously improved, creating an environment where security measures and controls must be constantly reassessed to remain current. This process will keep Passport Canada ahead of those who would attempt to defeat passport security measures or application processes, and will ensure a continued level of passport security and integrity.

Passport Canada faces unique human resources pressures that result from rapid growth and the changing

nature of the organization's business. Growth is driven primarily by demand and enhanced security measures.

2.3.2.4 Accomplishments against priorities

The 2004-2005 RPP identified the following priorities in terms of Passport Canada:

- improve accessibility and service delivery;
- maintain international acceptance of the Canadian passport; and
- strengthen leadership, planning, communication and accountability.

Improve accessibility and service delivery

In the 2004-2005 RPP, Passport Canada committed to continuing to find ways to increase the means by which Canadians can apply for passport services and to improve the efficiency of services provided. Passport Canada made improvements in the following areas:

- A process review and standardization pilot of both the Mail-in section and Member of Parliament section were completed. As well, a separate printing process review took place at our Mississauga Print Centre. Lean methodology was used to review and refine the processes of these sections. Evaluation of each pilot found that these newly refined processes were able to favourably influence productivity, reducing cost and time.
- Significant progress was made on the Receiving Agent's project, which broadens access to passport services through networks outside Passport Canada.
- In September 2004, Passport Canada and Canada Post signed an MOU detailing each party's expectations for designated postal stations to act as receiving agents for passport-related applications. Under the MOU, 58 Canada Post outlets are currently providing additional channels to access passport services.
- At the end of 2004, Passport Canada launched a pilot project with Social Development Canada and HRSDC as part of the Service Canada initiative. The pilot project tested the use of three designated HRSDC centres in Brandon,

Manitoba, Kamloops, BC, and Drummondville, Quebec, as receiving agents for passport-related applications.

- These 61 receiving agents issued more than 57,000 passports, or about 2.2 percent of the total passports issued.
- Increased client visits to these receiving agents in early 2005 and a shortage of staff during the busy season meant that Passport Canada was unable to meet the targeted turnaround times. In early March 2005, this section contacted the regions to help meet the demand for passport services, resulting in a successful recovery to standard turnaround times.
- In the summer of 2004, the Renewals Pilot Project was launched to improve client service. This project invited eligible Canadians to renew their passports through a simplified mail-in process. The pilot was evaluated in December 2004. More than 38,000 invitations were sent during the pilot and 11,785 passports were issued. The average processing time was two days, and a survey indicates a high degree of client satisfaction with this service channel.
- The Passport On-line project began as a direct result of the government's priority to provide key government services on-line. This project takes advantage of Internet technology to provide applicants with greater access to passport services. To date, the Passport On-line project has completed the development of an on-line interactive application form, which became available to applicants at the end of January 2005. As of March 31, 2005, 4,893 passports had been issued to applicants using this service.

During the past year, Passport Canada carried out several other initiatives to improve client service:

- An extended hours of service initiative was launched to better address volume in the busy season. Under this initiative, core Passport Canada business hours were extended by up to 25 percent, including Saturday openings in some cases. Offices with Saturday hours have seen a reduction in demand for services from Monday to Friday, resulting in an overall decrease in wait times for clients. Also, four new offices were opened in Whitby, Brampton, Calgary South and Pointe-Claire.

- On September 27, 2004, the Members of Parliament Web portal was launched, which allows rapid and direct sharing of information about passport application-related issues for MPs (<http://www.ppt.gc.ca/parl/>).
- Passport Canada has implemented a survey of passport applicants to identify behavioural factors that could affect passport demand. Through this survey, Passport Canada seeks to discover information to guide additional initiatives and methods aimed at increasing service to applicants.

Maintain international acceptance of the Canadian passport

Due to funding constraints during 2004-2005, Passport Canada's National Routing Service (NRS) Project Office devoted most of its limited resources to advancing a pilot sub-project, an integral phase in the development stage of the NRS project. Thanks to the sub-project activities, the pilot project is now in a position to start development and testing work in early 2005-2006.

In April 2004, approval was obtained for capital funding to implement the Passport Security Strategy, through commitments made under the new National Security Policy. Initiatives benefiting from the capital funding are the e-passport (embedded chip), mission passport printing solution (MPPS) and facial recognition. Over the last year, e-passport has focused on research and development concerning chips and readers. Activities related to facial recognition were deferred to the next year due to other priorities and capacity issues.

Treasury Board approved the MPPS project and committed the capital costs required for implementation. The aim of this project is to standardize the production of passports to ensure the most secure travel documents for all Canadians. So far, Passport Canada has identified the Mississauga print centre as the centralized production site.

Passport Canada took specific steps to strengthen the processes involved in issuing passports and to enhance the integrity of documents issued, including the following:

- Passport Canada made three amendments to the Canadian Passport Order to prescribe national

security as grounds to refuse or revoke a passport and to provide legal authority to proceed with e-passport and facial recognition technologies.

- In response to a report by the Auditor General in February 2004, Passport Canada improved sharing of information about lost or stolen passports. New procedures to manage passports that Canadians report as lost or stolen were implemented. Lost or stolen passport information is now entered directly into the RCMP's Canadian Police Information Centre database and is used by front-line officers with the CBSA.
- An MOU was signed with Interpol, to share information on lost and stolen passports.
- Passport Canada completed the implementation of digital passport printing. This ensures that all passports printed domestically are digital.
- Passport Canada strengthened support for Canadian missions by expanding its network abroad, providing Electronic Service Request File (ESRF) viewer technology, and creating 24 hour / 7 days a week telephone access. In addition, examiners were sent to some missions to assist with the delivery of passport services abroad.
- Participation continued with the ICAO to contribute to international standards for travel documents.
- Passport Canada contributed to the development of provincial standards for vital events data and processes through NRS funding. Results will be documented in the National Standards on Vital Statistics.
- MOUs were concluded with Correctional Service Canada, the Police Information Centre, the CBSA and CIC to guide the sharing of information needed to strengthen passport watch lists and improve enforcement of the Canadian Passport Order.
- developed and distributed document identification tools to improve examiners' ability to verify the authenticity of identity documentation, and a job aid for conducting guarantor checks.

Strengthen leadership, planning, communication and accountability

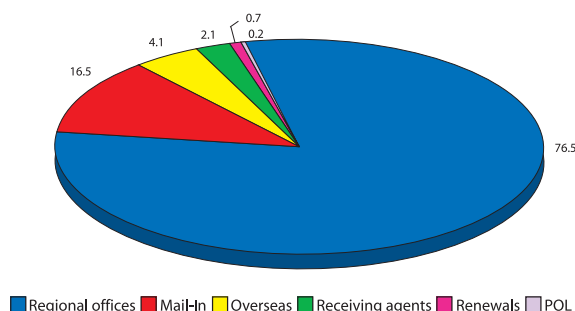
Over 2004-2005, Passport Canada began to reorganize and pursue new initiatives that seek to strengthen leadership, planning, communications and accountability throughout the agency:

- Between January and March 2005, several changes to the organizational structure of Passport Canada took place:
 - o Early in 2005, Passport Canada began reporting directly to the Associate Deputy Minister of Foreign Affairs. Subsequently, a review of the organizational structure within Passport Canada led to a reorganization based on six bureaus: Human Resources, Operations, Corporate Services, Major Projects, Security and Policy. Accompanying the reorganization was a change of name from the Passport Office to Passport Canada.
- The Major Projects Bureau was created to act as a focal point for project planning and management.
- A continuous improvement framework was developed, which aims to ensure implementation and operational consistency by promoting continual improvement of the performance of all quality management systems.
- Passport Canada developed and adopted a corporate learning policy and strategy, which underlines Passport Canada's commitment to being a learning organization.
- Business continuity plans were completed to respond to all mission-critical processes, as required under the Government Security Policy.
- A communication framework has been developed and approved. Service standards for responses to correspondence have been established.

2.3.2.5 Performance assessment

During 2004-2005, the breakdown of passports issued through the various business channels of Passport Canada was as follows: 76.5 percent Regional Offices, 16.5 percent Mail-in Services, 4.1 percent Missions Overseas, 2.1 percent Receiving Agents, 0.7 percent Renewals and 0.2 percent Passport On-line (POL).

Percentage of applications by business channels



Regional offices issued 77 percent of all applications received through walk-in service, a decrease of 3 percent from last year. Mail-in increased 0.7 percent over last year. Receiving agents took in more than 57,000 applications, an increase of 2 percent over last year. Overseas volume increased slightly, 0.26 percent over last fiscal year. There have been shifts in volumes per business channel since the introduction of receiving agents, as well as renewals. Forty-five percent of the year's volume was concentrated in the last quarter.

Turnaround time targets for regional offices were met for 97 percent of regular applications. This is an increase of 2 percent over last year. Turnaround times for urgent and express service declined by 0.2 percent and 0.1 percent respectively due to an increase in volume of 11.3 percent for this service offering.

Mail-in turnaround times were met 94.6 percent of the time, while volumes increased by 3 percent in 2004-2005, and FTEs were reduced by 21 percent. Increased productivity of 47 percent allowed for an improvement of 3 percent in turnaround times over last year.

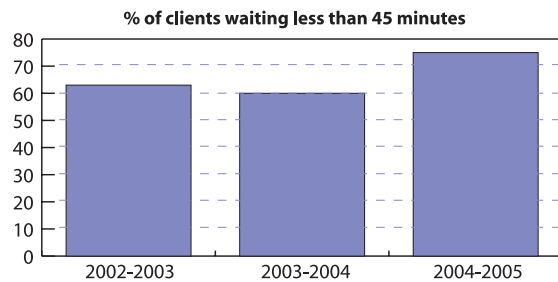
(Note: Reported turnaround time percentages for mail-in in 2003-2004 were inaccurate. Follow-up analysis shows a result of 91.6 percent for 2003-2004.)

Receiving agents met turnaround time targets for 77 percent of applications. Receiving agent turnaround time was negatively affected by the large increase in volume in the fourth quarter of 2004-2005.

Other turnaround time results are as follows:

- 85.5 percent for HRDSC receiving agents;
- 99.9 percent for renewals; and
- 98.5 percent for Passport On-line.

Wait times significantly improved in 2004-2005. A total of 75 percent of clients waited less than 45 minutes, showing a 15 point gain over last year. The average time improved by 34 percent from the previous year; however, the 95 percent target for 2004-2005 was not met. Process improvements planned in the coming years are targeted to improve processing time for applications, which will decrease wait times.



Reasons for the decrease in wait times include:

- Operational FTEs increased by 13.5 percent from 2003-2004, with a subsequent increase in counter use of 1.5 percentage points over the previous year.
- New initiatives were implemented to move clients away from public counters:
 - o Increased use of receiving agent outlets relieved volume pressures on counter service, with more than 57,000 clients choosing to use this option.
 - o Renewals also pulled clients away from the counter, accounting for 0.6 percent of the annual volume.
 - o Passport On-line examinations were on average two minutes faster than regular applications.
 - o Offices that opened Saturdays had their week day volume flattened, reducing the number of high-volume days.

- o New initiatives were introduced that enabled the public to check wait times on-line in Calgary and Calgary South.

2.3.2.6 Achievement analysis and lessons learned

Passport Canada managed to respond to service pressures experienced in the last few years through its activities to broaden access. This resulted in better performance on turnaround and waiting times compared to previous years. However, this focus on service did have an impact on security initiatives. Some initiatives targeted to maintain international acceptance of the Canadian passport did not progress as far as hoped due to service priorities. Initiatives related to strengthening leadership, planning, communications and accountability also had to compete for scarce resources. Passport Canada has learned that a better balance between priorities is required, as all are essential for continuous improvement and successful delivery of our mandate. To that end, as Passport Canada has been successful with service improvement, and ongoing initiatives will only strengthen this position, it can now focus on security as a main priority while constantly looking for corporate ways to improve.



Canadian Embassy, Nairobi

2.4 Corporate Services and Human Resources

2.4.1 Empowering the Department's Operations

Corporate Services and Human Resources provide essential infrastructure to the department. The core functions of the two branches, including finance, information technology and property management, administration and personnel, support all three strategic outcomes of the Department of Foreign Affairs and International Trade (*Foreign Affairs*).

The primary role of Corporate Services and Human Resources is to support the main functions of the department. That is why many accomplishments of the two branches have been reported under the departmental strategic outcomes earlier in Section 2 of this report. What follows in this section is a summary of results related more specifically to the priorities of the two branches themselves. Starting with the 2005-2006 *Departmental Performance Report*, the department will present the Office of Protocol as a discrete program activity with its own section.

As noted in Section 1, Corporate Services and Human Resources are at the heart of the department's transformation agenda. In essence, the two branches ensure, first, that the right people are in the right places throughout the department and, second, that those people are fully supported with the appropriate training, equipment, accommodation, systems and administration. The department remains committed to building a bilingual, culturally diverse and innovative workforce that more fully reflects Canadian society as a whole. At the same time, the department is working to create more productive and innovative relations with employee unions and associations.

Three factors affect this work. First, Corporate Services and Human Resources are shared by more

than one component of the department. Second, societal conditions such as an aging workforce and increased emphasis on work-life balance are putting renewed emphasis on recruiting and on improving working conditions. Third, ongoing implementation of the Public Service Modernization Act is allowing more flexibility in managing human resources and fostering more collaborative labour-management relations.

2.4.2 Accomplishments Against Priorities

The main priorities especially pertinent to Corporate Services and Human Resources were:

- modernizing the Foreign Service and human resources management;
- ensuring a stable financial foundation for both components of the department;
- continuing implementation of a modern management action plan; and
- increasing collaboration with key partners in managing federal assets abroad.

Human resources management

The success of any organization depends entirely on its employees. This is especially true for this department, which requires a unique blend of highly skilled people. The department's efforts to modernize Human Resources, the first branch to fully update its activities, produced the following key results in 2004-2005.

In an effort to increase results-based management in human resources, the department developed and implemented a new performance management program for employees below the executive level, based on competencies and results. In its first two months of operation, over 3,500 employees and managers used the program. Moreover, eight other government departments have expressed interest in adopting it.

To improve overall planning, the department continued to align human resources planning with business planning, as required under the Public Service Modernization Act.

As part of its modernization of the Foreign Service (FS), the department began conversion to a new classification structure and four-level pay structure for FS

employees. The new structure, effective July 2005, better reflects degrees of responsibility, skill and performance. Features of the new structure and its impact on affected employees were communicated widely through about 25 small-group information sessions as well as the department's intranet site. The president of the Professional Association of Foreign Service Officers called the group's new collective agreement "a significant step forward for the FS group as a whole."

Following consultations and employee surveys, the department is also working on a new set of regulations governing the hiring of locally engaged staff at missions as well as a related training program for managers abroad, in keeping with the Public Service Modernization Act.

Language training of employees is absolutely critical to any foreign ministry. Greater emphasis on language training at the department produced clear results. Staff continued to successfully complete official-language training to targeted levels in a fraction of the time normally allocated, and there was a twofold increase in the number of employees completing foreign language training to target proficiency, thereby increasing their effectiveness at missions abroad. Other learning opportunities were created by developing an on-line course on basic financial and human resources management.

The department expanded assignment processes to ensure better succession planning and enable access to a larger pool of talent and competencies, including non-rotational employees and candidates from other departments. First steps were also taken to increase the transparency and timeliness of hiring, staffing assignments and recruitment through:

- development of generic assessment tools and job descriptions as well as competency profiles for key occupational groups;
- preparation of a competency-based interview guide to assist managers in staffing;
- continued work to develop pools of pre-qualified candidates for the Commerce (CO) and Economic, Sociology and Statistics (ES) occupational groups as well as to develop procedures to simplify lateral movement across these pools;
- expansion of the selection process for heads of missions to include nominees from other departments; and
- creation of corporate boards, providing key cor-

porate oversight and ensuring that candidates receive feedback on their job applications for specific assignments.

The department continued to improve working and living conditions for employees posted at locations abroad where infrastructure does not meet Canadian standards. Based on recent experiences of mission staff, a strategy was developed to address financial issues, housing, education, and assistance for spouses and child care as well as additional support for those in missions subject to difficult situations such as emergency evacuations. Work is now under way with Treasury Board and bargaining agents to address many of these issues. Following a review of the cost-of-living measures, the department reduced accommodation costs for over 95 percent of Canadian staff at missions abroad. To address high vacancy levels in the new U.S. missions, special measures are being taken to ensure benefits reflect the real cost of living in that country.

To provide a supportive workplace, the department established a Values and Ethics unit; implemented a training program on bias-free recruitment and diversity; and implemented an official-languages training strategy, which identifies an officer responsible for official languages at every mission. The department's new recruitment strategy addresses employment equity for designated groups through accelerated promotions, and the 2005 recruitment campaign aims to increase representation of designated groups in certain occupational categories, particularly the executive group.

In keeping with the new Public Service Modernization Act, the department established a new labour-management committee and alternative dispute resolution.

Corporate Services

Getting the administration and infrastructure of the department right is important to its success in achieving results for Canadians. Highlights of last year's accomplishments are presented below.

First, improvement of activity-based costing models was applied to resource planning to better identify departmental resources. In addition to developing a new MRRS-PAA and Strategic Planning Framework, the department has also made significant improvements to business planning, including integration of mission-specific plans with overall departmental planning.

The department established a corporate task force to realign its budgets with its new organizational structure, review resource allocations and develop a model for alternative means of delivery of common services at missions abroad. The task force identified activities that could be reduced or eliminated, enabling the department to meet expenditure review targets set by Treasury Board.

As a global player, the department requires a highly robust information technology infrastructure and related support in order to provide the services and results Canadians expect. The department has now completed a two-year project to upgrade common-services infrastructure at headquarters and missions abroad, slightly under budget. In addition to expanding its own extensive Internet presence, the department continued to lead enhancements to the international gateway of the main Government of Canada Web site. In so doing, the department contributed significantly to Canada's number one world ranking in e-government for the fifth consecutive year (Accenture study at http://www.accenture.com/xd/xd.asp?it=caweb&xd=locations%5Ccanada%5Cinsights%5Cstudies%5Cleadership_cust.xml).

The department continued to strengthen the management of its global property infrastructure. The year marked the first full year of ISO 9001-2000 certification of the property program's major project delivery process. Major chancery projects were completed in Berlin (\$101.2 million), Ankara and a new leased Consulate General in Chandigarh.

A critical element in effective administration is the undertaking of targeted audits and evaluations as well as implementation of their recommendations. In 2004-2005, the department's Office of the Inspector General completed 137 audit and evaluation projects. It also followed up on 17 previously audited programs to ascertain the extent to which managers had implemented the recommendations. The results were impressive: managers had implemented about 80 percent of the recommendations, and the remaining 20 percent were determined to be largely outside their control.

An area that received management attention over the past year was the Access to Information and Privacy (ATIP) function. The department was once again identified in the Information Commissioner's annual report as not being compliant with legislated response

deadlines for access to information requests. The department has taken a number of steps to address the situation, including the purchase of imaging software, ATIPImage, that will provide capacity to process records electronically. Also, a review of the ATIP function has recently been completed and the results will be a critical element in building up the function's capacity and efficiency. Furthermore, a business plan for the ATIP office, which was recently completed, identifies commitments, resources and the procedural changes necessary to address the findings and recommendations contained in the ATIP review.

Effective communications enables crucial interaction with other government departments, NGOs and the public. A good example of this was the role played by the Communications Bureau in the government's response to the December 2004 tsunami, which the department coordinated. The department provided news wire updates and technical briefings to the media, consolidated government messaging and offered unprecedented Webcasting on the event and its aftermath. It also was a key player in the tabling and public dissemination of the government's International Policy Statement.

In the interests of greater transparency and accountability, the department disclosed all contracts with a value of more than \$10,000 on its Web site, along with the travel and hospitality expenses of the Minister, his Parliamentary Secretary, exempt staff and senior employees.

Finally, the department's Office of Protocol expanded its collaboration with Quebec to share essential information on representatives of foreign governments in Canada. Quebec is home to the second-largest group of foreign representatives, outside the National Capital Region. The Office also implemented various elements of modern comptrollership, including a new diplomatic registry system. The Office's work continued to be well received, given its clientele of some 8,000 members of the foreign diplomatic community: about one complaint was received per month. Furthermore, Government of Canada clients consistently expressed satisfaction with the travel and hospitality services provided.

Supplementary Information



Canadian High Commission, London

Section 3

3.1 Organizational Information

In June 2004, the department established its PAA. In January 2005, the department began implementation of an extensive reorganization designed to modernize and streamline its operations. Now that the IPS has been released, departmental priorities and activities will be adjusted. This process will require an updating of the PAA in the coming year.

3.1.1 Governance and Accountability

As Minister of Foreign Affairs, Pierre Pettigrew is accountable to Parliament for the management and oversight of the department. He is supported by Aileen Carroll, Minister of International Cooperation, who is responsible for CIDA, and Jacques Saada, the Minister responsible for La Francophonie.

Mr. Pettigrew's Parliamentary Secretary is Dan McTeague. In addition, the Minister of Foreign Affairs works closely with Marlene Jennings, the Parliamentary Secretary to the Prime Minister (Canada-U.S.).

The Minister of Foreign Affairs, Pierre Pettigrew, chairs the Cabinet Committee on Global Affairs,

which ensures an integrated approach to foreign affairs, defence, development, trade and other related issues. He is one of the vice-chairs of the Cabinet Committee on Canada-U.S., which ensures an integrated, government-wide approach to Canada-U.S. relations. This committee is supported by the Canada-U.S. Secretariat at the PCO.

Mr. Pettigrew is also a member of:

- the Cabinet Committee on Security, Public Health and Emergencies, which manages national security and intelligence issues and activities, while ensuring coordination of the federal response to all emergencies, including natural disasters; and
- the Expenditure Review Sub-Committee of the Treasury Board, which reviews all programs and areas of crosscutting interest and makes recommendations to Treasury Board on funding decisions and reallocations.

3.1.2 A New Departmental Organization Chart

As noted above, the department is being restructured (see new organization chart on page 90). One of the key changes is the reorganization of the geographic

branches. Previously, there were four: Africa and the Middle East, the Americas, Asia-Pacific, and Europe. There are now two: the North America Branch, which concentrates on the U.S. and Mexico; and the Bilateral Relations Branch, which covers the rest of the world. The geographic branches manage and coordinate Canada's relations with their designated part of the world, providing resources and guidance to Canada's missions on all aspects of foreign policy and consular services. They provide policy advice to Minister Pettigrew, and, at missions abroad, manage certain core programs and all of the department's business line activities, as well as the initiatives of OGDs and agencies co-located there.

All of the department's branches contribute to achieving the strategic outcomes identified in the PAA. The two geographic branches and four functional branches (Strategic Policy and Public Diplomacy, International Security, Global Issues and the office of the Legal Adviser) support the strategic outcome Advancing Canada's Interests Internationally. The geographic branches, Corporate Services and Human Resources support the strategic outcome Serving Government Abroad, while the Consular Affairs Bureau, geographic branches and Passport Canada support the strategic outcome Serving Canadians Abroad.

3.1.3 The Department's Senior Management Team

Deputy Minister Peter Harder supports Minister Pettigrew in determining the overall direction of the department. Two bureaus (Communications and Executive Services) report directly to the Deputy Minister, while three other bureaus (Office of the Inspector General, Protocol Office and Passport Canada) report to the Associate Deputy Minister, Marie-Lucie Morin. The Deputy Minister and the Associate Deputy Minister are responsible for the department's three strategic outcomes and related programs.

Below the levels of Deputy Minister and Associate Deputy Minister, the department has a Legal Adviser and seven Assistant Deputy Ministers (ADMs). These ADMs develop policies and initiatives to achieve the worldwide objectives of the department's strategic outcomes. In so doing, they are accountable for the

main programs of the department and the performance of their respective branches.

Accountability below the ADM level is governed by the department's PAA.

3.1.4 Foreign Service Officers

The department employs members of two streams of the Foreign Service: political/economic officers and management/consular officers. These employees are rotational, relocating regularly between headquarters and Canada's missions abroad.

Political/economic officers are key players in shaping Canada's policies on a wide range of issues, such as international human rights, the environment, disarmament, and the Middle East peace process. These officers primarily support the work of the strategic outcome Advancing Canada's Interests Internationally. These officers typically spend a considerable amount of time working with their international counterparts.

Management/consular officers support the work of two strategic outcomes at missions abroad. First, by providing consular and passport services, they support the strategic outcome Serving Canadians Abroad. Consular officers provide help and advice to Canadians outside the country in dealing with issues such as incarceration, death, child abduction, and evacuation in the event of a political emergency or natural disaster. Second, these officers contribute to Serving Government Abroad by coordinating the services provided to all Government of Canada departments and agencies operating outside Canada, including contracting, procurement and human resources management. At headquarters, management/consular officers exercise budgetary and human resources authority.

3.1.5 Formal Decision-making Structures in the Department

A number of committees and groups guide corporate decision making within the department. The following are of particular importance with respect to overall governance of the department:

- The Governing Board, chaired by the Deputy Minister, is made up of the Associate Deputy Minister, the seven ADMs, the Legal Adviser, the Director General of Communications, the Director General of Executive Services, the Executive Assistant to the Deputy Minister and an equal number of HOMs who are selected for a two-year term. This advisory group meets three or four times a year.
- Weekly meetings of the Executive Committee, chaired by the Deputy Minister, provide a forum for decision making and priority setting in the department. Its membership is the same as that of the Governing Board, excluding the HOMs. The group's mandate extends to all major policy, program and management issues facing the department.
- The Management Committee, chaired by the Associate Deputy Minister, meets on a weekly basis. This committee serves as the senior forum for decision making on virtually all departmental financial and program-management issues. Its decisions are referred to the Executive Committee for final approval.
- The Forward Planning Meeting, chaired by the Deputy Minister, is a weekly forum for information sharing on emerging issues related to the department's mandate and operations. Its membership is the same as that of the Executive Committee, but also includes all of the department's Directors General.
- The Policy Committee is responsible for reviewing all medium- and longer-term policy initiatives before final consideration by the Executive Committee. This committee, which is chaired by the ADM, Strategic Policy and Public Diplomacy, helps drive strategies on Canada's relations with specific countries, as well as its participation in multilateral organizations. The group also handles longer-term policy issues referred to it by the Executive Committee.
- The Audit and Evaluation Committee, which meets every four months, reviews the annual audit and evaluation plan of the department's Inspector General. It also considers all audits and evaluations conducted by the OIG, while providing overall direction. The Associate Deputy Minister chairs this group.

3.1.6 Governance of Canada's Missions Abroad

The department manages the missions abroad, ensuring that their activities are aligned with government-wide priorities. The role of the missions is to represent the Government of Canada and advance Canadian interests in designated countries, areas and multilateral organizations. Missions play a central role in delivering on key government-wide international objectives, including foreign and trade policies, defence, immigration goals and development assistance. They also play a growing role in support of Canada's domestic programs and activities. In carrying out these functions, missions ensure the integration and coordination of all federal programs and activities outside Canada.

The HOM serves as this country's official representative to his/her host country, area or organization. HOMs act on behalf of the entire Government of Canada, not just this department. In so doing, they ensure that all federal programs in their area of accreditation complement each other to the greatest extent possible.

Program managers at missions report to the HOM as well as to the relevant program authorities in their home departments or agencies. These managers receive guidance from the relevant functional and geographic branches at DFAIT (*Foreign Affairs*) headquarters or their home departments.

Each mission has a Committee on Mission Management, usually chaired by the HOM. Its members are the mission's program managers. Meeting weekly, the committee coordinates the mission's policies and programs and oversees its management. While decisions are typically made by consensus, the HOM has the final authority.

All federal employees at missions abroad, regardless of their home departments or agencies, act as members of a cohesive Government of Canada team. They coordinate, consult and share information with each other. They also collaborate on day-to-day mission operations and special federal initiatives such as foreign visits by the Governor General and Prime Minister.

In 2004-2005, the department began to incorporate business plans prepared by missions into its planning cycle for the first time in eight years. Each mission is asked to prepare an annual plan, identifying its activities,

expected results and corresponding resource implications, and explaining how they correspond to departmental priorities.

The department provides goods, services and real property to OGDs and agencies co-located at missions abroad. The purpose is to:

- ensure a consistent federal approach to Canada's representation abroad; and
- enable all federal partners with international operations to deliver their programs and services effectively outside the country; and maintain economies of scale.

3.1.7 Office of the Inspector General

The OIG provides audit, evaluation, special investigations and mission inspection services to the department in order to provide objective information to assess management and control frameworks. The Audit Division helps managers develop RBAFs for the department's grants and contribution programs. Audits of these programs as well as those in other headquarters units and missions abroad are also conducted using risk-based assessment methods.

The Evaluation Division provides performance assessments of departmental programs as to whether they are meeting stated objectives and producing expected results. It also helps managers produce RMAFs for a number of program areas in which RMAFs are used to measure performance over the life cycle of programs.

3.1.8 Special Operating Agencies

There are two special operating agencies within the department: Passport Canada and the Physical Resources Bureau. Passport Canada operates much like a private-sector enterprise, financing its operations entirely from the fees charged for passports and other travel documents. It also operates under a revolving fund that allows it to carry over surpluses and deficits. The Physical Resources Bureau is responsible for the cost-effective acquisition, management, development and disposal of real property and materiel required to

support the Foreign Service in delivering programs abroad.

3.1.9 Management of the Department's Portfolio

A number of organizations outside of the department's direct governance structure also report to the department. These organizations make up what is known as the department's portfolio. This reporting relationship enables the department to understand how the organizations in question contribute to government-wide priorities.

CIDA supports sustainable development in developing countries in order to reduce poverty, and contributes to a more secure, equitable and prosperous world. It reports to Parliament through the Minister of International Cooperation. The authority of CIDA is articulated in the Department of Foreign Affairs and International Trade Act, the Annual Appropriations Act and the International Development (Financial Institutions) Assistance Act. CIDA is currently listed under Schedule 1.1 of the Financial Administration Act.

IDRC, which reports to the Minister of Foreign Affairs, is a Crown corporation. It initiates, encourages, supports and conducts research into the problems of the developing world, and explores possible means of applying and adapting scientific, technical and other knowledge to address those problems.

3.1.10 Management Outside the Department's Portfolio

The International Centre for Human Rights and Democratic Development (known as Rights and Democracy) is a non-partisan organization created by Parliament in 1988 to encourage and support the universal values of human rights and the promotion of democratic institutions and practices around the world. This organization receives most of its funding from Canada's Overseas Development Assistance Budget through the department. Each year, Rights and Democracy submits a report on its activities to the Minister of Foreign Affairs, who tables it in Parliament.

The International Joint Commission is an independent binational (Canada and the U.S.) organization estab-

lished by the Boundary Waters Treaty of 1909. Its purpose is to help prevent and resolve disputes over the use and quality of boundary waters and to advise on related issues. While the commission periodically communicates with this department, it does not formally report to it.

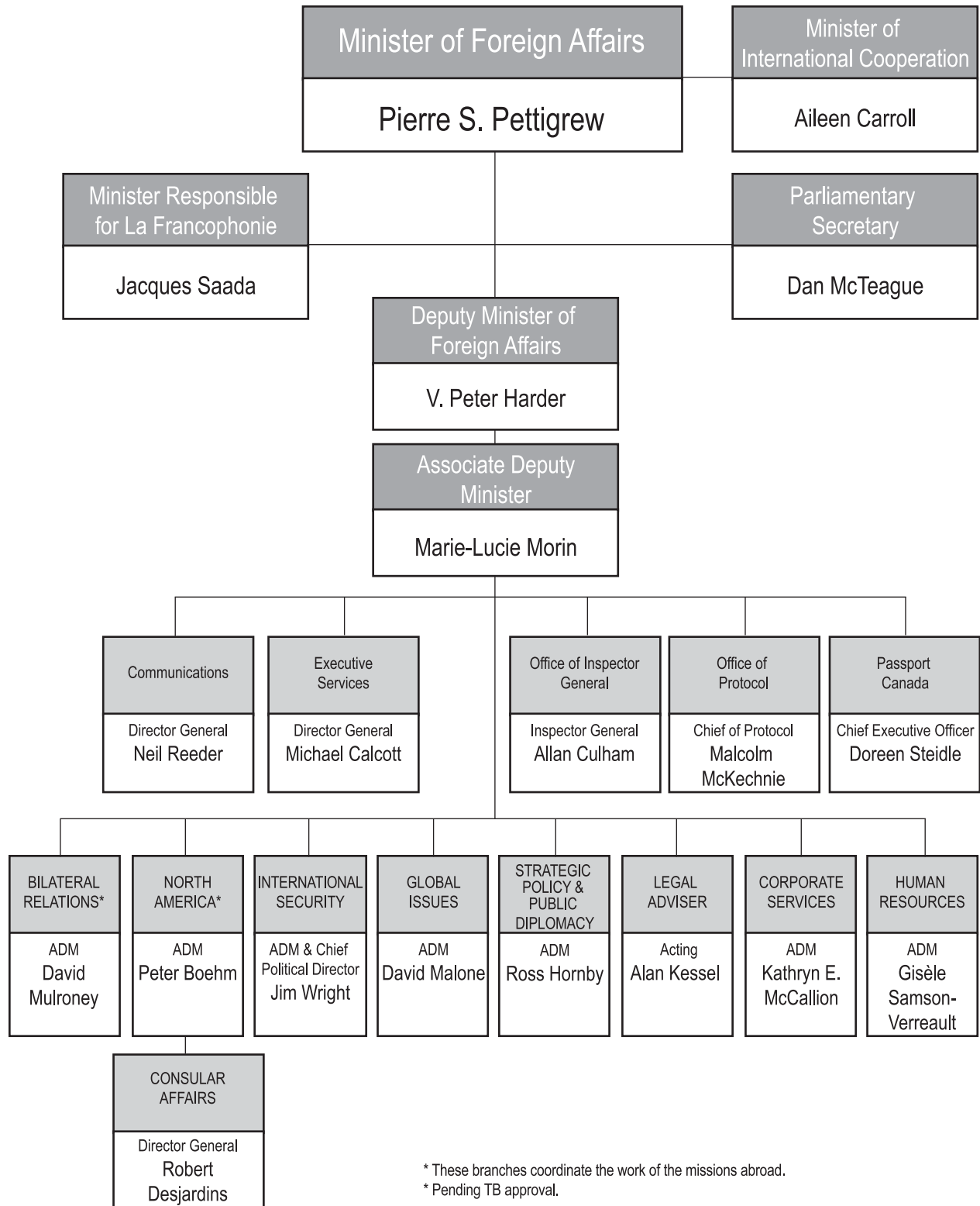
The department reports to Parliament on the performance of foundations to which it provides funding (e.g. the Foreign Service Community Association), in accordance with the federal 2003 Budget plan, which introduced changes to improve their public accountability. This reporting is done by including information on the plans and results of these foundations in the department's planning and performance reports.

The Roosevelt Campobello International Park Commission is responsible for administering, as a

memorial to President Franklin D. Roosevelt, the Roosevelt Campobello International Park in the Bay of Fundy. The Commission was created by an international treaty signed by Prime Minister Lester B. Pearson and President Lyndon B. Johnson on January 22, 1964. On the recommendation of the Minister of Foreign Affairs, Canada appoints three Canadian commission members. The U.S. commission members are appointed by the President of the United States. The treaty specifies that the two countries share equally in the costs of development, operation and maintenance of the Park. Canadian budget approval lies with the department. The day-to-day management of the Park is the responsibility of a superintendent, appointed by the Park Commission.

Department of Foreign Affairs and International Trade (*Foreign Affairs*)

Organizational Chart



3.2 Financial Information

The department's total spending authorities stand at \$1,887.6 million (\$1,728.3 million in Main Estimates; \$183.6 million in Supplementary Estimates voted by Parliament, minus Adjustments and Transfers of \$38.9 million (as per the Public Accounts). The department actually spent \$1,665.0 million (88 percent of authorized spending) during the fiscal year. The difference is primarily attributable to reduced requirements for assessed contributions for Canada's membership in international organizations (\$133.9 million), as well as departmental lapses in operating (\$72.2 million) and capital (\$4.1 million) expenditures.

The department has three voted appropriations and eight statutory authorities. Voted appropriations require annual approval by Parliament via the Main Estimates. Statutory authorities appear in Main Estimates for information only as expenditures are authorized by existing legislation.

Approximately 96 percent of the department's reference level requires Parliamentary approval on an annual

basis, with 4 percent of the expenditures being authorized by existing legislation. The annual approval vote breakdown is as follows in percentage terms: Authorities for Operating Expenditures (Vote 1) make up about 55.8 percent; Authorities for Capital Expenditures (Vote 5) make up about 7 percent; and Authorities for Grants and Contributions (Vote 10) make up about 33 percent. Approximately 73 percent of the Vote 10 Grants and Contributions are assessed contributions to international organizations. The department funds Canada's memberships in international organizations such as the UN, the WHO and the ICAO. This benefits the entire Government of Canada, not strictly this department.

Passport Canada is a special operating agency, which manages and delivers passport services to Canadians through the use of the Passport Revolving Fund. Under this policy, Passport Canada is not funded via the regular Treasury Board process, but rather finances its activities via revenues generated from the sale of products, in accordance with Treasury Board guidelines.

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Supplementary Information

Table 1A: Comparison of Planned to Actual Spending (incl. FTEs) (\$ millions)

| | Actual 2002 - 2003 | Actual 2003 - 2004 | 2004 - 2005 | | | |
|---|-----------------------|-----------------------|-------------------|---------------------|----------------------|---------|
| | | | Main Estimates | Planned Spending | Total Authorities | Actual |
| Business Line | | | | | | |
| International Business Development | 256.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Trade Policy | 193.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| International Security and Cooperation | 597.0 | 651.7 | 724.7 | 797.3 | 870.6 | 720.3 |
| Assistance to Canadians Abroad | 58.9 | 59.1 | 63.6 | 63.7 | 85.0 | 78.6 |
| Public Diplomacy | 104.2 | 100.8 | 111.8 | 120.7 | 184.3 | 166.3 |
| Corporate Services | 300.1 | 318.8 | 277.6 | 292.5 | 375 | 377.4 |
| Services to Partner Departments | 246.6 | 454.0 | 550.5 | 550.5 | 358.8 | 320.0 |
| Passport Services | (3.3) | 0.4 | 0.0 | 7.5 | 13.9 | 2.5 |
| Total | 1,753.4 | 1,584.8 | 1,728.2 | 1,832.2 | 1,887.6 | 1,665.0 |
| | | | | | | |
| Total | 1,753.4 | 1,584.8 | 1,728.2 | 1,832.2 | 1,887.6 | 1,665.0 |
| Less: Non-respendable revenue | 133.8 | 103.9 | 97.6 | 97.6 | 97.6 | 104.6 |
| Plus: Cost of services received without charge* | 64.2 | 60.2 | 59.4 | 59.4 | 60.5 | 60.5 |
| Net Cost of Department | 1,683.8 | 1,541.1 | 1,690.0 | 1,794.0 | 1,850.5 | 1,620.9 |
| | | | | | | |
| Full Time Equivalents | | | | 9,885.0 | | 9,221.0 |

Explanatory Notes:

Due to rounding, figures may not add to totals shown.

* Services received without charge usually include accommodation provided by Public Works and Government Services Canada (PWGSC), the employer's share of employees' insurance premiums, and expenditures paid by TBS (excluding revolving funds), Workers' Compensation coverage provided by Social Development Canada, and services received from the Department of Justice Canada (see Table 4).

Table 1B: Comparison of Planned Spending to Actual Spending (\$ millions)

| 2004 - 2005 | | | | | | | | |
|--|----------------------------|---------------------|------------------|--|--|------------------|----------|----------------------------------|
| Business Line | Program Activity | | | | | | | Corporate and Executive Services |
| | Global and Security Policy | Bilateral Relations | Strategic Policy | Common Services and Infrastructure (Support from HQ) | Common Services and Infrastructure (Missions Abroad) | Consular Affairs | Passport | |
| International Security and Cooperation | | | | | | | | |
| Main Estimates | 655.2 | 68.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Planned Spending | 728.8 | 68.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Authorities | 794.2 | 76.7 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Actual Spending | 656.9 | 63.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Assistance to Canadians Abroad (Consular Services) | | | | | | | | |
| Main Estimates | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 63.8 | 0.0 | 0.0 |
| Planned Spending | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 63.8 | 0.0 | 0.0 |
| Total Authorities | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 84.6 | 0.0 | 0.0 |
| Actual Spending | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 78.6 | 0.0 | 0.0 |
| Public Diplomacy | | | | | | | | |
| Main Estimates | 0.0 | 50.6 | 61.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Planned Spending | 0.0 | 50.6 | 69.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Authorities | 0.0 | 74.5 | 109.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Actual Spending | 0.0 | 66.5 | 99.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Corporate Services | | | | | | | | |
| Main Estimates | 0.0 | 0.0 | 0.0 | 167.0 | 0.0 | 0.0 | 0.0 | 110.8 |
| Planned Spending | 0.0 | 0.0 | 0.0 | 182.1 | 0.0 | 0.0 | 0.0 | 110.8 |
| Total Authorities | 0.0 | 0.0 | 0.0 | 256.7 | 0.0 | 0.0 | 0.0 | 118.3 |
| Actual Spending | 0.0 | 0.0 | 0.0 | 258.7 | 0.0 | 0.0 | 0.0 | 118.7 |

Continued on next page

Supplementary Information

Table 1B: Comparison of Planned Spending to Actual Spending (\$ millions)

| 2004 - 2005 | | | | | | | | |
|---------------------------------|----------------------------|---------------------|------------------|--|--|------------------|----------|----------------------------------|
| Business Line | Program Activity | | | | | | | Corporate and Executive Services |
| | Global and Security Policy | Bilateral Relations | Strategic Policy | Common Services and Infrastructure (Support from HQ) | Common Services and Infrastructure (Missions Abroad) | Consular Affairs | Passport | |
| | | | | | | | | |
| Services to Partner Departments | | | | | | | | |
| Main Estimates | 0.0 | 0.0 | 0.0 | 0.0 | 550.6 | 0.0 | 0.0 | 0.0 |
| Planned Spending | 0.0 | 0.0 | 0.0 | 0.0 | 550.6 | 0.0 | 0.0 | 0.0 |
| <i>Total Authorities</i> | 0.0 | 0.0 | 0.0 | 0.0 | 358.8 | 0.0 | 0.0 | 0.0 |
| Actual Spending | 0.0 | 0.0 | 0.0 | 0.0 | 320.0 | 0.0 | 0.0 | 0.0 |
| Passport Services | | | | | | | | |
| Main Estimates | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Planned Spending | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.5 | 0.0 |
| <i>Total Authorities</i> | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 13.9 | 0.0 |
| Actual Spending | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.5 | 0.0 |

Note:

Methodology: The totals reflected above balance with the actual BL totals as displayed in Main Estimates and Public Accounts. Program Activity (PA) figures resulted in a \$320 million variance with shortfalls reported in Common Services (Missions Abroad) and Corporate Services, and over-allocations within Global & Security, Bilateral and Strategic Policy. This can be explained, as part of the mission expenditures should be attributable to these three other PAs. The Mission Cost Allocation Model (MCAM) would allow for the allocation from Common Services (Missions Abroad) to the other PAs as appropriate. The modified MCAM, which will allocate missions' expenditures by program activity, was not available for this exercise.

The above table attempts to provide a transition between Business Line Utilization (BLU) and Program Activity Architecture (PAA). As much as possible we have attempted to indicate where budget and expenditures associated with one BL can now be located within the relevant PA. Unfortunately, we are not capable of accurately allocating these amounts to the appropriate PA, to the same degree as we did with BL, due to the manner in which we calculated our BLU allocations. First, DFAIT (*Foreign Affairs*) used an activity-based costing model to assign our budget and actual expenditures among the various BL according to data allocations assigned to each position. As our systems are not currently configured to track budgets and expenditures by PAA, we have resorted to assigning these figures by division to the appropriate PA that can be identified. It is realized that some divisional budgets and expenditures should be attributed across multiple PAs, and assumptions as to these allocations have been made where appropriate. For example, Corporate Services can be split between both Corporate Services and Common Services PAs. Until our costing model is revised to allow the proper allocation of our costs by PAA, we are limited to the manual allocation as discussed above.

Table 2: Use of Resources by Business Lines (\$ millions)

| 2004 - 2005 | | | | | | | | |
|--|-----------|---------|--------------------------|-------------------------------------|---------------------------|-----------------------------------|-------------------------------------|-------|
| Business Line | Budgetary | | | | | | Plus: Non-Budgetary | Total |
| | Operating | Capital | Grants and Contributions | Total: Gross Budgetary Expenditures | Less: Respendable Revenue | Total: Net Budgetary Expenditures | Loans, Investments and Advancements | |
| International Security and Cooperation | | | | | | | | |
| Main Estimates | 244.6 | 17.4 | 462.7 | 724.7 | 0.0 | 724.7 | 0.0 | 724.7 |
| Planned Spending | 267.8 | 17.4 | 512.1 | 797.3 | 0.0 | 797.3 | 0.0 | 797.3 |
| Total Authorities | 288.2 | 8.0 | 574.3 | 870.5 | 0.0 | 870.5 | 0.0 | 870.5 |
| Actual Spending | 270.7 | 7.5 | 442.1 | 720.3 | 0.0 | 720.3 | 0.0 | 720.3 |
| Assistance to Canadians Abroad | | | | | | | | |
| Main Estimates | 64.8 | 1.4 | 0.1 | 66.3 | 2.6 | 63.7 | 0.0 | 63.7 |
| Planned Spending | 64.8 | 1.4 | 0.1 | 66.3 | 2.6 | 63.7 | 0.0 | 63.7 |
| Total Authorities | 85.0 | 2.5 | 0.1 | 87.6 | 2.6 | 85.0 | 0.0 | 85.0 |
| Actual Spending | 78.3 | 2.4 | 0.1 | 80.8 | 2.1 | 78.7 | 0.0 | 78.7 |
| Public Diplomacy | | | | | | | | |
| Main Estimates | 83.5 | 1.1 | 29.4 | 114.0 | 2.3 | 111.7 | 0.0 | 111.7 |
| Planned Spending | 92.5 | 1.1 | 29.4 | 123.0 | 2.3 | 120.7 | 0.0 | 120.7 |
| Total Authorities | 136.5 | 3.5 | 46.6 | 186.6 | 2.3 | 184.3 | 0.0 | 184.3 |
| Actual Spending | 120.1 | 3.4 | 44.7 | 168.2 | 1.8 | 166.4 | 0.0 | 166.4 |
| Corporate Services | | | | | | | | |
| Main Estimates | 205.4 | 88.4 | 0.3 | 294.1 | 16.4 | 277.7 | 0.0 | 277.7 |
| Planned Spending | 205.3 | 103.3 | 0.3 | 308.9 | 16.4 | 292.5 | 0.0 | 292.5 |
| Total Authorities | 284.6 | 106.5 | 0.1 | 391.2 | 16.4 | 374.8 | 43.2 | 418.0 |
| Actual Spending | 284.9 | 105.5 | 0.1 | 390.5 | 13.1 | 377.4 | 6.7 | 384.1 |
| Services to Partner Departments | | | | | | | | |
| Main Estimates | 535.0 | 15.5 | 0.0 | 550.5 | 0.0 | 550.5 | 0.0 | 550.5 |
| Planned Spending | 535.0 | 15.5 | 0.0 | 550.5 | 0.0 | 550.5 | 0.0 | 550.5 |
| Total Authorities | 347.6 | 11.2 | 0.0 | 358.8 | 0.0 | 358.8 | 0.0 | 358.8 |
| Actual Spending | 311.1 | 8.9 | 0.0 | 320.2 | 0.0 | 320.0 | 0.0 | 320.0 |
| Passport Services | | | | | | | | |
| Main Estimates | 166.2 | 0.0 | 0.0 | 166.2 | 166.2 | 0.0 | 0.0 | 0.0 |
| Planned Spending | 173.7 | 0.0 | 0.0 | 173.7 | 166.2 | 7.5 | 0.0 | 7.5 |
| Total Authorities | 180.1 | 0.0 | 0.0 | 180.1 | 166.2 | 13.9 | 0.0 | 13.9 |
| Actual Spending | 169.5 | 0.0 | 0.0 | 169.5 | 167.0 | 2.5 | 0.0 | 2.5 |

Supplementary Information

Table 3: Voted and Statutory Items (\$ millions)

| Vote (V) or Statutory (S) Item | 2004 - 2005 | | | |
|--|-------------------|---------------------|----------------------|----------------|
| | Main Estimates | Planned Spending | Total Authorities | Actual |
| 1 Operating expenditures | 1,005.5 | 1,045.0 | 1,054.2 | 982.0 |
| 5 Capital expenditures | 123.8 | 138.7 | 131.8 | 127.6 |
| 10 Grants and contributions | 492.2 | 541.8 | 621.0 | 487.0 |
| (S) Minister of Foreign Affairs – Salary and motor car allowance | 0.1 | 0.1 | 0.1 | 0.1 |
| (S) Payment under the Diplomatic Service (Special) Superannuation Act | 0.3 | 0.3 | 0.2 | 0.2 |
| (S) Contributions to employee benefits plans | 106.4 | 106.4 | 56.0 | 56.0 |
| (S) Passport Revolving Fund | 0.0 | 0.0 | 13.9 | 2.5 |
| (S) Refund of amounts credited to revenue in previous years | 0.0 | 0.0 | 0.8 | 0.8 |
| (S) Collection agency fees | 0.0 | 0.0 | 0.0 | 0.0 |
| (S) Spending of proceeds from disposal of surplus Crown assets | 0.0 | 0.0 | 3.0 | 2.2 |
| (S) Loss on foreign exchange | 0.0 | 0.0 | 6.6 | 6.6 |
| Total | 1,728.3 | 1,832.3 | 1,887.6 | 1,665.0 |

Table 4: Net Cost of Department (\$ millions)

| 2004 - 2005 | |
|---|----------------|
| Total Actual Spending | 1,665.0 |
| <i>Plus: Services received without charge</i> | |
| Accommodation provided by Public Works and Government Services Canada (PWGSC) | 21.6 |
| Contributions covering employer's share of employees' insurance premiums and expenditures paid by TBS (excluding revolving funds) | 36.6 |
| Workers' compensation coverage provided by Social Development Canada | 0.3 |
| Salary and associated expenditures of legal services provided by Justice Canada | 2.0 |
| Total | 60.5 |
| Less: Non-respendable Revenue | 104.6 |
| 2004 - 2005 Net Cost of Department | 1,620.9 |

Table 5: Contingent Liabilities (\$ millions)

| Contingent Liabilities | March 31, 2004 | March 31, 2005 |
|--|----------------|----------------|
| <i>Claims, Pending and Threatened Litigation</i> | 6.0 | 0.5 |
| Total | 6.0 | 0.5 |

Explanatory Notes:

As of March 31, 2005, contingent liabilities estimated at \$516,000 were outstanding against the Department of Foreign Affairs and International Trade (*Foreign Affairs*). The \$516,000 relates to two individual cases of pending or threatened litigation. One of these cases are employment-related actions and the other is a contractual damage claim. While these cases are in various stages of litigation, it is not Department of Foreign Affairs and International Trade (*Foreign Affairs*)'s policy to comment on their expected outcomes. They must, however, be recognized as potential liabilities against the Crown and are therefore presented for information purposes.

Current year amounts do not include cases that are deemed unlikely.

Table 6: Loans, Investments and Advances (Non-Budgetary) (\$ millions)

| Business Line | Actual 2002 - 2003 | Actual 2003 - 2004 | 2004 - 2005 | | | |
|--|-----------------------|-----------------------|-------------------|---------------------|----------------------|--------|
| | | | Main Estimates | Planned Spending | Total Authorities | Actual |
| Corporate Services | | | | | | |
| Working Capital Advance for loans and advances to personnel working or engaged abroad in accordance with Vote L12c | 1.6 | 0.1 | 0.0 | 0.0 | 9.8 | 2.3 |
| Working Capital Advance for advances to posts abroad in accordance with Vote 630 | (14.1) | (3.8) | 0.0 | 0.0 | 33.4 | 4.4 |
| Total | (12.5) | (3.7) | 0.0 | 0.0 | 43.2 | 6.7 |

Supplementary Information

Table 7: Sources of Respendable and Non-Respendable Revenue (\$ millions)

Respendable Revenue

| Business Line | Actual 2002 - 2003 | Actual 2003 - 2004 | 2004 - 2005 | | | |
|--|-----------------------|-----------------------|-------------------|---------------------|----------------------|--------|
| | | | Main Estimates | Planned Spending | Total Authorities | Actual |
| International Security and Cooperation | | | | | | |
| International Youth Exchange | 0.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Assistance to Canadians Abroad | | | | | | |
| Specialized consular services | 2.4 | 2.5 | 2.6 | 2.6 | 2.6 | 2.1 |
| Public Diplomacy | | | | | | |
| Canadian Education Centres | 0.6 | 0.4 | 1.1 | 1.1 | 1.1 | 0.3 |
| International Youth Exchange | 0.3 | 1.3 | 1.2 | 1.2 | 1.2 | 1.5 |
| Corporate Services | | | | | | |
| Telecommunication services | 1.1 | 1.3 | 2.1 | 2.1 | 2.1 | 1.4 |
| Training services | 4.6 | 4.7 | 5.0 | 5.0 | 5.0 | 4.5 |
| Real property services abroad | 8.9 | 9.5 | 9.3 | 9.3 | 9.3 | 7.2 |
| Services to Partner Departments | | | | | | |
| *** | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Passport Services | | | | | | |
| Passport Fees | 136.7 | 158.4 | 166.2 | 166.2 | 166.2 | 164.5 |
| Total Respendable Revenue | 155.5 | 178.1 | 187.5 | 187.5 | 187.5 | 181.5 |

Non-Respendable Revenue

| | | | | | | |
|--|-------|-------|------|------|-------|-------|
| International Security and Cooperation | | | | | | |
| Adjustment to Previous Year's Expenditures | 0.6 | 1.6 | 0.0 | 0.0 | 0.6 | 0.6 |
| Assistance to Canadians Abroad | | | | | | |
| Consular fees on travel documents | 47.6 | 53.5 | 58.6 | 58.6 | 58.0 | 58.0 |
| Adjustment to Previous Year's Expenditures | 0.2 | 0.6 | 0.0 | 0.0 | 0.2 | 0.2 |
| Public Diplomacy | | | | | | |
| Adjustment to Previous Year's Expenditures | 0.2 | 0.8 | 0.0 | 0.0 | 0.9 | 0.9 |
| Corporate Services | | | | | | |
| Employee rental shares and transportation | 18.2 | 18.3 | 12.2 | 12.2 | 18.2 | 18.2 |
| Sales of properties and other assets | 27.2 | 8.6 | 18.4 | 18.4 | 14.7 | 14.7 |
| Adjustment to Previous Year's Expenditures | 6.0 | 5.2 | 3.0 | 3.0 | 1.7 | 1.7 |
| Services provided to the Passport Office | 4.4 | 4.4 | 4.4 | 4.4 | 4.4 | 4.4 |
| Gain on foreign exchange | 7.6 | 5.5 | 0.0 | 0.0 | 3.3 | 3.3 |
| Other | 0.8 | 2.2 | 1.0 | 1.0 | 1.9 | 1.9 |
| Services to Partner Departments | | | | | | |
| Adjustment to Previous Year's Expenditures | 0.9 | 3.2 | 0.0 | 0.0 | 0.7 | 0.7 |
| Total Non-Respendable Revenue | 113.7 | 103.9 | 97.6 | 97.6 | 104.6 | 104.6 |

Table 8: Passport Canada Revolving Fund Financial Statement (\$ millions)

Table 8A: Statement of Operations

| | Actual 2002 - 2003 | Actual 2003 - 2004 | 2004 - 2005 | | | |
|-------------------------------------|-----------------------|-----------------------|-------------------|---------------------|----------------------|--------------|
| | | | Main Estimates | Planned Spending | Total Authorities | Actual |
| Responsible Revenue | 136.8 | 158.4 | 166.2 | 166.2 | 166.2 | 166.2 |
| Expenses | | | | | | |
| Operating: | 138.8 | 149.4 | 166.2 | 166.2 | 166.2 | 166.2 |
| Salaries and employee benefits | 70.2 | 85.9 | 87.1 | 87.1 | 87.1 | 94.5 |
| Depreciation | 20.9 | 12.5 | 15.4 | 11.5 | 11.5 | 11.9 |
| Repairs and maintenance | 1.7 | 2.6 | 3.0 | 3.0 | 3.0 | 2.7 |
| Administrative and support services | 10.4 | 12.1 | 15.2 | 14.1 | 14.1 | 12.9 |
| Utilities, materials and supplies | 35.1 | 36.1 | 45.5 | 50.5 | 50.5 | 45.5 |
| Marketing | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Interest | 0.5 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Surplus (Deficit) | (2.0) | 9.0 | 0.0 | 0.0 | 0.0 | (0.3) |

Table 8B: Statement of Cash Flows (\$ millions)

| | Actual 2002 - 2003 | Actual 2003 - 2004 | 2004 - 2005 | | | |
|--|-----------------------|-----------------------|-------------------|---------------------|----------------------|---------------|
| | | | Main Estimates | Planned Spending | Total Authorities | Actual |
| Surplus (Deficit) | (2.0) | 9.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Add non-cash items: | | | | | | |
| Depreciation / amortization | 20.9 | 8.9 | 15.4 | 11.5 | 11.5 | 11.1 |
| Provision for employee termination benefits | 0.8 | 1.5 | 0.4 | 0.4 | 0.4 | 1.4 |
| Deferred leasehold inducements | (0.1) | (0.3) | 0.0 | 0.0 | 0.0 | 0.0 |
| Interest on loan | 0.4 | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Add cash inflows: | | | | | | |
| Gain on loan forgiveness | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.5 |
| Treasury Board submissions | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.2 |
| Changes in working capital | (1.8) | 1.2 | 8.6 | 12.6 | 12.6 | (0.1) |
| Investing activities: | | | | | | |
| Acquisition of depreciable assets | (14.9) | (16.3) | (19.9) | (20.0) | (20.0) | (16.8) |
| Loan from DFAIT (<i>Foreign Affairs</i>) (Repayment) | 0.0 | (4.5) | (4.5) | (4.5) | (4.5) | (4.5) |
| Cash Surplus (requirement) | 3.3 | (0.3) | 0.0 | 0.0 | 0.0 | (2.5) |

Supplementary Information

Table 8: Passport Canada Revolving Fund Financial Statement (\$ millions) *(continued)*

Table 8C : Projected Use of Authority

| | Actual 2002 - 2003 | Actual 2003 - 2004 | 2004 - 2005 | | | |
|-------------------------------|-----------------------|-----------------------|-------------------|---------------------|----------------------|--------|
| | | | Main Estimates | Planned Spending | Total Authorities | Actual |
| Authority | | | | | | |
| Drawdown: | | | | | | |
| Balance as at April 1 | 10.9 | 14.2 | 13.9 | 13.9 | 13.9 | 13.9 |
| Projected surplus (Drawdown) | 3.3 | (0.3) | 0.0 | 0.0 | 0.0 | (2.5) |
| Projected Balance at March 31 | 14.2 | 13.9 | 13.9 | 13.9 | 13.9 | 11.4 |

Table 9: Resource Requirements by Branch (\$ millions)

| 2004 - 2005 | | | | | | | |
|---|--|--------------------------------|------------------|--------------------|---------------------------------|-------------------|-------|
| Organization | International Security and Cooperation | Assistance to Canadians Abroad | Public Diplomacy | Corporate Services | Services to Partner Departments | Passport Services | Total |
| Executive Offices | | | | | | | |
| Main Estimates | 0.0 | 0.0 | 0.0 | 8.0 | 0.0 | 0.0 | 8.0 |
| Planned Spending | 0.0 | 0.0 | 0.0 | 8.5 | 0.0 | 0.0 | 8.5 |
| Total Authorities | 0.0 | 0.0 | 0.0 | 7.3 | 0.0 | 0.0 | 7.3 |
| Actual Spending | 0.0 | 0.0 | 0.0 | 6.4 | 0.0 | 0.0 | 6.4 |
| Legal Adviser | | | | | | | |
| Main Estimates | 8.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 8.0 |
| Planned Spending | 6.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 6.8 |
| Total Authorities | 15.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 15.2 |
| Actual Spending | 12.4 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 12.4 |
| Global and Security Policy | | | | | | | |
| Main Estimates | 573.8 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 573.8 |
| Planned Spending | 616.3 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 616.3 |
| Total Authorities | 658.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 658.0 |
| Actual Spending | 538.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 538.9 |
| Communications, Culture and Policy Planning | | | | | | | |
| Main Estimates | 1.4 | 0.0 | 46.2 | 0.0 | 0.0 | 0.0 | 47.6 |
| Planned Spending | 1.1 | 0.0 | 58.5 | 0.0 | 0.0 | 0.0 | 59.6 |
| Total Authorities | 0.9 | 0.0 | 102.2 | 0.0 | 0.0 | 0.0 | 103.1 |
| Actual Spending | 0.7 | 0.0 | 93.7 | 0.0 | 0.0 | 0.0 | 94.4 |

Continued on next page

Table 9: Resource Requirements by Branch (\$ millions)

| 2004 - 2005 | | | | | | | |
|--|--|--------------------------------|------------------|--------------------|---------------------------------|-------------------|--------------|
| Organization | International Security and Cooperation | Assistance to Canadians Abroad | Public Diplomacy | Corporate Services | Services to Partner Departments | Passport Services | Total |
| Corporate Services, Passport and Consular Affairs | | | | | | | |
| Main Estimates | 28.6 | 7.2 | 0.0 | 233.6 | 0.0 | 0.0 | 269.4 |
| Planned Spending | 42.3 | 7.8 | 0.0 | 247.3 | 0.0 | 7.5 | 304.9 |
| <i>Total Authorities</i> | 48.4 | 12.2 | 0.0 | 313.4 | 0.0 | 13.9 | 387.9 |
| Actual Spending | 40.2 | 11.9 | 0.0 | 313.9 | 0.0 | 2.5 | 368.5 |
| Human Resources | | | | | | | |
| Main Estimates | 0.0 | 0.1 | 0.0 | 36.0 | 0.0 | 0.0 | 36.1 |
| Planned Spending | 0.0 | 0.1 | 0.0 | 36.7 | 0.0 | 0.0 | 36.8 |
| <i>Total Authorities</i> | 0.0 | 0.1 | 0.0 | 54.2 | 0.0 | 0.0 | 54.3 |
| Actual Spending | 0.0 | 0.1 | 0.0 | 57.1 | 0.0 | 0.0 | 57.2 |
| Americas | | | | | | | |
| Main Estimates | 33.1 | 16.5 | 19.2 | 0.0 | 161.0 | 0.0 | 229.8 |
| Planned Spending | 38.1 | 16.3 | 18.1 | 0.0 | 160.7 | 0.0 | 233.2 |
| <i>Total Authorities</i> | 41.9 | 20.5 | 23.2 | 0.0 | 100.5 | 0.0 | 186.1 |
| Actual Spending | 36.0 | 18.6 | 20.2 | 0.0 | 88.2 | 0.0 | 163.0 |
| Europe | | | | | | | |
| Main Estimates | 32.9 | 16.5 | 19.1 | 0.0 | 160.6 | 0.0 | 229.1 |
| Planned Spending | 37.9 | 16.2 | 18.0 | 0.0 | 160.1 | 0.0 | 232.2 |
| <i>Total Authorities</i> | 44.3 | 21.8 | 24.5 | 0.0 | 108.1 | 0.0 | 198.7 |
| Actual Spending | 39.6 | 21.1 | 23.2 | 0.0 | 102.0 | 0.0 | 185.9 |
| Asia-Pacific | | | | | | | |
| Main Estimates | 29.8 | 14.8 | 17.3 | 0.0 | 145.2 | 0.0 | 207.1 |
| Planned Spending | 34.9 | 14.8 | 16.6 | 0.0 | 147.1 | 0.0 | 213.4 |
| <i>Total Authorities</i> | 38.3 | 18.8 | 21.3 | 0.0 | 91.7 | 0.0 | 170.1 |
| Actual Spending | 32.8 | 16.9 | 18.5 | 0.0 | 80.7 | 0.0 | 148.9 |
| Africa and Middle East | | | | | | | |
| Main Estimates | 17.1 | 8.5 | 10.0 | 0.0 | 83.7 | 0.0 | 119.3 |
| Planned Spending | 19.8 | 8.5 | 9.4 | 0.0 | 82.5 | 0.0 | 120.2 |
| <i>Total Authorities</i> | 23.8 | 11.7 | 13.1 | 0.0 | 58.5 | 0.0 | 107.1 |
| Actual Spending | 19.8 | 10.0 | 10.6 | 0.0 | 49.2 | 0.0 | 89.6 |

Supplementary Information

Table 10A: User Fees Act (\$ millions)

User Fee: Access to Information Act

Fees charged for the processing of access requests filed under the Access to Information Act

Fee Type: Other

Fee-setting Authority: Access to Information Act

Date Last Modified: 1992

| 2004 - 2005 | | | Planning Years | | |
|--------------------------|------------------------|-------------------|----------------|--------------------------|-----------------------------|
| Forecast Revenue (\$000) | Actual Revenue (\$000) | Full Cost (\$000) | Fiscal Year | Forecast Revenue (\$000) | Estimated Full Cost (\$000) |
| 9.0 | 5.0 | 910.0 | 2005 - 2006 | 9.0 | 1,259.0 |
| | | | 2006 - 2007 | 9.0 | 1,450.0 |
| | | | 2007 - 2008 | 9.0 | 1,413.0 |
| Total | 9.0 | 5.0 | Total | 27.0 | 4,122.0 |

2004 - 2005 Performance Standard: Framework under development by TBS (see <http://lois.justice.gc.ca/en/a-1/8.html>).

2004 - 2005 Performance Results: Statutory deadlines met 65 percent of the time.

Other Information: It is the department's practice to waive fees where the total owing per request amounts to less than \$25. There was a significant increase in the number of times fees were waived in 2004 - 2005 due to the department's failed performance in responding to applicants within the legislative timeframes.

User Fee: Canadian Foreign Service Institute (CFSI) Training

CFSI generates vote-netted revenue by providing mostly foreign language and intercultural training to individuals who are not DFAIT (*Foreign Affairs*) employees.

Fee Type: Other - Cost Recovery

Fee-setting Authority: Access to Information Act; Financial Administration Act; TB Cost Recovery and Charging Policy

Date Last Modified: Started in 1995. An analysis of training needs is carried out on a case-by-case basis following consultation with clients. Course fees are assessed based on full cost recovery.

Continued on next page

Table 10A: User Fees Act

| 2004 - 2005 | | | Planning Years | | |
|--------------------------|------------------------|-------------------|----------------|--------------------------|-----------------------------|
| Forecast Revenue (\$000) | Actual Revenue (\$000) | Full Cost (\$000) | Fiscal Year | Forecast Revenue (\$000) | Estimated Full Cost (\$000) |
| 80.0 | 88.0 | 88.0 | 2005 - 2006 | 90.0 | 90.0 |
| | | | 2006 - 2007 | 90.0 | 90.0 |
| | | | 2007 - 2008 | 90.0 | 90.0 |
| Total | 80.0 | 88.0 | 88.0 | Total | 270.0 |

2004 - 2005 Performance Standard: All training is evaluated on an ongoing basis. Participants in foreign language courses receive placement tests before training and proficiency tests upon completion to ensure that targeted levels have been obtained.

2004 - 2005 Performance Results: The client rating for foreign language training is 84 percent, while the average rating for intercultural effectiveness training is 91 percent.

User Fee: Passport Canada Revolving Fund

Fee Type: Other - Products and Services

Fee-setting Authority: Passport service fees regulation

Date Last Modified: December 11, 2001

| 2004 - 2005 | | | Planning Years | | |
|--------------------------|------------------------|--------------------------|----------------|--------------------------|-----------------------------|
| Forecast Revenue (\$000) | Actual Revenue (\$000) | Full Cost (\$000) | Fiscal Year | Forecast Revenue (\$000) | Estimated Full Cost (\$000) |
| 166,182.0 | 167,213.0 | 169,688.0 (166,182.0) | 2005 - 2006 | 181,431.0 | 181,431.0 |
| | | | 2006 - 2007 | 199,324.0 | 199,324.0 |
| | | | 2007 - 2008 | 199,324.0 | 199,324.0 |
| Total | 166,182.0 | 167,213.0 | 3,506.0 | Total | 580,079.0 |

2004 - 2005 Performance Standard: The standard turnaround times are 10 days for over-the-counter applications and 20 days for mail-in applications. All training is evaluated on an ongoing basis.

2004 - 2005 Performance Results: The turnaround time was met 97 percent of the time for the over-the-counter applications and 94.6 percent of the time for the mail-in applications.

Continued on next page

Table 10A: User Fees Act

User Fee: Consular Services Fee

In addition to the fees collected for responding by Passport Canada, a consular fee of \$25 is collected on behalf of the department and is credited to the Consolidated Revenue Fund. This fee offsets the costs of providing consular services to Canadians in distress abroad. Consular services range from routine information requests to cases involving international abduction of children, medical emergencies and evacuations, arrest or detention, death of Canadians abroad, and emergency evacuation in the event of natural disasters or crises. Passport and citizenship services are also provided abroad on behalf of Passport Canada and Citizenship and Immigration Canada.

Fee Type: Other - Cost Recovery

Fee-setting Authority: Consular Services Fees Regulations <http://laws.justice.gc.ca/en/E-22/SOR-95-538/index.html> pursuant to the Department of Foreign Affairs and International Trade Act.

Date Last Modified: The Consular Services Fee was introduced on November 8, 1995. It has not been amended.

| 2004 - 2005 | | | Planning Years | | |
|--------------------------|------------------------|-------------------|----------------|--------------------------|-----------------------------|
| Forecast Revenue (\$000) | Actual Revenue (\$000) | Full Cost (\$000) | Fiscal Year | Forecast Revenue (\$000) | Estimated Full Cost (\$000) |
| 65.1 | 66.2 | 76.3 | 2005 - 2006 | 66.2 | 68.4 |
| | | | 2006 - 2007 | 66.2 | 68.4 |
| | | | 2007 - 2008 | 66.2 | 68.4 |
| Total | 65.1 | 66.2 | Total | 198.6 | 205.2 |

2004 - 2005 Performance Standard: Consular services are based on written service standards, which detail the services to be provided, along with qualitative and quantitative standards to be used by employees. The service standards are available at http://www.voyage.gc.ca/main/about/service_standards-en.asp as well as at all missions abroad, where they are either in public view or can be provided by employees.

Consular services are provided to Canadians abroad 24 / 7 at more than 270 points of service around the world. Outside regular business hours, calls are forwarded to the Emergency Operations Centre in Ottawa. Emergency situations are dealt with immediately.

2004 - 2005 Performance Results: In 2004 - 2005 consular officers dealt with close to 1.4 million requests for consular service, with 192,350 actual cases being opened, including passport services. Feedback indicated that 85 percent of respondents were satisfied with the overall service they received; of these, 77 percent were very satisfied compared with 73 percent in the previous year. An on-line client survey was undertaken in August - September 2004, which indicated that 88 percent of clients are either satisfied (31 percent) or very satisfied (57 percent) with the consular services they received.

Continued on next page

Table 10A: User Fees Act

User Fee: Specialized Consular Services Fee

Specialized consular services are for the provision of such services as administering oaths, receiving affidavits, and authenticating a signature or the seal of a foreign authority. Clients in emergency situations abroad, or to whom overriding humanitarian or compassionate considerations apply, are exempt from these fees. Fees reflect the cost of providing the services and do not undercut those charged by local professionals.

Fee Type: Other - Cost Recovery

Fee-setting Authority: Consular Fees (Specialized Services) Regulations http://www.voyage.gc.ca/main/about/consular_fees-en.asp#1 pursuant to paragraph 19(1) (a) of the Financial Administration Act.

Date Last Modified: Fees have been collected for these services since 1958 pursuant to the Regulations Respecting the Fees to be Charged for Consular Services, SOR / 58-133. The most recent modification occurred in 1998.

| 2004 - 2005 | | | Planning Years | | |
|--------------------------|------------------------|-------------------|----------------|--------------------------|-----------------------------|
| Forecast Revenue (\$000) | Actual Revenue (\$000) | Full Cost (\$000) | Fiscal Year | Forecast Revenue (\$000) | Estimated Full Cost (\$000) |
| 2.6 | 2.9 | 3.5 | 2005 - 2006 | 3.5 | 3.5 |
| | | | 2006 - 2007 | 3.5 | 3.5 |
| | | | 2007 - 2008 | 3.5 | 3.5 |
| Total | 2.6 | 2.9 | 3.5 | Total | 10.5 |

2004 - 2005 Performance Standard: Consular services are based on written service standards, which detail the services to be provided, along with qualitative and quantitative standards to be used by employees. The service standards are available at http://www.voyage.gc.ca/main/about/service_standards-en.asp as well as at all missions abroad, where they are either in public view or can be provided by employees.

2004 - 2005 Performance Results: In 2004 - 2005, missions abroad dealt with 71,525 legal / notary cases (includes service delivery and related information or inquiries). Client feedback shows an overall satisfaction level with the legal / notary service of 81 percent, with 79 percent of clients indicating they were very satisfied.

User Fee: IYP (International Youth Program)

The IYP (International Youth Program) enables young Canadians aged 18 to 35 to travel and work abroad for up to 12 months. This program, which operates on a reciprocal basis, facilitated exchanges in over 40 countries last year. A fee of \$150 per person is paid by participants from Australia and New Zealand living and working in Canada (these countries levy fees against young Canadians participating in the exchange program).

Revenue from these fees is used by the department to offset the incremental costs (other than costs of processing visas and work permits) incurred to support the program in Sydney, Australia, and Wellington, New Zealand; to expand quotas within the program by extending the program into countries with minimal current participation and by responding to demand for more exchanges in currently participating countries; and to increase the level of Canadian outbound participation by advertising the program to young Canadians and promoting the program within Canada.

Continued on next page

Supplementary Information

Table 10A: User Fees Act

| | |
|-------------------------------|--|
| Fee Type: | Other-Program Participation Fee |
| Fee-setting Authority: | TB Charging Policy Authorization No. 828483 pursuant to section 19(1)(b) of the Financial Administration Act |
| Date Last Modified: | January 2001 |

| 2004 - 2005 | | | Planning Years | | | |
|--------------------------|------------------------|--------------------------------|----------------|--------------------------|-----------------------------|--|
| Forecast Revenue (\$000) | Actual Revenue (\$000) | Full Cost (\$000) ¹ | Fiscal Year | Forecast Revenue (\$000) | Estimated Full Cost (\$000) | |
| 1,500.0 | 1,500.0 | 1,500.0 | 2005 - 2006 | 900 | 1,500.0 | |
| | | | 2006 - 2007 | 900 | 1,500.0 | |
| | | | 2007 - 2008 | 900 | 1,500.0 | |
| Total | 1,500.0 | 1,500.0 | Total | 2,700.0 | 4,500.0 | |

2004 - 2005 Performance Standard: Foreign young people who pay the \$150 participation fee and who are eligible to participate in the IYP can expect to have their applications reviewed and processed and to receive their "Letter of Introduction" or rejection notice from Citizenship and Immigration Canada (CIC) within approximately 10 working days. Refunds are issued to non-eligible applicants.

2004 - 2005 Performance Results: During 2004 - 2005, more than 23,000 foreign young people participated in the IYP in Canada. During the same period, a similar number of young Canadians worked abroad under the program. Of the foreign participants in Canada who came from Australia and New Zealand, 8,000 were required to pay the \$150 participation fee. IYP acceptance letters and CIC Letters of Introduction were issued within the target of 10 working days for 99 percent of the applications from these two countries.

The level of foreign satisfaction with, and interest in, the IYP is growing, as demonstrated by the wish of participating countries to increase participation quotas and the desire of new countries to establish participation. The department is actively working to establish IYP agreements with Denmark, Hungary, Italy, Poland, Portugal and Spain.

Other Information: NIL

***Note:** According to prevailing legal opinion, where the corresponding fee introduction or most recent modification occurred prior to March 31, 2004 the:

- Performance standard, if provided, may not have received Parliamentary review;
- Performance standard, if provided, may not respect all establishment requirements under the UFA (e.g. international comparison; independent complaint address).

+ Ibid.

Table 10B: Policy on Service Standards for External Fees

External Fee: Access to Information requests

Fees associated with processing of access requests filed under the Access to Information Act.

2004 - 2005

Service Standard: Framework under development by TBS (see <http://lois.justice.gc.ca/en/a-1/8.html>).

Performance Results¹: Statutory deadlines met 65 percent of the time.

Stakeholder Consultation: The service standard is established by the Access to Information Act and the Access to Information Regulations. Consultations with stakeholders were undertaken for amendments done in 1986 and 1992.

Other Information: In fiscal year 2004 - 2005, 16 delay complaints were outstanding with the Office of the Information Commissioner, eight of which were resolved during this period to the Commissioner's satisfaction; the remainder are ongoing.

It is the department's practice to waive fees where the total owing per request amounts to less than \$25. There was a significant increase in the number of times fees were waived in 2004 - 2005 due to the department's failed performance in responding to applicants within the legislative timeframes.

External Fee: Consular Services

In addition to the fees collected for responding by Passport Canada, a consular fee of \$25 is collected on behalf of the department and is credited to the Consolidated Revenue Fund. This fee offsets the costs of providing consular services to Canadians in distress abroad. Consular services range from routine information requests to cases involving international abduction of children, medical emergencies and evacuations, arrest or detention, death of Canadians abroad, and emergency evacuation in the event of natural disasters or crises. Passport and citizenship services are also provided abroad on behalf of Passport Canada and Citizenship and Immigration Canada.

2004 - 2005

Service Standard: Consular services are based on written service standards, which detail the services to be provided, along with qualitative and quantitative standards to be used by employees. The service standards are available at http://www.voyage.gc.ca/main/about/service_standards-en.asp as well as at all missions abroad, where they are either in public view or can be provided by employees.

Performance Results¹: In 2004 - 2005 consular officers dealt with close to 1.4 million requests for consular service, with 192,350 actual cases being opened, including passport services. Feedback indicated that 85 percent of respondents were satisfied with the overall service they received; of these, 77 percent were very satisfied compared with 73 percent in the previous year. An on-line client survey was undertaken in August - September 2004, which indicated that 88 percent of clients are either satisfied (31percent) or very satisfied (57 percent) with the consular services they received.

Continued on next page

Table 10B: Policy on Service Standards for External Fees

Stakeholder Consultation: The consular service standards were developed following consultations with Canadians at approximately 80 missions around the world and selected clients in Canada. Surveys were also conducted at international airports in Toronto, Montreal and Vancouver.

These standards are available to clients on-line and at all missions abroad. Clients are invited to comment if they did not receive the level of service they expected, or if they wish to make suggestions. Based on the client feedback forms in use at missions, 85 percent of clients indicated that the service they received met their expectations. There was no feedback concerning the standards themselves.

External Fee: Specialized Consular Services

Specialized consular services are for the provision of such services as administering oaths, receiving affidavits, and authenticating a signature or the seal of a foreign authority. Clients in emergency situations abroad, or to whom overriding humanitarian or compassionate considerations apply, are exempt from these fees. Fees reflect the cost of providing the services and do not undercut those charged by local professionals.

2004 - 2005

Service Standard: Consular services are based on written service standards, which detail the services to be provided, along with qualitative and quantitative standard to be used by employees. The service standards are available at http://www.voyage.gc.ca/main/about/service_standards-en.asp as well as at all missions abroad, where they are either in public view or can be provided by employees.

Performance Results¹: In 2004 - 2005, missions abroad dealt with 71,525 legal / notary cases (includes service delivery and related information or inquiries). Client feedback shows an overall satisfaction level with the legal / notary service of 81 percent, with 79 percent of clients indicating they were very satisfied.

Stakeholder Consultation: The consular service standards were developed following consultations with Canadians at approximately 80 missions around the world and selected clients in Canada. Surveys were also conducted at international airports in Toronto, Montreal and Vancouver.

These standards are available to clients on-line and at all missions abroad. Clients are invited to comment if they did not receive the level of service they expected, or if they wish to make suggestions. Based on the client feedback forms in use at missions, 85 percent of clients indicated that the service they received met their expectations. There was no feedback concerning the standards themselves.

Other Information: One of the conditions for a fee for services to be considered a "user fee" under the User Fee Act is that the services are provided exclusively by the department charging the fee. Given that all of the services listed in the Consular Fees (Specialized Services) Regulations can also be provided by the private sector, a legal opinion was sought to determine if the fees for these services are subject to the User Fees Act. The conclusion of the legal opinion was that they are not, and that they can be changed without the necessity to follow the requirements set out in the Act. It was noted, however, that despite the foregoing, Treasury Board could make a policy subjecting all fees that are not "user fee under the Act to the same requirements."

Continued on next page

Table 10B: Policy on Service Standards for External Fees

External Fee: Passport Canada Revolving Fund**2004 - 2005**

Service Standard: The standard turnaround times are 10 days for over-the-counter applications and 20 days for mail-in applications.

Performance Results¹: The turnaround time was met 97 percent of the time for the over-the-counter applications and 94.6 percent of the time for the mail-in applications.

Stakeholder Consultation: N / A

External Fee: Property-Related Lettings and Sublettings**2004 - 2005**

Service Standard: In order to defray ongoing and life-cycle costs of retaining temporary surplus property, available space is let out to third parties as soon as an appropriate tenant is identified and terms negotiated. Space is fully demised from main mission space. All transactions are in accordance with local and international laws and regulations governing property and diplomatic rights.

Performance Results¹: In 2004 - 2005, the department administered one subletting and eight letting agreements. Ninety percent of surplus space is let out within six to eight months, and 90 percent of agreements are renewed in accordance with market standards. Annual costs to operate and maintain temporarily surplus property are recovered through the rental charges to the extent possible.

Stakeholder Consultation: Each site-specific agreement will specify the legal, contractual, and monetary terms to occupy the space.

Note:

1. Performance result, if provided, is not legally subject to UFA section 5.1 regarding fee reductions for failed performance.

Table 11: Details on Project Spending (\$ millions)

| Business Line | Current Estimated Total Cost | Actual 2002 - 2003 | Actual 2003 - 2004 | 2004 - 2005 | | |
|--|------------------------------------|-----------------------|-----------------------|---------------------|-----------------------|--------------------|
| | | | | Planned Spending | Total Authorities* | Actual Spending |
| Corporate Services | | | | | | |
| Ankara, Turkey Chancery construction ² | 12.2 | 0.5 | 2.8 | 8.4 | 17.3 | 8.8 |
| Berlin, Germany Chancery construction ² | 101.2 | 14.9 | 18.6 | 15.7 | 101.2 | 15.5 |
| Dhaka, Bangladesh Compound construction ² | 25.5 | 1.0 | 2.2 | 5.3 | 26.0 | 2.4 |
| Moscow, Russia 10 staff quarters purchase ² | 15.1 | 3.1 | 0.1 | 0.6 | 15.1 | 0.2 |
| Nairobi, Kenya Chancery construction ³ | 24.1 | 8.7 | 1.1 | 0.2 | 25.3 | 0.3 |
| Paris, France UNESCO Official Residence purchase ² | 3.8 | 0.0 | 0.0 | 0.0 | 3.8 | 3.6 |
| Port-au-Prince, Haiti Chancery construction ³ | 18.2 | 8.8 | 2.1 | 1.0 | 20.1 | 0.4 |
| Rome, Italy Chancery purchase / renovation ² / construction ² | 46.1 | 0.8 | 0.9 | 0.7 | 46.1 | 4.2 |
| Seoul, Korea Chancery/7 staff quarters | 51.7 | 0.9 | 3.9 | 11.0 | 51.7 | 4.7 |
| Subtotal | 297.9 | 38.7 | 31.7 | 42.9 | 306.6 | 40.1 |

Explanatory Notes:

This table represents major capital and lease projects in support of key departmental and governmental objectives and priorities. Projects include those requiring Treasury Board approval because their cost exceeds departmental delegated authorities. Project phases are shown as defined by the Treasury Board approval process:

1. project definition phase (preliminary project approval);
2. project implementation phase (effective project approval, lease project approval); and
3. project closeout (completed).

* "Total authorities" represents the current approved Treasury Board authority for the entire project, from initiation to completion.

Continued on next page

Table 11: Details on Project Spending (\$ millions)

Corporate Services Projects:

These major property projects will provide safer, more secure and cost-effective office and residential accommodation that addresses a number of serious problems facing staff abroad:

- program growth and overcrowding – Ankara, Berlin, Nairobi;
- deterioration of existing owned assets, affecting health and safety – Rome;
- deterioration of existing leased accommodation – Ankara, Dhaka, Nairobi, Port-au Prince, Seoul.

These new facilities also support broader Canadian government strategic priorities through more effective and efficient delivery of government services abroad. For example, over 50 percent of this major capital investment is directed to G8 countries (Germany, Italy, Russia).

In several cases, there was a significant variance in actual spending compared to planned spending (as listed in the *Report on Plans and Priorities*) as a result of unexpected challenges. However, this mostly affected only schedules and cash flow for the year, not total costs or authorities. These cases are summarized below:

Ankara: Construction was completed in November 2004, under budget.

Berlin: The Embassy project experienced a delivery delay but stayed within its cost objective despite unexpected currency exchange rate losses against the euro. Completion and handover is planned for April 2005.

Dhaka: The Recreation Centre project will be completed in the summer of 2005. Construction of the Chancery and Official Residence commenced in October 2004 with completion forecast for early 2006.

Moscow: Purchase of staff quarters is on hold due to Russian government approval issues. Expenditure during the year was for fit-up of the two apartments already purchased.

Nairobi: The new chancery was successfully completed in June 2003 and was delivered under budget.

Paris: Purchase of the UNESCO Official Residence, leased by the department since 1987, was concluded in March 2005.

Rome: Fit-up work commenced in September 2004 with completion expected in early 2006.

Port-au-Prince: The project was substantially completed in December 2003 but due to civil unrest, the move did not take place until the end of May 2004. Total costs are under budget.

Seoul: Construction is progressing in three stages: substructure, base building and fit-up. The substructure construction contract was completed in January 2005. Award of the base building construction contract is planned for June 2005. The forecast completion date is early 2007.

The department has ensured that property resources are managed effectively and that the cashflows are managed within current levels of appropriations and revenues.

Management techniques included a constant process of internal reallocation against emerging and changing priorities, managed project delays (reducing short-term demand on resources), deferrals and a planned revenue flow from property disposals.

Table 12: Details on Transfer Payments Programs

Name of Transfer Payment Program: World Trade Organization (WTO) (TB #831054)**Start Date:** January 1, 1995**End Date:** N / A**Total Funding:** N / A**Purpose of Transfer Payment Program:** To pay the assessed contribution for Canada's membership in the WTO.**Objective, expected result and outcome:** Membership in the World Trade Organization (WTO) helps Canada open world markets and contribute to a more stable, predictable and transparent trading environment.

Achieved results of progress made: Canada is actively engaged in negotiations. In 2004, negotiations produced a July Framework Agreement that outlined the state of the negotiations in the absence of a Ministerial text from the 5th Ministerial Conference in Cancun, Mexico. Many of Canada's ideas and proposals were subsequently adopted in the Framework Agreement including in the Agriculture Framework. Through a number of activities ranging from small group meetings and informal proposals, meetings with the Chairs of the negotiating groups, Senior Officials meetings and ongoing technical work, we were able to meet our goals of contributing to the July 2004 Framework. While this Framework was instrumental in moving negotiations forward, it is one step in a process toward reaching a successful outcome for the Doha negotiations.

Canada participated in all standing and ad hoc meetings of the WTO in 2004 - 2005. These included, inter alia, regular participation in General Council meetings (which deal with institutional and administrative issues that have a strong trade policy component); the Dispute Settlement Body; the Trade Policy Review Body; WTO Informal Ministerial Meetings; Senior Official Meetings; as well as numerous other councils, committees, working parties, and negotiating groups covering the wide range of WTO issues. Other international work by Canada, such as that in APEC and the Cairns Group, also supports our work at the WTO.

As Chair of the Trade Policy Review Body, Ambassador Don Stephenson assisted the Chair of the General Council, Ambassador Mohamed, in the selection process for the next Director-General of the WTO. This involved successive rounds of consultations with WTO Members in order to assess their preferences and the breadth of support for each candidate. In the end, WTO Members selected Pascal Lamy of France as the next Director-General of the WTO, and in the process avoided a North-South rift among the Membership which would have been detrimental to the Doha Development Agenda negotiations.

Canada monitored and participated in discussions pertaining to various new and ongoing trade-related technical assistance and capacity-building initiatives in the WTO and in other forums, and worked toward maximizing the benefits to developing countries (i.e. helping them participate in the WTO trade negotiations, implement their obligations and mainstream trade into their national development and poverty reduction plans) by further promoting and improving coherence and coordination between national and donor agencies as well as multilateral, regional and bilateral institutions.

Canada participated in WTO Trade Policy Reviews of 22 countries in 2004 - 2005, a peer review exercise designed to provide a collective appreciation and understanding of the full range of individual Members' trade policies and practices and their impact on the multilateral trading system. Canada submitted written questions on the trade policy and practices of the Members under review and actively participated in meetings.

Canada continued to be an active participant in WTO dispute settlement proceedings. Canada was a complainant in five disputes (U.S. - Continuing Dumping and Subsidy Offset Act of 2000 (Byrd), EC - Measures Affecting the Approval and Marketing of Biotech Products and three challenges to U.S. trade remedies actions against Canadian softwood lumber), a defendant in two (Canada - Measures Relating to Exports of Wheat and treatment of Imported Grain and Wheat and Canada - Continued Suspension of Obligations in the EC-Hormones Dispute). Of the five of these cases that were decided in the period in question (those other than Biotech and Hormones) Canada achieved notable successes in all of them. Canada was also active as a third party in a number of important disputes, including U.S. - Cross-Border Supply of Gambling and Betting Services, EC - Export Subsidies on Sugar and U.S. - Subsidies on Upland Cotton.

Continued on next page.

Canada contributed to the whole-of-government undertaking to amend the Patent Act, which saw Canada become the first country to implement the historic WTO Agreement on Access to Medicines.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 6,677,997.0 | 6,581,761.0 | 6,094,000.0 | 6,894,000.0 | 6,797,404.0 | (703,404.0) |
| Total TPP | 6,677,997.0 | 6,581,761.0 | 6,094,000.0 | 6,894,000.0 | 6,797,404.0 | (703,404.0) |

Comments on Variances: The difference between Canada's planned spending and actual spending over 2004 - 2005 can be attributed to two main factors:

1. The increase in the WTO budget, which is partially offset by a reduction in Canada's assessed share and currency fluctuations between Swiss francs (CHF) and Canadian dollars. The WTO total budget, of which members pay a share, has increased as a result of a number of pressures on the Organization's operations. These include ongoing and more frequent meetings in Geneva following the July 31, 2004 General Council agreement on frameworks for agriculture and non-agricultural market access negotiations, a decision to launch negotiations on trade facilitation, continuing services negotiations, and continued work in other negotiating areas. Increases to the budget are also due to statutory adjustments (largely for salaries and related staff costs) as well as the implementation of a program to strengthen security.

2. Contributions are determined according to each member's share of international trade, based on trade in goods, services, and intellectual property rights for the last three years for which data are available. Members' shares change over time, and are also affected by the entry of new members. Therefore, despite the increase, Canada's contribution in 2004 - 2005 was partially offset by a reduction in Canada's assessed share*. Currency fluctuations also play an important role in the variance between planned and actual spending. Contributions are paid to the WTO in Swiss francs (CHF), and as such the cost in Canadian dollars fluctuates according to the exchange rate. When looking at the planned versus actual spending for 2004 - 2005 in CHF, the actual variance is only 2.45 percent (compared to 11.5 percent in Canadian dollars).

Significant Evaluation Findings and URL to last evaluation: N / A

Note:

* Canada's assessed share decreased between the time the estimates were initially prepared (3.95 percent) versus when the final Budget was approved (3.92 percent).

Name of Transfer Payment Program: Organization for Economic Cooperation and Development (OECD)

Start Date: March 20, 1975

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: To pay the assessed contribution required of Canada for its participation as a member of the OECD. The contribution pays for the Secretariat (professionals and support staff who provide high-quality research and analysis) and maintenance of the headquarters located in Paris.

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Supplementary Information

Objectives: To coordinate, integrate and lead whole-of-government involvement in the OECD which reflects and enhances domestic priorities.

To promote and develop Canadian foreign policy objectives (economic stability, governance), as well as a wide variety of OGD policy objectives (e.g. trade policy, development policy) in the OECD's work program of research, analysis, policy development, peer review, and cooperation with non-members.

To support and participate in OECD work on management of the institution. Reform and strengthen the OECD as necessary to cope with new issues and power dynamics.

Expected results / outcomes: OECD work programs and policy positions that reflect input from across government and support domestic priorities; continued sound management of the OECD; institutional reforms to improve the OECD's ability to cope with new issues and power dynamics.

Achieved results or progress made: Consultations across government informed the program of work and budget discussions and ensured important work for Canada on Fisheries, Sustainable Development, and Taxation was not cut. Canada provided an auditor to the Board of Auditors in an ongoing effort at sound management. Achieved agreement to undertake discussion on governance reform of the OECD over 2005 - 2006. Strategy for enhanced outreach with non-members was developed and Canada undertook Chair of committee which oversees follow-up.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 9,748,240.0 | 10,508,000.0 | 10,549,000.0 | 10,703,550.0 | 10,703,550.0 | (154,550.0) |
| Total TPP | 9,748,240.0 | 10,508,000.0 | 10,549,000.0 | 10,703,550.0 | 10,703,550.0 | (154,550.0) |

Comments on Variances: Estimates for planning purposes are provided before final budget is agreed at OECD, so there is always some variance. Funds to OECD are provided in euros - therefore changes in exchange rate between the euro and Canadian dollar also impact the variance.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: Commonwealth Secretariat (TB #646044)

Start Date: September 28, 1965

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's assessed contribution to the regular budget of the Commonwealth is a legally binding obligation of membership. The purpose of Canada's membership is to further Canada's foreign policy goals related to international peace, security and development and, to this end, to enhance its relationships with the 53 Commonwealth member countries.

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Objectives: Assessed contributions are used to finance the organization programs toward attainment of the Commonwealth's objectives, as set out by Heads of Government in Communiqués and Declarations resulting from their biennial Heads of Government Meetings (CHOGMs).

The principal objectives are building, promoting and protecting democracy and encouraging international cooperation related to economic, social and political development.

Expected results / outcomes: Much of the regular budget is directed to supporting and implementing the decisions of CHOGMs and a large web of regular meetings of Commonwealth sectoral Ministers including, for example, the Commonwealth Ministerial Action Group and Ministers of Foreign Affairs, Finance, Health, Education.

Results include diplomatic interventions in the form of both good offices and public pressure by the Secretariat and / or coordinated action by Commonwealth Ministers to support democratic institutions and procedures; programs to build capacity in democratic and human rights procedures; and enhanced cooperation among Commonwealth countries related to economic, social and political development.

For further information see <http://www.the commonwealth.org>.

Achieved results or progress made: The Secretariat managed substantively and organizationally seven Ministerial-level meetings, organized three election observation missions, worked to protect democracy and prevent conflict through "good offices" in five countries, assisted in drafting laws and regulations to strengthen democratic processes, the rule of law and human rights in a number of countries, and provided technical assistance in a variety of sectors to developing country members.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | Variance(s) between Planned and Actual Spending (\$) |
|---|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | |
| Business Line: | | | | | | |
| International Security and Cooperation | 5,318,788.0 | 5,285,977.0 | 5,125,000.0 | 5,553,566.0 | 5,538,231.0 | (413,231.0) |
| Total TPP | 5,318,788.0 | 5,285,977.0 | 5,125,000.0 | 5,553,566.0 | 5,538,231.0 | (413,231.0) |

Comments on Variances: The variances are due to currency fluctuations.

Significant Evaluation Findings and URL to last evaluation: The Commonwealth Secretariat is audited by the U.K. Government auditors - no significant problems have been identified <http://www.the commonwealth.org>.

Name of Transfer Payment Program: Food and Agriculture Organization (FAO) (TB #783317)

Start Date: July 1982

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's annual assessed contribution to the Food and Agriculture Organization (FAO) is a legally binding obligation of membership. The purpose of membership is to further the Government of Canada's foreign policy goals related to agricultural development and provide it with a voice in the international community.

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Supplementary Information

Objectives: Achieving food security for all is at the heart of FAO's efforts - to make sure people have regular access to enough high-quality food to lead active, healthy lives. FAO's mandate is to raise levels of nutrition, improve agricultural productivity, better the lives of rural populations and contribute to the growth of the world economy.

FAO's objectives, as set out in its Constitution, are:

- to promote the common welfare by furthering action for the purpose of raising levels of nutrition and standards of living of the peoples within Member Nations;
- to secure improvements in the efficiency of the production and distribution of all food and agricultural products, including fisheries, marine products, and forestry products; and
- to better the condition of rural populations, thus contributing toward an expanding world economy and ensuring humanity's freedom from hunger.

For further information see <http://www.fao.org>.

Achieved results or progress made: Canada's membership helped to advance the Government of Canada's foreign policy goals related to agricultural development and provided it with a voice in the international community.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|---|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 12,969,069.0 | 13,068,321.0 | 15,573,000.0 | 12,913,400.0 | 12,389,820.0 | 3,183,180.0 |
| Total TPP | 12,969,069.0 | 13,068,321.0 | 15,573,000.0 | 12,913,400.0 | 12,389,820.0 | 3,183,180.0 |

Comments on Variances: Scale of assessment lower following scale negotiations; also Canadian dollar strengthened.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: International Atomic Energy Agency (IAEA)

Start Date: December 19, 1989

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's assessed contribution for 2005 for the International Atomic Energy Agency (IAEA) is a legally binding obligation of membership. Canada will be chairing the Board of Governors, the key inter-sessional decision-making body, through October 2005.

Objectives: To ensure membership is in good standing and to maintain influence and credibility in a key international body, the aims of which Canada supports.

The IAEA is the world's centre for nuclear cooperation and works for the safe, secure and peaceful use of nuclear technology. Canada has significant interests at the IAEA based on our belief in the importance of the Agency's role in advancing the goals of nuclear non-proliferation, safety and security, our advanced and extensive nuclear and isotope production industry and our important uranium sector.

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Achieved results or progress made: Continued membership in good standing, influence and credibility in a key international body, the mandate and activities of which are in Canada's interests.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|---|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 9,279,537.0 | 9,115,454.0 | 10,055,000.0 | 11,303,736.0 | 11,298,738.0 | (1,243,738.0) |
| Total TPP | 9,279,537.0 | 9,115,454.0 | 10,055,000.0 | 11,303,736.0 | 11,298,738.0 | (1,243,738.0) |

Comments on Variances: The difference of \$1,243,738 between planned and actual spending for 2004 - 2005 is explained by an unforeseen increase of more than 11 percent in Canada's base rate (the percentage of the budget of UN agencies and related organizations that Canada is expected to pay) from 2004 to 2005. Canada's base rate rose from 2.433 percent to 2.714 percent as a result of our stronger than expected economic growth. Scale of assessment lower following scale negotiations; also Canadian dollar strengthened.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: International Labour Organization (ILO) (TB #812690)

Start Date: January 1, 1989

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's annual assessed contribution to the International Labour Organization (ILO), a UN specialized agency, is a legally binding obligation of membership. The purpose of membership is to further the Government of Canada's foreign policy goals related to international labour and social policy issues and provide it with a voice in the international community.

Objective, expected result and outcomes: Four strategic objectives guide the ILO program and budget:

- (i) to promote and realize standards and fundamental principles and rights at work;
- (ii) to create greater opportunities for women and men to secure decent employment and income;
- (iii) to enhance the coverage and effectiveness of social protection for all; and
- (iv) to strengthen tripartism and social dialogue.

Expected results and outcomes:

- development and effective supervision of international labour standards and realization of fundamental principles and rights at work;
- targeted action against child labour, giving priority to the urgent elimination of its worst forms;
- contributions to poverty reduction through promotion of coherent economic and social policies that support employment creation;
- assistance to constituents in the development of skills and employability policies and programs for decent work;

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- better instruments and tools for policy analysis and formulation that support good governance and the extension of social protections to vulnerable workers;
- strengthened social dialogue on labour and social policy issues at national and international levels; and
- improved organizational effectiveness, transparency and accountability.

For further information see <http://www.ilo.org>.

Achieved results or progress made: Results and outcomes achieved.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | Variance(s) between Planned and Actual Spending (\$) |
|--|--------------------|--------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending | Actual Spending | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | |
| Business Line: | | | | | | |
| International Security and Cooperation | 9,287,418.0 | 9,236,480.0 | 10,192,000.0 | 10,632,807.0 | 10,632,807.0 | (440,807.0) |
| Total TPP | 9,287,418.0 | 9,236,480.0 | 10,192,000.0 | 10,632,807.0 | 10,632,807.0 | (440,807.0) |

Comments on Variances: Scale of assessment increased following scale negotiations.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: North Atlantic Treaty Organization - Civil Administration (TB #807627)

Start Date: January 1, 1989

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's annual assessed contribution to the North Atlantic Treaty Organization (NATO) is a legally binding obligation of membership based on the 1949 Washington and North Atlantic Treaties. Canada's contribution furthers its foreign policy goals by funding the administrative budget of NATO, an international organization vital to Canadian defence and security interests.

Objective, expected result and outcomes: NATO was designed to promote the stability of the North Atlantic area and to safeguard the freedom and security of its people by political and military means, based on the principles of democracy, individual liberty and international law. The NATO civil budget, structured along "output based" lines in response to objectives set annually by the North Atlantic Council, covers the activities of the NATO Secretary General, the NATO headquarters and the NATO international staff. The NATO civil administration supports the process of consensus building and decision making among

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international staff, Alliance members, and manages NATO's relations with its partners. The NATO civil budget also supports the work of various NATO agencies with specialized responsibilities. An effective and efficient NATO civil administration assists Alliance members in promoting security and stability in the North Atlantic area and in responding effectively to current security challenges. The NATO accounts are subject to an annual audit by the International Board of Auditors for NATO.

Achieved results or progress made: During FY 2004 - 2005, the NATO civil administration supported the process of political consultations, consensus building and decision making among Alliance members and managed NATO's relations with its partners. To complement the ongoing process of military transformation of the Alliance, the Secretary General launched an internal reform process to review the organization structure, financial practices and administrative procedures. Proposals are to be presented to Allies in December 2005. Canada is fully supportive of and actively engaged in this process.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 14,157,978.0 | 16,065,685.0 | 17,706,000.0 | 17,842,267.0 | 17,047,650.0 | 658,350.0 |
| Total TPP | 14,157,978.0 | 16,065,685.0 | 17,706,000.0 | 17,842,267.0 | 17,047,650.0 | 658,350.0 |

Comments on Variances: Estimates for planning purposes are provided before the final budget is agreed at NATO. Exchange rate fluctuations between Canadian dollars and euros also impact variance.

Significant Evaluation Findings and URL to last evaluation: The reports of the International Board of Auditors for NATO are not available for public release. The IBAN Annual Report for 2004 was released in April 2005. In recent years, despite noting some problems related to the late preparation of financial statements and the lack of audit trails for certain classes of transactions, IBAN reports concluded that significant progress was being made to overcome shortcomings and provided a positive general assessment.

Name of Transfer Payment Program: UN Educational, Scientific and Cultural Organization (UNESCO) (TB #809653)

Start Date: January 1, 1988

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's annual assessed contribution to the United Nations Educational Scientific and Cultural Organization (UNESCO) is a legally binding obligation of membership. The purpose of membership is to further the Government of Canada's foreign policy goals related to culture, science and education and provide it with a voice in the international community.

Objective: UNESCO's objective, as set out in its Constitution, is to contribute to peace and security by promoting collaboration among nations through education, science and culture.

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Expected results and outcomes:

- universal primary education in all countries by 2015;
- gender disparities in primary and secondary education eliminated or greatly reduced in most Member States;
- preparation, launch and implementation of a 10-year UN Literacy Decade and Plan of action in order to reach the target of achieving a 50 percent improvement in levels of adult literacy by 2015;
- comprehensive and broad-based HIV / AIDS education and prevention campaigns conducted, particularly among the 15-24 age group in Africa and South Asia;
- impact of HIV/AIDS pandemic on educational capacities assessed;
- a Convention on the Diversity of Cultural Contents and Artistic Expression, a Convention Against Doping in Sport;
- a Declaration on Bioethics;
- broadening of public debate on intellectual property and the fair use of works for educational, scientific and cultural purposes; and
- enhanced knowledge to assist in earthquake risk reduction through reinforcement of regional and worldwide exchange of seismic data.

For further information see <http://www.unesco.org>.

Achieved results or progress made: Expected results achieved.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|---|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 13,494,834.0 | 11,592,124.0 | 12,096,000.0 | 12,096,000.0 | 11,312,346.0 | 783,654.0 |
| Total TPP | 13,494,834.0 | 11,592,124.0 | 12,096,000.0 | 12,096,000.0 | 11,312,346.0 | 783,654.0 |

Comments on Variances: Canadian dollar strengthened since estimates, and scale of assessment was lower following scale negotiations.

Significant Evaluation Findings and URL to last evaluation: N / A

Continued on next page

Name of Transfer Payment Program: Organization of American States (OAS) (TB #814057)**Start Date:** May 31, 1990**End Date:** N / A**Total Funding:** N / A

Purpose of Transfer Payment Program: To pay Canada's annual quota assessment to the Organization of American States (OAS), a Charter obligation of membership.

Objective: To strengthen the OAS as the key political forum through which Canada promotes its hemispheric interests.

Expected results and outcomes:

- to advance and promote good governance, strengthening democracy and reducing corruption;
- to promote human rights and human security in the hemisphere;
- to increase the effectiveness of Canada's contribution to sustainable development and technical cooperation through the OAS;
- to increase the influence of Canada in the hemisphere;
- to promote Canadian values and interests; and
- to develop an effective engagement with Canadians on hemispheric issues.

Achieved results or progress made:

- Canada was successful in strengthening the key role of the OAS in countries where democracy is at risk. In Haiti, the OAS plays an important role in the electoral process in the lead-up to general elections in the fall of 2005 and in strengthening respect for human rights and the justice system.
- An OAS observation mission visited Ecuador in the days following the resignation of its President. In Nicaragua, currently undergoing a serious political crisis, the OAS sent a mission to lend support for the establishment of a national dialogue process.
- Canada was able to promote its interest, values and influence in the OAS: A new Secretary General of the OAS, Mr. Jose Miguel Insulza, from Chile, shares Canada's values and objectives; Canada played a key role in the negotiation and the adoption of the Florida Declaration in June 2005 reinforcing the role of the OAS in the promotion of democracy; Canada was successful at reinforcing the important role of the OAS as a key Partner Institution of the Summit of the Americas process, through our support for the OAS Summits Secretariat, a key objective to increase our influence in the region. Canada also continued - with success - to increase civil society participation in the OAS / Summit of the Americas context.
- Canada's influence within the OAS was further enhanced with the nomination of Canadian Brian Stevenson as Director of the Executive Secretariat for Integral Development (the number three position at the OAS), and with the nomination of a Canadian as head of the Office for the Promotion of Democracy, a key position in the context of the Haiti elections. Canadians have also been elected to different OAS bodies / commissions: George Thomson re-elected as member of the Center for Justice Studies in the Americas, and currently serving as its Chair; Beth Pieterse of Health Canada as Chair of the CICAD Demand Reduction Expert Group, and Florence Levers of Status of Women as member of the Inter-American Commission on Women. Canada has been chosen to host the next meeting of the CICAD Multilateral Evaluation Mechanism Review Group in the fall / winter of 2005.

Continued on next page

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| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|---|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 14,171,269.0 | 12,793,754.0 | 12,822,000.0 | 12,822,000.0 | 11,951,782.0 | 870,218.0 |
| Total TPP | 14,171,269.0 | 12,793,754.0 | 12,822,000.0 | 12,822,000.0 | 11,951,782.0 | 870,218.0 |

Comments on Variances: Canada's assessed contribution is established in U.S. currency (i.e. US \$9,227,100.25 in 2005). The exact amount paid in Canadian dollars depends on the exchange rate at time of payment. Canada also benefited from a reduction on its assessed contribution for prompt payment (to US \$9,019.490 in 2005), an incentive scheme to urge members of the OAS to pay on time.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: Organization for Security and Cooperation in Europe (OSCE) (TB #820933)

Start Date: January 1, 1993

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's annual assessed contribution to the Organization for Security and Cooperation in Europe (OSCE) is an obligation arising out of Canada's commitments as one of the 55 participating States of the Organization. Canada's contribution furthers its foreign policy goals by funding programs implemented by the OSCE's institutions and field operations in priority foreign policy areas for Canada related to regional and international security.

Objective, expected result and outcomes: The OSCE is a focused regional forum with a comprehensive and cooperative approach to security. Canada's contribution to the Organization's unified budget covers the costs associated with the implementation of the Organization's work programs and activities in three dimensions: political and military aspects of security; economic and environmental cooperation; and cooperation in humanitarian and other fields. This integrated approach allows the OSCE to make a significant contribution to furthering European security and transatlantic cooperation through non-coercive measures.

Canada's contribution also supports stronger partnership with Canadians in developing and implementing Canada's international security policy, through the involvement of members of Parliament in the work of the OSCE Parliamentary Assembly, the deployment of Canadians to OSCE field operations and the contribution of Canadian experts to the Organization. The OSCE unified budget, based on a programmatic approach, is approved by the OSCE Permanent Council on a yearly basis.

The OSCE accounts are subject to an annual report by external auditors as well as an internal oversight annual report, which are made available to participating States.

Continued on next page

Achieved results or progress made: During 2004 - 2005, the OSCE - through its integrated approach to security - made a significant contribution to furthering European security and transatlantic cooperation through the implementation of programs and activities in priority areas for Canada such as the fight against terrorism and trafficking, good governance and respect for human rights, election monitoring and the promotion of tolerance and non-discrimination. OSCE financial practices and administrative procedures are kept under constant review by the Advisory Committee on Management and Finance, where Canada plays a leading role.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|---|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 13,161,787.0 | 21,059,363.0 | 17,631,000.0 | 13,063,000.0 | 6,396,176.0 | 11,234,824.0 |
| Total TPP | 13,161,787.0 | 21,059,363.0 | 17,631,000.0 | 13,063,000.0 | 6,396,176.0 | 11,234,824.0 |

Comments on Variances: Estimates for planning purposes are provided before the final budget is agreed at the OSCE. Exchange rate fluctuations between Canadian dollars and euros also impact variance. The significant difference between Total Authorities and Actual Spending for 2004 - 2005 is due to the fact that the first instalment of the Canadian assessed contribution to the OSCE for 2005 was not transferred during 2004 - 2005 because the 2005 OSCE budget was approved only in May of this year. This first instalment has been transferred at the beginning of 2005 - 2006 and will lead to a corresponding increase in the planned spending for this fiscal year.

Significant Evaluation Findings and URL to last evaluation: The reports of the Report of the External Auditor and the OSCE Financial Statements are not available for public release. The Report of the External Auditor for 2004 was released on June 21, 2005. For the fifth year in a row, the OSCE has received an unqualified audit opinion on its financial statements from its External Auditor.

Name of Transfer Payment Program: World Health Organization (WHO) (TB #784857)

Start Date: January 1, 1990

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's annual assessed contribution to the World Health Organization (WHO) is a legally binding obligation of membership. The purpose of membership is to further the Government of Canada's foreign policy goals related to health and provide it with a voice in the international community.

Objective: WHO's objective, as set out in its Constitution, is the attainment by all peoples of the highest possible level of health.

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Expected results and outcomes:

- to enhance global health security (maintaining a comprehensive outbreak alert and response mechanism; supported by new international health regulations; responding rapidly and effectively in crisis situations);
- to accelerate progress toward achieving the Millennium Development Goals (reducing maternal mortality, improving child survival, addressing the global pandemics of HIV / AIDS, tuberculosis and malaria, promoting healthy environments, increasing access to essential medicines);
- to promote equity in health (strengthening health systems to reach the poor and disadvantaged); and
- to ensure accountability, by improving organizational effectiveness, transparency and accountability.

Achieved results or progress made: Expected results and outcomes achieved.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|---|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 16,047,455.0 | 12,804,064.0 | 16,513,000.0 | 16,513,000.0 | 14,883,072.0 | 1,629,928.0 |
| Total TPP | 16,047,455.0 | 12,804,064.0 | 16,513,000.0 | 16,513,000.0 | 14,883,072.0 | 1,629,928.0 |

Comments on Variances: Canadian dollar strengthened.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: Agency for Intergovernmental Francophonie (AIF) (TB #709620)

Start Date: March 9, 1972

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: This fund constitutes the statutory contribution, a function of the Agency for Intergovernmental Francophonie.

Objective, expected results and outcomes: As a member of the AIF, Canada is required to contribute to the operational fees of the organization.

Continued on next page

Achieved results or progress made: This represents our statutory contribution to the International Organization of La Francophonie. Canada is the second most important sponsor of funds to this organization, the international presence of which is continually growing due in large part to Canada's involvement as well as our activism in institutions.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 8,809,360.0 | 12,052,507.0 | 11,776,000.0 | 12,438,801.0 | 12,438,801.0 | (662,801.0) |
| Total TPP | 8,809,360.0 | 12,052,507.0 | 11,776,000.0 | 12,438,801.0 | 12,438,801.0 | (662,801.0) |

Comments on Variances: Variance of 8 percent is due to currency fluctuation of the euro.

Significant Evaluation Findings and URL to last evaluation: The financial statements for the AIF represent the financial situation as at the end of fiscal year 2003 - 2004.

Name of Transfer Payment Program: United Nations Organization (TB #769691)

Start Date: March 27, 1980

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's assessed contribution to the regular budget of the United Nations is a legally binding obligation of membership. The purpose of membership is to further the Government of Canada's foreign policy goals related to international peace, security and development and provide it with a voice in the international community. Assessed contributions are used to finance the organization programs toward attainment of the UN's objectives, as set out in its Charter.

Objectives:

- to maintain international peace and security;
- to develop friendly relations among nations;
- to achieve international cooperation in solving international problems; and
- to be a centre for harmonizing the actions of states in the attainment of these common ends.

Expected results and outcomes: Maintenance of international peace and security; the promotion of sustained economic growth and sustainable development in accordance with the Millennium Development Goals. In particular, progress in the development of Africa; the promotion of human rights; effective coordination of humanitarian assistance efforts; promotion of justice and international law; progress toward disarmament; and international cooperation for drug control, crime prevention and combatting international terrorism in all its forms and manifestations.

For further information see <http://www.un.org>.

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Achieved results or progress made: Expected results achieved.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 62,541,896.0 | 62,804,292.0 | 75,230,000.0 | 72,146,894.0 | 71,173,313.0 | 4,056,687.0 |
| Total TPP | 62,541,896.0 | 62,804,292.0 | 75,230,000.0 | 72,146,894.0 | 71,173,313.0 | 4,056,687.0 |

Comments on Variances: No contribution made to the UN Capital Master Plan in 2004 - 2005. Canadian dollar strengthened.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: UN Peacekeeping (TB #828489)

Start Date: October 5, 2000

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: Canada's assessed contribution to UN peacekeeping operations is a legally binding obligation of membership.

Objectives: To support the peace process and stabilization of the security situation, and to bridge the gap between security and longer-term peacebuilding in affected countries through the timely establishment and maintenance of complex multidisciplinary UN peacekeeping missions.

Expected results: To increase the levels of security, basic services and levels of governance provided in affected areas that will promote the prospects for peace to advance as well as enable reconstruction and development activities.

Outcomes: To enhance peace and security for the countries and regions concerned.

For further information see <http://www.un.org/Depts/dpko>.

Achieved results or progress made: Contributed toward: increasing the levels of security, basic services and levels of governance provided in affected areas that will promote the prospects for peace as well as enabling reconstruction and development activities.

Continued on next page

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|---|-------------------------|-------------------------|--------------------------|---------------------------|---------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Total Authorities (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 77,125,230.0 | 77,774,318.0 | 110,622,000.0 | 208,854,650.0 | 126,713,199.0 | (16,091,199.0) |
| Total TPP | 77,125,230.0 | 77,774,318.0 | 110,622,000.0 | 208,854,650.0 | 126,713,199.0 | (16,091,199.0) |

Comments on Variances: Volatile nature of peacekeeping operations.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: Youth International Internship Program (TB #830375)

Start Date: February 20, 2003

End Date: March 31, 2008

Total Funding: \$47,127,246

Purpose of Transfer Payment Program: Through the creation of internationally focused work experiences, the program builds a contingent of young Canadians who promote and participate in the development and implementation of Canadian foreign policy. The program also aims to develop electronic assessment / screening / information tools that young Canadians can use to determine which area of international affairs they are interested in, assess their capacity and provide information on the programs that meet their needs / interest. This program provides a safety and security review function for all Youth Employment Strategy (YES) work experience activities taking place outside of Canada.

Objectives: To reduce risks associated with overseas work experiences faced by Canadian youth on YES programs, that would result in a consular case (such as personal or physical problems).

Results:

- enhanced youth employability skills gained from work experience;
- increased number of Canadians working in international and multilateral organizations and companies;
- increased foreign policy dialogue in Canada as participants return to work for organizations / companies in Canada and bring their overseas experience to bear; and
- mitigated risk to YES participants on work experiences overseas by verifying proposed overseas organization.

Immediate Outcomes:

- increased level of knowledge of international employment-related issues facing youth;
- increased policy dialogue among stakeholders;
- increased access to and awareness of international labour market and employment-related information, and opportunities;
- increased access to and awareness of YES programs;
- increased ability to develop appropriate skills development action plans for participating youth;
- increased awareness of international affairs and business opportunities for youth;
- increased ability of youth to make informed decisions about appropriate international programs that meet their international career planning needs; and
- youth access to employment-related services and tools.

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Ultimate Outcomes:

- increased ability to compete successfully in globalized economy;
- overall reduced barriers to employment for young Canadians;
- increased appreciation for Canadian values; and
- increased number of youth participating in foreign policy dialogue in Canada.

Achieved results or progress made: Over 400 participants each year have successfully received career-related international work experience without serious consular incidents, within the funds provided, and to the satisfaction of all stakeholders.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 6,656,916.0 | 6,060,000.0 | 5,854,700.0 | 6,465,300.0 | 6,465,234.0 | (610,534.0) |
| Total TPP | 6,656,916.0 | 6,060,000.0 | 5,854,700.0 | 6,465,300.0 | 6,465,234.0 | (610,534.0) |

Comments on Variances: Variance due to additional funding received from HRSDC for the government-wide Youth Employment Strategy.

Significant Evaluation Findings and URL to last evaluation: An evaluation is planned for 2005-2006.

Name of Transfer Payment Program: Canadian Landmine Fund Contributions (TB #830687)

Start Date: June 19, 2003

End Date: March 31, 2008

Total Funding: \$26,070,425

Purpose of Transfer Payment Program: To implement the Ottawa Convention (e.g. mine clearance, victim assistance, stockpile destruction).

Objectives:

- to mainstream mine action into broader development and foreign policy strategies, advancing peace, security and development in regions affected by landmines and explosive remnants of war;
- to ensure mine action funding promotes domestic and foreign policy priorities; and
- to fulfill Canada's commitment to the Nairobi Action Plan.

Outcomes:

- leveraging of increased mine action resources;
- further universalization of the Ottawa Convention and continued success in meeting all of its deadlines; progress on the Convention on Conventional Weapons (CCW) by increased ratifications;
- further steps to address anti-vehicle mines and cluster munitions; and
- Canadian ratification of Protocol V; specific Canadian contributions to mine action in high-priority areas in order to fulfill the Nairobi Action Plan.

Continued on next page

Achieved results or progress made: Support for the five pillars of Mine Action: universalization, mine clearance, victim assistance, stockpile destruction, mine risk education. In particular, further universalization of the Ottawa Convention (ratification by Ethiopia, accession by Papua New Guinea and Estonia); mine action funding to promote Canada's domestic and foreign policy priorities (core funding to Mines Action Canada); stockpile destruction projects (Colombia, feasibility study in Serbia and Montenegro); advocacy program (Bangladesh); victim assistance project (Cambodia), mine clearance (Suriname, Tunisia); mine risk education projects (Afghanistan, Chechnya).

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 5,015,552.0 | 4,031,508.0 | 5,932,000.0 | 2,731,550.0 | 2,730,201.0 | 3,201,799.0 |
| Total TPP | 5,015,552.0 | 4,031,508.0 | 5,932,000.0 | 2,731,550.0 | 2,730,201.0 | 3,201,799.0 |

Comments on Variances: Money was transferred from Canadian Landmine Fund contribution to Grants in support of activities related to mine action and explosive remnants of war. There was a transfer of \$300,000 from Operating (Vote 1) to the Landmine Grant (Vote 10). Between the Grant and Contribution there is less than a 5 percent variance.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: Projects and development activities resulting from Francophone summits (TB #829174)

Start Date: June 1, 2001 **End Date:** March 31, 2005 **Total Funding:** N / A

Purpose of Transfer Payment Program: Action plan and political presence should enable financing of projects for the International Agency of La Francophonie ratified by heads of state during Summits.

Objectives: To enhance Canada's presence on the international francophone scene according to our foreign policy.

Achieved results or progress made: Purpose of program achieved.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 7,563,932.0 | 7,500,000.0 | 8,140,000.0 | 7,500,000.0 | 7,500,000.0 | 640,000.0 |
| Total TPP | 7,563,932.0 | 7,500,000.0 | 8,140,000.0 | 7,500,000.0 | 7,500,000.0 | 640,000.0 |

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Comments on Variances: Variance due to exchange fluctuations between Canadian dollars and euros.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: Peacebuilding and Human Security Program

Start Date: April 15, 1999

End Date: March 31, 2005

Total Funding: \$37,029,027

Purpose of Transfer Payment Program: The \$10 million Human Security Program (HSP) was created to provide funding support for projects which would directly advance Canadian foreign policy priorities under the human security agenda. This agenda specifically addresses the protection of civilians, conflict prevention, peace support operations, governance and accountability and public safe-

Objective: The main objective of the program is to serve as a crucial vehicle in the advancement of Canada's foreign and security policy. It was created to deliver high-profile diplomatic successes, strengthen Canada's international credibility and concretely address threats facing civilians by targeting the prevention and mitigation of the effects of civil war, state repression, terrorism and violent crime.

Expected Results / Outcomes: The human security agenda / HSP has been the framework for a series of flagship Canadian initiatives including the banning of landmines through the Ottawa Convention, an international agreement to prohibit the recruitment and deployment of child soldiers, the Kimberley Process designed to halt the sale of diamonds fuelling armed conflicts in Africa, the creation of the International Criminal Court to prosecute those who commit genocide and crimes against humanity, and a new approach to humanitarian intervention based on the "Responsibility to Protect."

The HSP funded the initiation and follow-through for a series of major diplomatic initiatives and has strengthened the capacity of key multilateral institutions including the United Nations and the Organization of American States. The program has enhanced the capacity of Canada's federal departments and NGOs to contribute to international peace support missions, and has funded high-value initiatives in sectors and / or countries falling outside the programming mandates of other departments.

In assessing the first five years of the HSP, the summative (final) evaluation concluded that "the HSP is fully supportive of Canada's foreign policy objectives and the Department's Strategic Planning and Priorities Framework." It also noted that "the vast majority of both internal as well as external interviewees indicated the importance of the HSP in support of Canadian foreign policy human security initiatives. There is strong support for its continuation and an expressed need by many to increase it (... and) the evidence gathered from a review of projects, case studies and interviews indicates that the HSP is an effective tool to further Canada's human security strategy."

Achieved results or progress made: The HSP has supported over 570 initiatives during the first five-year phase of the program. It has been a critical instrument in the Government of Canada's efforts to provide international leadership in such areas as the Kimberley Process, the issue of small arms proliferation, children and armed conflict, promotion of UN Security Council Resolution 1325 on Women, Peace and Security, the ICC and the Responsibility to Protect. In assessing the first five years of the HSP, the summative (final) evaluation concluded that "the HSP is fully supportive."

Continued on next page

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|---|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 8,669,205.0 | 8,710,713.0 | 6,500,000.0 | 9,784,900.0 | 9,778,432.0 | (3,278,432.0) |
| Total TPP | 8,669,205.0 | 8,710,713.0 | 6,500,000.0 | 9,784,900.0 | 9,778,432.0 | (3,278,432.0) |

Comments on Variances: The variance for FY 2004 - 2005 was the result of higher than anticipated demand on the HSP's Vote 10 funds. However, this situation was addressed through vote transfers, which were possible due to surplus Vote 1 (Operations) funds in HSP.

Significant Evaluation Findings and URL to last evaluation: A summative evaluation of the HSP was carried out in late 2004. The principal findings included:

- (i) the HSP is consistent with and fully supportive of Canada's foreign policy objectives and the Department's Strategic Planning and Priorities Framework;
- (ii) the program has evolved somewhat with changing geopolitical circumstances, and to some degree with the change in political leadership; however, core priorities have remained intact;
- (iii) the importance of the HSP in support of Canadian foreign policy and human security initiatives was reinforced. There is strong support for its continuation, and an expressed need by many to increase it;
- (iv) the HSP is complementary to other initiatives such as the CIDA Peacebuilding Fund and the IDRC Peace Building and Reconstruction Fund; and
- (v) in general, the HSP has contributed to policy coherence especially within DFAIT (*Foreign Affairs*) and to some extent horizontally among federal departments.

Name of Transfer Payment Program: Global Partnership Program - Initiatives Related to the destruction, disposition and securing of weapons of mass destruction (TB #830799, TB #831536, TB #831449)

Start Date: August 12, 2003

End Date: March 2013

Total Funding: \$1,000,000,000

Purpose of Transfer Payment Program: To implement Canada's commitment to the G8 Global Partnership (GP) Against the Spread of WMD through the destruction of chemical weapons, the dismantlement of nuclear submarines, the employment of former weapons scientists and the enhancement of nuclear and radiological security. Canada has committed up to \$1 billion over 10 years beginning in 2003 to implement the goals of the Global Partnership. The justification of the GP was based on an ongoing assessment of threats to Canadian security following the terrorist attacks of September 2001. Exhaustive evaluations at the G8 level led to the conclusion by leaders at the Kananaskis Summit that the seriousness of the threats could only be addressed if a cooperative approach, supported by significant resources, was adopted.

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Objective: The objective of the Global Partnership Program (GPP) approved by Cabinet in 2002 is to protect Canadians from security threats emanating from terrorism, failed / failing nation states, the risks posed by the proliferation of WMD and health pandemics. This is being accomplished through:

- Canada's involvement in the construction of a chemical weapons destruction facility in Russia;
- the dismantlement of three nuclear submarines per year over the next four years;
- the implementation of projects to improve the security of nuclear and radioactive material in Russia and countries of the FSU;
- Canadian membership in the International Science and Technology Center in Moscow. The mandate of the Center is to reduce the risk of proliferation by redirecting former FSU weapons scientists; and
- the development of a bio-safety / bio-security strategy which will be an integral part of Canada's overall BW non-proliferation programming under the GPP.

Long-Term Outcome: A reduced threat from WMD for Canadians, strengthening of the international non-proliferation, arms control and disarmament regime, and Canada's domestic and international security objectives are secured.

Achieved results or progress made: Canada's Global Partnership Program has achieved or is achieving all of its objectives:

- Canada is continuing to contribute to the Shchuch'ye Chemical Weapons Destruction Facility;
- Canada has de-fuelled its first set of three submarines and two of these have been dismantled. Work against an agreement for a second set of submarines has commenced;
- Through the IAEA, a number of projects to improve the security of nuclear and radioactive material in Russia and countries of the FSU have begun. Canada has also contributed to a U.S. project that is replacing one of the last nuclear power plants in Russia that produce weapons-grade plutonium;
- Canada has acceded to the International Science and Technology Center in Moscow and is now beginning to fund research projects and supplemental activities that are redirecting former FSU weapons scientists; and
- Canada has developed and is beginning to implement a bio-safety / bio-security strategy.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 0.0 | 57,455,000.0 | 104,256,000.0 | 55,646,384.0 | 23,154,663.0 | (81,101,337.0) |
| Total TPP | 0.0 | 57,455,000.0 | 104,256,000.0 | 55,646,384.0 | 23,154,663.0 | (81,101,337.0) |

Comments on Variances: Expenditures were made against the Canadian Interests Abroad Contribution Fund (T624) and the GPX G&C Fund (T710). Due to delays associated with ISTC projects, the chemical weapons railway project, and the implementation of the first submarine implementation agreement, \$60 million has been reprofiled. As well, planned spending of \$20 million was subsequently deferred to fiscal year 2005 - 2006 due to delays receiving TBS approval for a new CW project submission (MDB-2).

Significant Evaluation Findings and URL to last evaluation: The Global Partnership Program is relatively young, having commenced in August 2003, and so has not yet had a comprehensive formal evaluation. Such an evaluation is planned for fiscal year 2005 - 2006.

| | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|--------------|
| Total Business Line: | | | | | | |
| International Security and Cooperation | 300,696,463.0 | 364,499,321.0 | 462,666,700.0 | 505,905,805.0 | 378,905,419.0 | 83,761,281.0 |
| Total Transfer Payments | 300,696,463.0 | 364,499,321.0 | 462,666,700.0 | 505,905,805.0 | 378,905,419.0 | 83,761,281.0 |

Continued on next page

Name of Transfer Payment Program: Grants in Aid of Cultural Relations (TB #829976)**Start Date:** August 7, 2002**End Date:** March 31, 2007**Total Funding:** \$114,875,393**Purpose of Transfer Payment Program:**

- to create an awareness abroad of Canadian distinctiveness and culture;
- to articulate Canadian attitudes and positions in official, media, business, cultural and educational circles as well as among the public generally;
- to reflect internationally the growing creativity and scope of Canadian; and
- to develop interest in studies exclusively about Canada in institutions of higher learning abroad.

Objective: The advancement of Canadian foreign policy objectives through the promotion of Canadian culture abroad.

Expected results and outcomes: The creation of an image abroad of Canadian culture as first class, innovative and diverse; foreign professionals and leaders with an informed, well-disposed and sustained interest in Canada. In the short term, Canadian professional artists will be involved in high-quality cultural presentations abroad; foreign agents / impresarios / commissioning editors will be engaged in Canadian art festivals and showcases; and there will be an adequate representation of Canada through arts in promotional activities abroad.

Achieved results or progress made: The department's Arts Promotion programs at headquarters and missions abroad awarded 420 grants, totalling \$4.8 million (not including Canada-France 2004 financing). The grants enabled Canadian artists and cultural groups to tour internationally and helped arts festivals to bring in foreign buyers. Grants were awarded to applicants from all provinces and two of the three territories. About 70 percent of these grants contributed to activities in G8 countries in recognition of its strategic importance to Canadian foreign policy. In addition, about 15 percent of total grants contributed to activities in additional priority countries: China, India, Brazil and Mexico.

The department's strong role in promoting Canadian arts horizontal culture abroad was supported by a range of partners, including the Canada Council for the Arts, the Department of Canadian Heritage, Telefilm Canada, Industry Canada, the National Film Board, the Canadian Association for the Advancement of Music and the Arts, and the Association for the Export of Canadian Books. Work with these partners also resulted in leveraging of resources: all 161 performing arts groups that received support through the department were successful in leveraging funds from other sources.

The *Washington Post*, *New York Times*, *LA Times* and *Washington Times* all commented very favourably on a Canadian Aboriginal art exhibit, a project to which the department contributed, and which was a major attraction at the opening of the National Museum of the American Indian on September 14, 2004. Displays included fine arts, sculpture and live performances. Canada's gift to the Museum, a sculpture by Vancouver artist Susan Point, is in a prominent location in the museum. The sculpture was frequently photographed by broadcast networks during the press preview and was featured twice in the *Washington Post*.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|-----------------------|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| Public Diplomacy | 10,198,436.0 | 12,216,259.0 | 9,814,000.0 | 10,271,727.0 | 10,229,771.0 | (415,771.0) |
| Total Grants | 10,198,436.0 | 12,216,259.0 | 9,814,000.0 | 10,271,727.0 | 10,229,771.0 | (415,771.0) |

Continued on next page

Supplementary Information

Comments on Variances: \$400,000 in extra funding was received to promote Canadian identity abroad and to promote greater social cohesion in Canada.

Significant Evaluation Findings and URL to last evaluation: N / A

Name of Transfer Payment Program: Grants in Aid of Academic Relations (TB #810393)

Start Date: January 1, 1989

End Date: March 31, 2005

Total Funding: \$261,041,024

Purpose of Transfer Payment Program: To foster an informed, well-disposed and sustained interest in Canada among foreign professionals and leaders (especially within North America); to provide effective Canadian policy responses in education to a changing international environment; and to reinforce liaison with partners.

Objective: Advancement of Canadian foreign policy through education-related programs and activities.

Expected results and outcomes:

- creating and expanding a network of well-informed foreign professionals and leaders with sustained interest in Canada;
- nurturing and reinforcing links and exchanges between Canadian and foreign partners (academics, researchers and students); and
- providing informed and relevant policy advice on education-related issues.

Achieved results or progress made: Expected results have been fully achieved.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|-----------------------|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| Public Diplomacy | 13,496,239.0 | 14,435,459.0 | 14,200,000.0 | 13,963,773.0 | 13,950,664.0 | 249,336.0 |
| Total Grants | 13,496,239.0 | 14,435,459.0 | 14,200,000.0 | 13,963,773.0 | 13,950,664.0 | 249,336.0 |

Comments on Variances: Variance is due to transfer to Human Security.

Significant Evaluation Findings and URL to last evaluation: Program evaluation was completed in July 2005 and will be published shortly. Financial audit is expected in 2006 - 2007.

| | | | | | | |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|-------------|
| Total Business Line: | 23,694,675.0 | 26,651,718.0 | 24,014,000.0 | 24,235,500.0 | 24,180,435.0 | (166,435.0) |
| Public Diplomacy | | | | | | |
| Total Transfer Payments | 23,694,675.0 | 26,651,718.0 | 24,014,000.0 | 24,235,500.0 | 24,180,435.0 | (166,435.0) |

Continued on next page

Name of Transfer Payment Program: Payments in lieu of taxes on diplomatic, consular and international organizations' property in Canada (TB #826663)

Start Date: January 18, 1979

End Date: N / A

Total Funding: N / A

Purpose of Transfer Payment Program: The purpose of this Memorandum of Understanding (MOU) is to outline the relationship between the Department of Foreign Affairs and International Trade and Public Works and Government Services Canada, National Capital Area, under the Diplomatic, Consular and International Organizations' Property Grants Order (P.C. 1979-59, January 18, 1979), the Municipal Grants Act, and successor Orders and Acts. It establishes responsibilities and procedures governing the provision of services related to the payment of grants in lieu of real property and frontage or area taxes with respect to diplomatic property. These procedures are designed to ensure fiscal and operational accountability, while promoting efficient program delivery.

Objective, expected result and outcomes: To fulfill Canada's international obligations to foreign diplomatic and consular missions pursuant to the Vienna Convention on Diplomatic Relations and the Vienna Convention on Consular Relations as well as obligations pursuant to headquarters agreements in force between Canada and international organizations.

Achieved results or progress made: Obligations have been met.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|--|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| International Security and Cooperation | 10,090,701.0 | 8,952,679.0 | 9,935,849.0 | 9,935,849.0 | 9,865,875.0 | 69,974.0 |
| Total Grants | 10,090,701.0 | 8,952,679.0 | 9,935,849.0 | 9,935,849.0 | 9,865,875.0 | 69,974.0 |

Comments on Variances: Payments in Lieu of Taxes is a "non-discretionary grant" by which final payment is mainly affected with reassessment of properties owned by foreign embassies in Canada. PILT is established based under several cities' taxing authorities across the country, which are constantly revised.

Significant Evaluation Findings and URL to last evaluation: N / A

| | | | | | | |
|--|--------------|-------------|-------------|-------------|-------------|----------|
| Total Business Line: | | | | | | |
| International Security and Cooperation | 10,090,701.0 | 8,952,679.0 | 9,935,849.0 | 9,935,849.0 | 9,865,875.0 | 69,974.0 |
| Total Transfer Payments | 10,090,701.0 | 8,952,679.0 | 9,935,849.0 | 9,935,849.0 | 9,865,875.0 | 69,974.0 |

Supplementary Information

Table 13: Conditional Grants (Foundations)

Name of Transfer Payment Program: Foreign Service Community Association (FSCA)

Start Date: September 1, 2004

End Date: July 31, 2005

Total Funding: N / A

Purpose of Transfer Payment Program: Provide financial assistance to the FSCA to support the salary of the FSCA Office Coordinator.

Objective, expected result and outcome: Provide assistance and support to rotational employees and families posted abroad with the Department of Foreign Affairs and International Trade (*Foreign Affairs*) and Department of International Trade.

Achieved results or progress made (within overall departmental results achieved): Expected results were achieved.

| | 2002 - 2003 | 2003 - 2004 | 2004 - 2005 | | | |
|-----------------------|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|--|
| | Actual Spending (\$) | Actual Spending (\$) | Planned Spending (\$) | Total Authorities (\$) | Actual Spending (\$) | Variance(s) between Planned and Actual Spending (\$) |
| Business Line: | | | | | | |
| Conditional Grant | 20,000.0 | 20,000.0 | 20,000.0 | 20,000.0 | 20,000.0 | 0.0 |
| Total Grants | 20,000.0 | 20,000.0 | 20,000.0 | 20,000.0 | 20,000.0 | 0.0 |

Comments on Variances: N / A

URL to Foundation site: <http://www.fsca-acse.org/>

URL to Foundation's Annual Report: <http://www.fsca-acse.org/>

Table 14: Response to Parliamentary Committees, Audits and Evaluations

Response to Parliamentary Committees

See Report of the Standing Committee on Foreign Affairs and International Trade entitled "*Exploring Canada's Relations with the Countries of the Muslim World*":

<http://www.parl.gc.ca/committee/CommitteePublication.aspx?SourceId=76222>

Response to the Auditor General

N / A

External Audits of Evaluations

N / A

Internal Audits of Evaluations

The following audit and evaluation reports were posted on the departmental Web site during 2004 - 2005:

Audits:**Mission Audits:**

- | | | |
|-------------|--|---|
| o Berlin | o New York | o Permanent Mission of Canada to the United Nations |
| o Boston | o Osaka | o The Hague |
| o Chicago | o Oslo | o Tokyo |
| o Detroit | o Paris | o Tripoli |
| o Lisbon | o Permanent Delegation of Canada to OECD | |
| o New Delhi | o Permanent Delegation of Canada to UNESCO | |

Financial Assurance Audits:

Management of Accounts Receivable

General HQ Audits:

Departmental Library Services
North Asia and Pacific Bureau

Grants & Contributions Audits:

Contributions to International Environmental Programs
Forum of Federations

Information Management Audit:

DFAIT Connectivity to the Internet

Evaluations:

Formative Evaluation of the Forum of Federations

Web link:

<http://www.dfait-maeci.gc.ca/department/auditreports/auditreports-en.asp>

Table15: Sustainable Development Strategies (SDS)

Department / Agency: Department of Foreign Affairs and International Trade (*Foreign Affairs*)

Points to address: What are the key goals, objectives, and / or long-term targets of the SDS?

Departmental input: Agenda 2006: A Sustainable Development Strategy for the Department of Foreign Affairs and International Trade provides a framework for the sustainable development initiatives from 2004 to the end of 2006. The key goals in Agenda 2006 are to:

- ensure greater integration of sustainable development in departmental policies, programs and operations;
- ensure that Canada's commitment to sustainable development is evident in our bilateral, regional and multilateral relations;
- promote international security and respect for human rights, good governance and the rule of law as prerequisites for sustainable development; and
- implement the department's priority commitments related to the World Summit on Sustainable Development: Johannesburg 2002.

Agenda 2006 and the first annual report on progress in implementing sustainable development: <http://www.dfait-maeci.gc.ca/sustain/sd-dd/menu-en.asp>.

Points to address: How do your key goals, objectives and / or long-term targets help achieve your department's / agency's strategic outcomes?

Departmental input: The intent of the four goals reflects the key results anticipated in the department's 2004-2007 strategic objective, Understanding and Advancing Canada's Interests Internationally, which are:

- (i) a more effective influence in the United States;
- (ii) enhancement of Canada's domestic agenda through the international arena;
- (iii) strengthened multilateral rules-based institutions and policy coherence;
- (iv) effective advocacy of Canada's global and human security interests; and
- (v) enhanced support abroad for human rights, democracy and good governance.

That relevancy is further reflected in the 2004 - 2005 targets that support the Agenda 2006 goals, and the progress in achieving them.

Points to address: What were your targets for the reporting period?

Departmental input: Specific targets for the reporting period include:

- Participate in the 10-year review of the North American Agreement on Environmental Cooperation to better conserve, protect and enhance the North American environment through cooperation and effective enforcement of environmental laws. Progress: The department played an active role in ensuring that key recommendations of the Report of the Ten-Year Review and Assessment Committee to the Council of the Commission for Environmental Cooperation (CEC) were integrated into CEC's operations and activities. For example, the department has been instrumental in the development of the CEC Strategic Plan on Trade and Environment, and in ensuring that the NAFTA Free Trade Commission and the CEC better coordinate their efforts in the elaboration of the CEC Work Program.

Continued on next page

Table 15: Sustainable Development Strategies (SDS)

Department / Agency: Department of Foreign Affairs and International Trade (Foreign Affairs)

- Provide international coordination and policy leadership for the universalization, implementation and sustainability of the Ottawa Convention, the international framework for ensuring that the human tragedy caused by anti-personnel mines is permanently addressed. Progress: the department played a central role both in leadership and funding terms at the Nairobi Summit on a Mine-Free World, the Ottawa Convention's First Review Conference. Outcomes included the Nairobi Action Plan – a 70-point strategy for promoting the Convention, destroying stockpiles, clearing mined land, generating funds, and assisting victims over the next five years. As well, it resulted in the highly publicized accession to the Convention by Ethiopia, a severely mine-affected country.
- Engage partners, geographic bureaus, and missions (including post visits) in human security planning, programming, and monitoring within the context of the Peacebuilding and Human Security Program created to advance Canada's foreign policy objectives for human security. Progress: The Human Security Program in the department engaged all relevant geographic and functional bureaus, posts as well as OGDs in the vetting and development of proposals. Program monitoring and evaluation in the Middle East and Central and South America were closely coordinated with the relevant posts and departments. In addition, key Canadian stakeholders were directly engaged during the annual Peacebuilding and Human Security Consultations, co-organized by the department, CIDA, IDRC, the Canadian Peacebuilding Coordinating Committee that represents Canadian civil society, and the Canadian Consortium on Human Security that represents academia.
- Continue promotion of the entry into force of the Convention for the Conservation of Highly Migratory Stocks in the Western and Central Pacific Ocean (by February 2005, including consultation with the provinces and territories, participation in the Western and Central Pacific Fisheries Commission Preparatory Conference, encouraging engagement in the process by key fishing states and consideration of Canada's own ratification. Progress: The Convention entered into force in June 2004. In December 2004, Canada participated both in the final Preparatory Conference and in the first meeting of the newly established Commission. Ratification of the Convention by Canada is under active consideration.
- Conclude negotiations for, and consider Canadian membership in, a strengthened Inter-American Tropical Tuna Convention to improve conservation and management of fish stocks. Progress: Canada signed the Antigua Convention in December 2004, and is currently considering ratification of the Convention. The department was an active participant in negotiating the text of the Antigua Convention, which strengthens and modernizes the American Tropical Tuna Commission.
- Initiate a process at the start of 2004 to construct a global climate regime, based on actual implementation of the Kyoto Protocol and adoption of its Marrakech Accords (tentative completion in 2005). This will include undertaking a rigorous analysis of Canadian interests and options for future commitments to ensure that there is a clear definition of Canadian interests as negotiations for the second commitment period begin in 2005. Progress: At the 10th Conference of the Parties held in Buenos Aires in December 2004, Environment Minister Stéphane Dion laid out five principles to the international community for addressing climate change over the long term. They were based on the work of experts from numerous departments, including DFAIT. In addition, Canada provided international leadership by offering to host the Montreal Conference on Climate Change in December 2005, the first meeting of the parties after the entry into force of the Protocol. Canada will take this opportunity to be an active player in shaping the international climate regime after 2012.
- Work with other countries to establish a realistic and focused framework for discussions on an international regime to promote and safeguard the fair and equitable sharing of benefits arising out of the use of genetic resources. Progress: To facilitate negotiations among governments on an International Regime on Access and Benefit Sharing of Genetic Resources under the UN Convention on Biological Diversity, the Conference of the Parties developed Terms of Reference in February 2004. They will frame subsequent negotiating rounds of the Regime.
- Improve departmental knowledge and skill in applying SD principles as a result of training and communications. Progress: A ¾ day SD awareness course was developed in 2004 specifically for the interests of mission personnel. It was piloted at the embassies in Costa Rica and Venezuela in February 2005, to a positive response by some 50 personnel. Plans for other courses at headquarters have been rescheduled.

Continued on next page

Table 15: Sustainable Development Strategies (SDS)

Department / Agency: Department of Foreign Affairs and International Trade (*Foreign Affairs*)

Points to address: What is your progress (this includes outcomes achieved in relation to objectives and progress on targets) to date?

Departmental input: See "Progress" inserts in text above.

Points to address: Adjustments that have been made.

Departmental input: The reorganization within DFAIT precluded the completion of a number of awareness, training and advocacy programs. They are rescheduled for completion in 2005-2006.

In the interests of lessons learned, the department participated in a workshop with OGDs to ascertain the improvements in this round of strategies and the challenges that remain. One area of improvement was the "common look and feel" of departmental strategies, but there remains the need for a federal focus around which departments can strategize to maximize their specific capabilities and make measurable and concrete progress to which the public can relate. There is also the need to standardize the format and wording of strategies.

The department is now a partner in the development of an international network, the Network for Best Practices for Sustainable Development, through which it will share knowledge in many fields, including the development and implementation of effective strategies.

Table 16: Procurement and Contracting

Department of Foreign Affairs and International Trade (*Foreign Affairs*)

Points to address: Role played by procurement and contracting in delivering programs.

Organization's input: In relation to contracting for services, the Corporate Services Branch (Headquarters Administrative Services Bureau, SPD) acts as the centre of expertise for both DFAIT (*Foreign Affairs*) and the Department of International Trade, both within Canada and abroad. The mandate is to:

- develop policy;
- provide advice; and
- monitor and report on contracting activities in accordance with trade agreements and government policy.

Where cost effective, procurement of goods is managed through centralized areas of expertise in Canada for informatics equipment and peripherals, security equipment and supplies, furniture and office supplies, and staff accommodation here and abroad. All adhere to the key principles of effective life-cycle materiel and asset management. Logistical support to headquarters, regional offices and missions abroad is also a key element in investment and procurement decisions. Missions continue to acquire certain goods where economies cannot be realized through a centralized approach.

Continued on next page

Table 16: Procurement and Contracting

Department of Foreign Affairs and International Trade (*Foreign Affairs*)

Points to address: Overview of how the department manages its contracting function.

Organization's input: The department operates in a decentralized procurement environment at headquarters, regions and missions abroad.

The departmental automated contracting system:

- enables the monitoring and reporting of contracts;
- responds to the requirement of public disclosure on contracts over \$10,000; and
- facilitates the development of departmental and government-wide procurement strategies.

Contract Review Boards (CRBs) at headquarters and missions abroad scrutinize all contracts to heighten prudence and probity; and to ensure openness, transparency and equal treatment to vendors, while achieving best value and meeting operational requirements in the delivery of programs.

Effort continued to improve and support the departmental contract site, which consists of a wide range of policy documents and links, reference guides, tools, templates and forms used by departmental personnel in the preparation of solicitation documents and contracts.

Continual in-class and on-line training is delivered to departmental officials at headquarters and missions abroad.

The department manages its procurement function by providing corporate leadership for the development of its informatics systems and real property infrastructure and associated asset base. This includes departmental policies, processes, systems, service standards and quality controls governing the procurement of goods and life-cycle management of materiel / assets. As well, Corporate Services provides subject matter advice to departmental personnel on the development of cost-effective approaches for the procurement of goods and services, thereby ensuring that both DFAIT (*Foreign Affairs*) and Department of International Trade program activities are achieved within established deadlines and budgets. The strategies used are clearly identified and aligned with federal government objectives. A Materiel Management Committee consisting of members from each centre of expertise reviews procurement issues and designs broad strategies to ensure that procurement moves forward with new government priorities.

Points to address: Progress and new initiatives enabling effective and efficient procurement practices.

Organization's input: Key accomplishments include:

- Significant increase in contracting training over the past year, resulting in greater knowledge of contracting policies, procedures and practices. Training will be expanded in fiscal year 2005 - 2006 to missions abroad.
- Increasing use (with less dependency on the traditional method of competition) of the competitive method using the government electronic tendering system.
- Establishment of several standing offers for various commodities to meet operational requirements, resulting in a more efficient contracting process and best value to the Crown.
- Implementation of an automated contracting system worldwide in December 2004 to manage contracts entered by departmental officials and to capture relevant information on all contracts over \$5,000.
- Successful completion in 2004 - 2005 of the final phase of an automated inventory management system for office furniture and furnishings at headquarters.
- Exceeding of Aboriginal procurement targets.

Continued on next page

Table 16: Procurement and Contracting

Department of Foreign Affairs and International Trade (*Foreign Affairs*)

- Establishment of new qualified suppliers lists as well as a contract management database relating to construction projects to increase the efficiency of departmental contracting processes.
- Awarding of a multiyear and multimillion-dollar telecommunications agreement to meet the needs for common services abroad and to provide better value, with the cost benefits accruing immediately to the Crown.
- Development of practices aimed at providing a sound management framework relating to service contracts and promoting key principles of the modern comptrollership agenda.

Strengthened practices have been witnessed through the following initiatives:

- An automated contracting system was implemented worldwide in December 2004 to capture relevant information on all contracts over \$5,000.
- Training on contracting continues to be a priority. Courses addressing various levels of knowledge have been developed and delivered, including on-line schooling. Regional training at more than 40 missions abroad is planned during fiscal year 2005-2006.
- The use of MERX for competitively awarded contracts continues to rise, thereby reducing the dependency on traditional methods of competition. Standing offers for professional services have been established where this represents the most efficient way to meet operational requirements and achieve the best value to the Crown.
- Through participation in the government initiative The Way Forward, the department expects to continue to gain efficiencies, resulting in lower costs to support program requirements.
- For the delivery of international construction projects and procurement of professional services, the bureau responsible created a Contract Advisory Service to provide advice and monitor contracts and a Contractual Issues Committee to monitor and improve the department's contracting practices for these types of services. The contracting process is supported by dedicated legal advisors and procurement specialists.
- For headquarters, the automated inventory management system for office furniture and furnishings was successfully implemented in 2004 - 2005. As part of a financial and materiel management system, this provides an accurate inventory listing, which is critical to the success of accommodation projects and program operations of the department. The efficiencies gained to integrate asset management with broader projects ensure the most cost-effective service.
- Numerous and ongoing upgrades are being made to the IT asset management system in order to meet the thrust for improved asset tracking and service management. Notably, reports to monitor discrepancies and the addition of spares to the network are regularly forwarded to mission IT professionals.
- Much work has been done in reviewing processes and entrenching good stewardship practices in daily operations. Concrete examples are the Request for Volume Discount (RVD) for PCs, which generated enormous savings, as did the consolidation of maintenance agreements and software requirements.
- A new qualified suppliers list was established, along with a contract management database relating to construction projects to increase the efficiency of the department's contracting processes.

Table 17: Service Improvement Initiatives

1. PROGRAMS AND SERVICES COVERED BY A SERVICE IMPROVEMENT PLAN**Passport Canada Client Satisfaction Measurement Program**

In 2001, Passport Canada (PPTC) initiated an ongoing client satisfaction measurement program, which was composed of:

- a global, annual measurement aimed at understanding the dynamics of client satisfaction, the importance attached by clients to various aspects of service and the improvement priorities felt by the clients; and
- a specific, local measurement of client satisfaction at the issuing authority (office) level.

The first measurement was based on a telephone survey held each spring for clients that have applied between January 2 and March 31. Beginning in 2001, with the exception of 2002, PPTC has conducted a National Client Satisfaction Survey every year.

The second measurement is a self-administered survey returned with the passport in late fall or early winter. The survey is scheduled to be held every three years. The first local client satisfaction survey was conducted in 2002, in PPTC offices across the country. The second local one is planned before the end of the calendar year 2005.

The precepts from the Common Measurement Tool were integrated to comply with the Government of Canada "corporate" approach to satisfaction measurement. The surveys allow PPTC to monitor the value declared by the clients, levels of satisfaction, three indicators of client satisfaction, and priorities for improvement.

2. DEVELOPMENT OF BASELINE CLIENT SATISFACTION LEVELS AND PROGRESS TOWARD ACHIEVING SATISFACTION TARGETS

The Service Improvement Initiative (SII) target was to improve client satisfaction by 10 percent between 2000 and 2005.

Passport Canada assesses client satisfaction through three indicators:

- (1) percentage of clients who are satisfied (i.e. "Satisfied" and "Very satisfied");
- (2) average rating over a 10-point scale from 0 "Very Dissatisfied" to 10 "Very Satisfied"; and
- (3) percentage of clients who selected "very satisfied," the top category.

PPTC monitors all three indicators as they provide it with a complete assessment of client satisfaction.

Progress in increasing client satisfaction was slowed by post-9 / 11 activities that included strengthening security measures and reinforcing requirements for passport eligibility. During this first year of transition in terms of our requirements, PPTC was able to maintain its average satisfaction rating (8.1) and actually increase by six percentage points the top category ("Very Satisfied") of the satisfaction scale. However, PPTC reinforcement measures and requirements severely impacted satisfaction results as determined by the 2003 - 2004 satisfaction survey, causing all three results indicators to plunge.

The results of the 2004 - 2005 Client Satisfaction Survey indicate that after a decrease in satisfaction, satisfaction levels are climbing back to levels established in the early years of the program.

Continued on next page

Table 17: Service Improvement Initiatives (*continued*)

Aiming for higher satisfaction levels ("Very Satisfied") is seen as a long-term goal based on the results of client service initiatives currently being introduced at PPTC. Indeed, as PPTC achieves higher satisfaction levels on a regular basis, it is harder to increase the percentage of satisfied and very satisfied clients (currently at 94 percent). Therefore, PPTC is now aiming to increase the top level ("Very Satisfied") of the satisfaction scale, as world-class organizations do.

3. SERVICE STANDARDS FOR ALL KEY PUBLIC SERVICES: SETTING OF STANDARDS AND PERFORMANCE AGAINST THOSE STANDARDS

Regional offices received 76.5 percent of all applications through walk-in service, a decrease of 3 percent from last year. Mail-in increased 0.7 percent over last year. Receiving agents, a new service introduced in 2004, took in more than 57,000 applications, 2 percent of all applications received. Overseas volume increased slightly, 0.26 percent over last fiscal year. We are seeing shifts in volumes per business channel since the introduction of receiving agents as well as renewals. Forty-five percent of the year's volume was concentrated in the last quarter.

During 2004 - 2005, the percentage of passports issued through PPTC's various business channels was as follows:

- Regional Offices 76 percent
- Mail-in Service, 16.5 percent
- Missions Overseas 4 percent
- Receiving Agents 2 percent
- Renewals 0.66 percent.

Turnaround time targets for regional offices were met for 97 percent of regular applications, an increase of 2 percent over last year. Turnaround times for urgent and express service declined by 0.2 percent and 0.1 percent respectively due to an increase in volume of 11.3 percent for this service offering.

Mail-in turnaround times were met for 94.6 percent of applications, while volumes increased by 3 percent in 2004 - 2005. Associated FTEs were reduced by 21 percent; however, productivity increased by 47 percent, which allowed an improvement of 3 percent in turnaround times over last year.

(Note: Reported turnaround time percentages for mail-in in 2003 - 2004 were inaccurate. Follow-up analysis shows a result of 91.6 for 2003 - 2004).

Canada Post receiving agents met turnaround time targets for 77 percent of applications. Receiving agent turnaround time was negatively affected by the large increase in volume in the fourth quarter of 2004 - 2005.

Other turnaround time results are as follows:

- HRDSC Receiving Agents 85.5 percent
- Renewals 99.9 percent
- Passport On-line 98.5 percent

Wait times significantly improved in 2004 - 2005. A total of 75 percent of clients waited less than 45 minutes, showing a 15 percentage point gain over last year. The average time improved by 34 percent from the previous year; however, the 95 percent target for 2004 - 2005 was not met. Process improvements planned in the coming years are targeted to improve processing time for applications, which will decrease wait times.

Continued on next page

Table 17: Service Improvement Initiatives

Reasons that wait times improved:

- Operational FTEs increased by 13.5 percent from 2003 - 2004, with a subsequent increase in counter use of 1.5 percentage points over the previous year.
- New initiatives to move clients away from the public counters were implemented.
- Increased receiving agent outlets relieved volume pressures on counter service.
- Renewals also pulled clients away from the counter, with renewals accounting for 0.6 percent of the annual volume.
- Passport On-Line examinations were on average two minutes faster than regular applications.
- Offices that opened Saturdays had their weekday volume flattened, reducing the number of high volume days.
- New initiatives were introduced to inform the public of wait times on-line in Calgary and Calgary South.
- PPTC developed a continuous improvement framework over 2004 - 2005 that aims to ensure implementation and operational consistency by promoting continual improvement of the performance of all quality management systems.
- PPTC committed to continue to find ways to increase the means by which Canadians can apply for passport services and to improve the efficiency and services provided in the 2004 - 2005 *Report on Plans and Priorities*. PPTC made improvements in the following areas:
 - o Completed a Mail-in and Member of Parliament Process Review and Standardization pilot and a Printing Process Review at the Mississauga Print Centre. PPTC used lean methodology to review and refine the processes of these sections. Evaluation of each pilot found that we were able to favourably influence productivity, reducing cost and time.
 - o Launched an estimated wait times project in both Calgary offices. This new project gives Calgarians access, via the Internet, to data which show them current waiting times as well as historical ones in the Calgary passport offices.
 - o Made significant progress on the receiving agents project, which broadens access to passport services through networks outside PPTC.
 - o Signed an MOU with Canada Post in September 2004 which details each party's expectations for designated postal stations to act as receiving agents for passport-related applications. Under the MOU, 58 Canada Post outlets now provide access to passport services.
 - o Launched a pilot project at the end of 2004 with Social Development Canada and HRSDC as part of the Service Canada initiative. The pilot project tested the use of three designated HRSDC centres in Brandon, Manitoba, Kamloops, British Columbia, and Drummondville, Quebec, as receiving agents for passport-related applications. These 61 receiving agents resulted in the issuance of over 57,000 passports. This represents approximately 2.2 percent of total passports issued.
 - o Increased use of receiving agents by clients in early 2005 and shortage of capacity during the busy season resulted in a reduction in our ability to meet our targeted turnaround time. In early March 2005, this section explored the capacity in the regions to assist with demand. This solution has resulted in successful recovery to standard turnaround timeframes.
 - o Launched the Renewals Pilot project in the summer of 2004 to improve client convenience. This pilot project invites eligible Canadians to renew their passports through a simplified mail-in process. The pilot was evaluated in December 2004. Over 38,000 invitations were sent during the pilot and 11,785 passports were issued. The average processing time was two days and a client satisfaction survey indicates a high degree of satisfaction with this service channel.
 - o Began the Passport On-line project as a direct result of the government's priority to provide key government services on-line. This project takes advantage of Internet technology to provide applicants with greater access to passport services. To date, the Passport On-line project has completed the development of an on-line interactive application form, which became available to applicants at the end of January 2005. As of March 31, 2005, 4,893 passports had been issued via this on-line service.
- PPTC carried out several other initiatives to improve client service during the past year:
 - o Launched an extended hours of service initiative to better address volume in the busy season. Under this initiative, we extended core PPTC business hours by up to 25 percent, including Saturday openings in some cases. Offices offering Saturday hours have seen a flattening of service demand from Monday to Friday, resulting in an overall decrease in wait times for clients. We opened four new offices in Whitby, Brampton, Calgary South and Point-Claire.

Continued on next page

Table 17: Service Improvement Initiatives

- o Launched the Members of Parliament Web portal on September 27, 2004, which allows rapid and direct sharing of information about passport application-related issues for MPs.
- o Introduced a Passport On-line electronic form that applicants could fill out on-line, print and present or mail to a PPTC office.
- o Introduced in the wake of 9 / 11 increased security measures, including:
 - Immediate hiring and training of additional passport staff;
 - Further enhanced background and guarantor checks;
 - Revised application form, including employment and residential history;
 - Posting of security guards and cameras at all passport offices;
 - The establishment of an on-line data verification process with the provinces;
 - Redesigned passport in 2002, which is less vulnerable to fraud;
 - Requirement for children to have their own passports; and
 - Improved passport renewal verification procedures.
- o Developed and distributed document identification tools to strengthen the ability of examiners to verify the authenticity of identity documentation and a job aid for the conduct of guarantor checks.
- o Managed to respond to service pressures experienced in the last few years through its activities to broaden access. This resulted in shorter turnaround and waiting times compared to previous years.

Table 18: Travel Policies

Organization: DFAIT (*Foreign Affairs*) follows the TBS Special Travel Authorities.

Authority: N / A

Coverage: N / A

Principal difference(s) in policy provisions: N / A

Principal financial implications of the difference(s): N / A

COMPARISON TO THE TBS TRAVEL DIRECTIVE, RATES AND ALLOWANCES

Organization: DFAIT (*Foreign Affairs*) follows the TBS Travel Directive, Rates and Allowances

Authority: N / A

Coverage: N / A

Principal difference(s) in policy provisions: N / A

Principal financial implications of the difference(s): N / A

Table 19: Horizontal Initiatives

Name of Horizontal Initiative: U.S. Enhanced Representation Initiative (ERI)

Name of Lead Departments: Department of Foreign Affairs and International Trade (*Foreign Affairs*)

Start Date of the Horizontal Initiative: September 17, 2003

End Date: March 31, 2008

Total Federal Funding Allocation: \$118.2 million

Description of the Horizontal Initiative: The ERI is a partnership of eight federal departments and agencies. The ERI provides a coordinated and integrated approach and direction to managing and advancing Canada's advocacy, trade, business development, science and technology and investment interests in the United States. This is done through the collaboration of ERI partners and consultation with other federal government departments, provinces and territories and other stakeholders. When fully implemented, the ERI partnership will oversee a network of 43 U.S. points of contact through consulates general, consulates, trade offices and honorary consuls.

Shared Outcome(s): Outcomes reflect total Canadian government efforts respecting advocacy and business development with the United States set in the international economic environment. Specific outcomes are defined by the ERI's Results-based Management and Accountability Framework (RMAF):

Short-term Outcomes:

- Increased Domestic Engagement and Coordination
- Raised awareness of:
 - o Canada-U.S. interdependence in North American security
 - o Canada-U.S. interdependence in North American economy
 - o Canada-U.S. social differences
- Increased number of export-ready firms
- Raised awareness in the U.S. of:
 - o Investment opportunities in Canada
 - o Canadian technological capabilities
- Increased Canada-U.S. sharing of technologies
- Raised awareness of U.S. market opportunities for Canadian firms
- ERI Partnership development
- Increased capacity for advocacy and business development in the U.S.

Medium-term Outcomes:

- Appreciation of Canada-U.S. interdependence as reflected by:
 - o Canadian interests not adversely affected by U.S. legislation / policies / regulations / industry codes
 - o Improved settlement of joint Canada-U.S. issues
- Increased investment development
- Increased export development
- Increased commercialization of S&T in Canada
- Improved coherence of Canadian advocacy and business development interests in the U.S.

Long-term Outcomes:

- Enhanced influence for Canada on key strategic issues
- Improved flow of people, goods and services across the Canada-U.S. border
- Increased business for Canada with the U.S.

Continued on next page

Governance structure(s): The ERI Partnership is managed through a formal governance structure including a Deputy Ministers Steering Committee, an Assistant Deputy Ministers Policy Committee, a Directors General Operations Committee and three director-level Standing Committees: Advocacy and Business Development, Communications and Human Resources. Day to day operations are managed by the ERI Secretariat, which is responsible to the ERI Partnership through the governance structure, for planning, implementing and evaluating the ERI's annual action plan. The ERI Secretariat is accountable administratively to its host department, Department of Foreign Affairs and International Trade (*Foreign Affairs*), which provides financial, human resources and physical resource services to the Secretariat as well as all the missions.

Federal partners:

- o Atlantic Canada Opportunities Agency (ACOA)
- o Agriculture and Agri-Food Canada (AAFC)
- o Canada Economic Development for Quebec Regions
- o Department of Foreign Affairs and International Trade (*Foreign Affairs*)
- o Department of Foreign Affairs and International Trade (*International Trade*)
- o Industry Canada (IC)
- o National Research Council (NRC)
- o Western Economic Diversification (WD)

| 2004 - 2005 | | | |
|-----------------------------------|-----------------------------|-----------------------------------|----------------------------|
| Names of Programs: | Total Allocation (\$000) | Forecasted Spending (\$000) | Actual Spending (\$000) |
| Representation | 78,592.0 | 13,372.0 | 10,987.0 |
| Advocacy and Business development | 26,737.0 | 5,837.0 | 4,403.0 |
| Corporate/ Governance | 6,381.0 | 1,260.0 | 976.0 |
| Reserve/ unallocated | 6,490.0 | | |
| Total | \$118,200.0 | \$20,469.0 | \$16,366.0 |

Planned Results for 2004 - 2005:

1. Establish new missions in Anchorage, Philadelphia, Phoenix and Tucson.
2. Recruit 20 Honorary Consuls in U.S.
3. Increase advocacy and business development programming.
4. Obtain TB approval of results-based management and Accountability Framework (RMAF).
5. Implement the ERI governance framework.

Achieved Results in 2004-2005:

1. New missions all established and operational.
2. Eight Honorary Consuls recruited by end of year.
3. Joint Partner/mission programming of over \$5 million established.
4. RMAF completed.
5. Regular meetings of advisory and operating committees established.

Continued on next page

Comments on Variances: Staffing at posts delayed due to need for Canada Based Staff to be in place; business development and advocacy projects slow to start. Recruitment has been accelerated to staff all posts in 2005 - 2006. The appointment of Honorary Consuls is slower than anticipated due to the need to match regional representational requirements with appropriate candidates. Business development and advocacy projects are better coordinated to improve implementation in 2005 -2006. The RMAF approval was only delayed through the Treasury Board submission process.

Results Achieved by Non-federal Partners: not applicable

Contact Information:

Wolf Nowak
Tel: (613) 944-2715

Approved by:

Mitch Vlad

Date Approved:

July 2, 2005

Other Items of Interest



Section 4

4.1 Contact Information

DFAIT (*Foreign Affairs*) shares a wealth of information resources and reference tools with the Canadian public through its information and media services.

Information Services

The Enquiries Centre is a referral service and resource centre that responds to general questions about the department, questions concerning exporting procedures and foreign markets, and questions about Canada's foreign policy and involvement in international organizations. Where specialized knowledge is required, clients are referred to experts within the department.

The Centre also coordinates the storage and distribution of the department's hard copy publications.

Telephone: 1 800 267-8376 toll free in Canada or (613) 944-4000 in the National Capital Region and outside Canada

TTY: (613) 944-9136 **Fax:** (613) 996-9709

E-mail: enqserv@international.gc.ca

Mail: Enquiries Services (SXCI)
Department of Foreign Affairs and
International Trade (*Foreign Affairs*)
125 Sussex Drive, Ottawa, ON K1A 0G2

The DFAIT (*Foreign Affairs*) Web site, <http://www.fac-aec.gc.ca>, is a source of up-to-date information addressing the needs of both domestic and international clients. A large number of documents published by the department can be accessed on-line at <http://www.international.gc.ca/english/news/public.htm>.

The department's library holds a unique collection of materials in areas relevant to its mandate. Selected services are available to members of the public conducting research in these subject areas. The library is open to the public Monday to Friday from 8:30 a.m. to 4:30 p.m. For information, phone (613) 992-6150 or e-mail infotech@international.gc.ca.

Media Services

The Media Relations Office provides information to the media on all aspects of Canada's trade policy, relations with other countries, involvement in international organizations, and departmental operations. For information, phone (613) 995-1874 or fax (613) 995-1405.

Other Items of Interests

How to contact organizations related to the department:

Canadian International Development Agency

Mail: 200 Promenade du Portage
Gatineau, QC K1A 0G4
Tel.: (819) 997-5006
Toll Free: 1 800 230-6349
Fax: (819) 953-6088
Web: <http://www.acdi-cida.gc.ca>

International Development Research Centre

Mail: 250 Albert St., 18th Floor
P.O. Box 8500
Ottawa, ON K1G 3H9
Tel.: (613) 236-6163
Fax: (613) 238-7230
Web: <http://www.idrc.ca>

International Joint Commission

Mail: Canadian Sector
234 Laurier Ave. W., 22nd Floor
Ottawa, ON K1P 6K6
Tel.: (613) 995-0088
Fax: (613) 993-5583
Web: <http://www.ijc.org>

Passport Canada

Mail: Department of Foreign Affairs and
International Trade (Foreign Affairs)
Gatineau, QC K1A 0G3
Tel.: (819) 994-3500
TTY: (819) 994-3560
Toll Free: 1 800 567-6868
TTY: 1 866 255-7655
Web: <http://www.ppt.gc.ca>

Rights & Democracy: International Centre for Human Rights and Democratic Development

Mail: 1001 de Maisonneuve Blvd. E., Suite 1100
Montreal, QC H2L 4P9
Tel.: (514) 283-6073
Fax: (514) 283-3792
Web: <http://www.ichrdd.ca>

4.2 Acronyms and Abbreviations

| | | | |
|----------------|---|---------------|---|
| ADM | Assistant Deputy Minister | CIC | Citizenship and Immigration Canada |
| APEC | Asia-Pacific Economic Cooperation forum | CICAD | OAS Inter-American Drug Abuse Control Commission |
| API/PNR | Advance passenger information and passenger name record | CICTE | OAS Inter-American Committee against Terrorism |
| ARC | Advocacy Report Card | CIDA | Canadian International Development Agency |
| ASEAN | Association of Southeast Asian Nations | CMP | Canada-Mexico Partnership |
| ATIP | Access to information and privacy | CORA | Committee on Representation Abroad |
| BCG | Bilateral Consultative Group | COSMOS | Consular Management and Operations System |
| BMD | Ballistic missile defense | CPCC | Canadian Peacebuilding Coordinating Committee |
| BPG | Binational Planning Group | CSAC | Common Services Abroad Charge |
| BPTS | Briefing products tracking system | CSIS | Canadian Security Intelligence Service |
| BSE | Bovine spongiform encephalopathy | CTAG | Counterterrorism Action Group |
| BTWC | Biological and Toxin Weapons Convention | CTIA | Cellular Telecommunications and Internet Association |
| CATSA | Canadian Air Transport Security Authority | DCR | Democratic Republic of the Congo |
| CBSA | Canada Border Services Agency | DESD | Decade of Education for Sustainable Development |
| CCHS | Canadian Consortium on Human Security | DFAIT | Department of Foreign Affairs and International Trade |
| CDMs | Clean development mechanisms | DND | Department of National Defence |
| CEC | Commission for Environmental Cooperation | DPRK | Democratic People's Republic of Korea |
| | | DRC | Democratic Republic of Congo |

| | | | |
|-----------------|---|---------------|---|
| EPA | Effective project approval | NEPAD | New Partnership for Africa's Development |
| ERI | Enhanced Representation Initiative | NGOs | Non-governmental organizations |
| ESRF | Electronic Service Request File | NORAD | North American Aerospace Defence Command |
| EUFOR | European Union Force in Bosnia and Herzegovina | NRS | National Routing Service |
| EUPM | European Union Police Mission in Bosnia and Herzegovina | OAS | Organization of American States |
| FCM | Federation of Canadian Municipalities | OECD | Organization for Economic Cooperation and Development |
| FCTC | Framework Convention on Tobacco Control | OGDs | Other government departments |
| FDI | Foreign direct investment | OIF | International Organization of La Francophonie |
| FIPA | Foreign Investment Protection and Promotion Agreement | OIG | Office of the Inspector General |
| FTE | Full time equivalent | OSCE | Organization for Security and Cooperation in Europe |
| GDP | Gross domestic product | PAA | Program Activity Architecture |
| HSP | Human Security Program | PCO | Privy Council Office |
| GPP | Global Partnership Program | PPTC | Passport Canada |
| HOM | Head of Mission | PSI | Proliferation Security Initiative |
| HRSDC | Human Resources and Skills Development Canada | PSEPC | Public Safety and Emergency Preparedness Canada |
| HSN | Human Security Network | R2P | Responsibility to Protect |
| HSP | Human Security Program | RBAF | Risk-Based Audit Framework |
| IAEA | International Atomic Energy Agency | RCF | Asia Pacific Research and Conference Fund |
| IAP | Individual Action Plan | RCI | Republic of Côte d'Ivoire |
| IBD | International Business Development | RCMP | Royal Canadian Mounted Police |
| ICA | Institute for Connectivity in the Americas | RMAF | Results-based Management and Accountability Framework |
| ICAO | International Civil Aviation Organization | ROCA | Registration of Canadians Abroad |
| ICC | International Criminal Court | RPP | <i>Report on Plans and Priorities</i> |
| ICPD | International Conference on Population and Development | SALW | Small arms and light weapons |
| ICTY | International Criminal Tribunal for Former Yugoslavia | SCFAIT | Standing Committee on Foreign Affairs and International Trade |
| IDRC | International Development Research Centre | SD | Sustainable development |
| IGAD | Inter-Governmental Authority on Development | SDS | Service delivery standards |
| IM | Information management | SMEs | Small/medium-sized enterprise |
| INAC | Indian and Northern Affairs Canada | SOA | Summit of the Americas |
| IPR | International Policy Review | SWG | Strategic Working Group |
| IPS | International Policy Statement | TPI | Technology Partnering Initiative |
| ISTC | International Science and Technology Center | UNCAC | UN Convention Against Corruption |
| IT | Information technology | UNGA | United Nations General Assembly |
| IWGCSA | Interdepartmental Working Group on Common Services Abroad | VTC | Virtual Trade Commissioner |
| LES | Locally engaged staff | UNCHR | United Nations Refugee Agency |
| MANPADs | Man-Portable Air Defence Systems | WHO | World Health Organization |
| MCOs | Management and Consular Officers | WSIS | World Summit on the Information Society |
| MCWG | Muslim Communities Working Group | WTO | World Trade Organization |
| MDGs | Millennium Development Goals | WUF | World Urban Forum |
| MEM | Multilateral Evaluation Mechanism | | |
| MINUSTAH | UN Stabilization Mission in Haiti | | |
| MOU | Memorandum of understanding | | |
| MPPS | Mission passport printing solution | | |
| NAFTA | North American Free Trade Agreement | | |
| NATO | North Atlantic Treaty Organization | | |

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