



**Department of
Foreign Affairs and
International Trade**

Performance Report

For the period ending
March 31, 2001

Canada

Improved Reporting to Parliament Pilot Document

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament.

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of funds.

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Foreword

In the spring of 2000 the President of the Treasury Board tabled in Parliament the document “Results for Canadians: A Management Framework for the Government of Canada”. This document sets a clear agenda for improving and modernising management practices in federal departments and agencies.

Four key management commitments form the basis for this vision of how the Government will deliver their services and benefits to Canadians in the new millennium. In this vision, departments and agencies recognise that they exist to serve Canadians and that a “citizen focus” shapes all activities, programs and services. This vision commits the government of Canada to manage its business by the highest public service values. Responsible spending means spending wisely on the things that matter to Canadians. And finally, this vision sets a clear focus on results – the impact and effects of programs.

Departmental performance reports play a key role in the cycle of planning, monitoring, evaluating, and reporting of results through ministers to Parliament and citizens. Earlier this year, departments and agencies were encouraged to prepare their reports following certain principles. Based on these principles, an effective report provides a coherent and balanced picture of performance that is brief and to the point. It focuses on results – benefits to Canadians – not on activities. It sets the department’s performance in context and associates performance with earlier commitments, explaining any changes. Supporting the need for responsible spending, it clearly links resources to results. Finally the report is credible because it substantiates the performance information with appropriate methodologies and relevant data.

In performance reports, departments strive to respond to the ongoing and evolving information needs of parliamentarians and Canadians. The input of parliamentarians and other readers can do much to improve these reports over time. The reader is encouraged to assess the performance of the organization according to the principles outlined above, and provide comments to the department or agency that will help it in the next cycle of planning and reporting.

This report is accessible electronically from the Treasury Board of Canada Secretariat Internet site:

<http://www.tbs-sct.gc.ca/rma/dpr/dpre.asp>

Comments or questions can be directed to this Internet site or to:

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Performance Report 2000-2001

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Department of Foreign Affairs
and International Trade



Approved

Pierre S. Pettigrew
Minister for International Trade

John Manley
Minister of Foreign Affairs



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Section I:

Message from the Ministers



Pierre S. Pettigrew
Minister for International Trade



John Manley
Minister of Foreign Affairs

In recent years, a great deal has been said about the growing interdependence of the world's economy and the important role that knowledge and innovation play in it. Another equally important aspect of this new reality is the greater focus it places on our role and responsibility as citizens, not only of our own country, but also of the global community. As the world continues to grapple with issues that transcend borders, such as poverty, global warming and disease, Canada can make a difference internationally by continuing to advance the values that define us as Canadians — our commitment to democracy, peace and economic prosperity as well as our abiding respect for human rights and the rule of law. Our history shows what we can accomplish. Over the last century, our efforts have helped to create the United Nations and the World Trade Organization, have developed new means of resolving international conflicts and have carved out a distinctive role for Canada in the councils of the world.

Canada has an equally impressive record of working to expand business and market opportunities worldwide, no surprise given that one in three jobs in this country depends on trade. That is why Canada is well placed to take full advantage of the current international trend towards bilateral and regional trade initiatives. It plays directly to Canada's strength as a dynamic and open economy. The country's ongoing efforts to open up world markets and create a stable international trading system based on clear and equitable rules can create more jobs and greater prosperity for all Canadians.

To continue Canada's important and productive role in the global community, the Department of Foreign Affairs and International Trade takes the lead in representing this country in its political, economic and cultural relations abroad. In so doing, the Department works closely with other federal departments, provincial and municipal governments, citizens' groups as well as the business and academic communities. Its work complements the outward perspective of Canadians who are becoming more and more engaged in the global community through increased international travel and personal contact with people from other countries as well as through expanded international business activities and intensified use of new communications technologies.

In carrying out Canada's trade and foreign policies, the Department is guided by three fundamental objectives:

- to generate greater prosperity and employment for all Canadians by promoting and expanding trade and investment;
- to promote global peace as a means of protecting our own security; and
- to project Canadian values and culture abroad.

In addition, the Department aims to provide consistently high-quality services to Canadians. These include consular services to more than two million Canadians around the world every year as well as various programs to help Canadian firms meet the challenges of increasingly complex and competitive markets worldwide.

This Performance Report describes the Department's achievements in 2000-2001. Not only does it provide information about programs and activities, it also begins to evaluate performance by linking actual accomplishments with allocated resources and planned outcomes. This document reflects the Department's renewed focus on initiatives with highly specific goals that can deliver tangible results. Highlights of the past year include:

In expanding trade and investment

- In 2000, Canada's economic performance was outstanding, driven primarily by a substantial increase in the exports of goods and services. The period marked the country's highest rate of economic growth in 12 years and a continuation of the longest stretch of uninterrupted growth in more than 30 years.
- The Team Canada 2001 trade mission to China, led by the Prime Minister, generated about \$5.7 billion in new deals for Canadian enterprises. The mission was undertaken in collaboration with leaders from government, business and academia across the country.
- Canada continued to participate actively in negotiations on a Free Trade Area of the Americas to increase economic opportunities in this hemisphere. Canada and its partners in the Summit of the Americas made significant commitments over the last year to strengthen democracy and further the realization of human potential.
- Comprehensive free trade negotiations with Costa Rica took place throughout 2000-2001. Canada also initiated exploratory discussions with Singapore, the Central America Four (Guatemala, El Salvador, Honduras and Nicaragua) and with the Caribbean Community (CARICOM).

In promoting global peace

- At the 30th General Assembly of the Organization of American States, Canada promoted co-operation among member countries to advance democracy and human rights in the hemisphere, and ratified the Inter-American Convention Against Corruption.
- At the UN Millennium Summit, the Prime Minister established an International Commission on Intervention and State Sovereignty with a one-year mandate. This was in response to an appeal to the international community by the UN Secretary-General to build a new global consensus for action that would deal with massive violations of human rights, crimes against humanity and ethnic cleansing that have occurred in countries, such as Rwanda.

- Under Canada's leadership, the UN Security Council adopted a resolution drafted by this country on the protection of civilians in armed conflict. This resolution will hold countries to new standards of behaviour with respect to the treatment of internally displaced people, particularly women and children.
- At the Nuclear Non-Proliferation Treaty Review Conference, Canada brokered agreements that resulted in the adoption of a consensus recommitting the world to disarmament and non-proliferation goals.
- Canada was the first country to sign the UN Optional Protocol on Child Soldiers last year. It also led international action on this issue by hosting the International Conference on War-Affected Children in collaboration with UNICEF (United Nations Children's Fund) as well as non-governmental organizations from Canada and around the world.

In projecting Canadian values and culture abroad

- The Department was also a leader in developing the *Canada and the World* cluster for the Government of Canada's redesigned Web site (<http://www.canada.gc.ca>). Located on the site's gateway for non-Canadians, the cluster provides greatly enhanced information on Canada. This project is part of the Government On-Line initiative to expand electronic access to comprehensive information on federal programs and services.
- The Department provided over \$3.7 million to more than 326 Canadians artistic companies across the country in 2000-2001 to promote Canadian culture internationally. Grant recipients were selected in collaboration with other federal, provincial and municipal bodies that provide cultural funding. One of the recipients was the National Arts Centre Orchestra which toured Europe and the Middle East, playing to rave reviews and enhancing Canada's profile internationally.
- Last year, the Department's popular international scholarship programs brought about 300 young people from other countries to Canada for comprehensive post-secondary courses. These students joined a growing number of international youth who have chosen to study at Canadian educational institutions. In fact, there were up to 200 000 full-time foreign students pursuing post-secondary education and language studies in Canada in 2000-2001. These numbers reflect the success of the Department's ongoing promotion of Canadian colleges and universities abroad. The economic impact of foreign students in Canada last year alone has been estimated to be in the range of \$3.5 to \$4.5 billion.

This Performance Report contains details on these and other significant accomplishments of the Department in 2000-2001. It is with pride and enthusiasm that we present it on behalf of our employees, more than 9000 in total worldwide. We would also like to take this opportunity to join with our colleagues, the Minister for International Co-operation and the three secretaries of state who are responsible for Asia-Pacific, Latin America and Africa, and La Francophonie, respectively, to commend the Department's staff for their excellent work. They demonstrate on a daily basis that Canadians can and do make a difference in improving the quality of life of people around the world.


 Pierre S. Pettigrew
 Minister for International Trade


 John Manley
 Minister of Foreign Affairs

Section II:

Departmental Overview

The Department of Foreign Affairs and International Trade manages Canada's political, economic and cultural relations with other nations of the world, both bilaterally and through the international organizations to which Canada belongs. These include the United Nations (UN), the Commonwealth, La Francophonie, the Organization of American States (OAS) and the Organization for Economic Co-operation and Development (OECD).

Mandate

The mandate of the Department is to:

- represent the Government of Canada in all diplomatic and consular activities;
- manage and conduct international negotiations in which Canada has an interest;
- co-ordinate Canada's economic relations with other countries;
- foster the expansion of international trade;
- administer the foreign service and manage Canada's embassies, high commissions and other missions abroad; and
- promote the development of international law.

The Department's mandate is set out in the Department of Foreign Affairs and International Trade Act. Other key legislation affecting the Department is listed in Section VI.

Roles

The four basic roles of the Department are to:

- develop and co-ordinate Canada's foreign policy;
- pursue Canadian interests and project Canadian values abroad;
- assist Canadians who are travelling, working or doing business in other countries by providing trade, investment, passport and other services; and
- support the international objectives and activities of other federal as well as provincial governments, their departments and agencies.

Objectives

The Department's three objectives are to:

- promote prosperity and employment;
- protect Canada's security within a stable global framework; and
- project Canadian values and culture abroad.

In addition, as a fourth priority, the Department aims to provide high-quality services to Canadians.

Key Partners

The Department of Foreign Affairs and International Trade is first and foremost a collaborator. The success of its work depends heavily on its partnerships with:

- other federal departments and agencies; such as Industry Canada, Citizenship and Immigration, Department of National Defence and Canadian Heritage;
- provincial, territorial and municipal governments,
- the Canadian private sector, including exporters, export-ready firms and their workers, investors and those seeking investment, importers and consumers, the travel and cultural sectors as well as vulnerable and sensitive industries;
- the voluntary sector;
- Canadian non-governmental organizations and citizens' groups;
- the Canadian academic community;
- foreign cultural and academic communities with an interest in Canada;
- Canadian and international media;
- representatives of foreign governments; and
- multilateral organizations, such as the United Nations (UN), North Atlantic Treaty Organization (NATO), the Organization for Economic Co-operation and Development (OECD), the World Trade Organization (WTO), the Asia-Pacific Economic Cooperation (APEC) forum, the Commonwealth and La Francophonie.

Public Consultations

In 1996, the Department established the Canadian Centre for Foreign Policy Development to help Canadians from all walks of life to participate in the development of the country's foreign policy. The Centre uses various ongoing means of eliciting public input, including roundtables, annual national forums and graduate student seminars. A diverse range of topics are discussed every year. For instance, since 1996, the national forums have covered subjects ranging from Canada's Asia-Pacific relations to Canada's role in the UN Security Council. The Centre has also established the John Holmes Fund in memory of the distinguished Canadian diplomat and policy activist. This fund supports projects that are proposed by Canadian citizens to explore specific foreign policy options. Public consultation events that took place in 2000-2001 include:

- the North Korea Roundtable (in Victoria), which brought together academics, church leaders and representatives of government and business to share ideas and information on Canada's policy with respect to the Democratic People's Republic of Korea;
- the Northern Foreign Policy Community Meeting (in Whitehorse), at which academics and conservationists, along with representatives of government, indigenous groups and non-governmental organizations, discussed Canada's relations with its Arctic neighbours; and
- the Media and the Americas Roundtable (in Ottawa), which assembled members of the media as well as academics, students and foreign policy officials to examine Canadian media coverage of Latin America and the Caribbean.

Societal Context

The Department of Foreign Affairs and International Trade represents Canada in 95 countries and in international organizations, such as the UN and the WTO. The global environment in which the Department operates is less predictable than it has been in many years for several reasons. First, regional conflicts and crises persist around the world and are increasingly complex, requiring co-ordinated international responses to provide humanitarian relief and security efforts as well as to build lasting peace. Second, problems that transcend borders, such as infectious disease, pollution and crime, are on the rise. Third, the nature of international trade is more and more complicated and international relations are changing, two factors that have increased the Department's workload significantly. Finally, while the transition to an integrated global economy continues to stimulate growth, it also raises concerns about the need to humanize the process to ensure that all people share in its benefits and to help poorer countries adjust to the changes taking place.

The Department must continue to adapt quickly and effectively to this volatility in the world community. Specific factors that affected the Department's activities in 2000-2001 included:

- continued expansion of Canada's international commitments;
- concern expressed by Canadians about global issues;
- significant political change in the United States and Mexico;
- increased demand for the Department's services by Canadians abroad; and
- rapidly increased use of electronic ways of communicating and doing business.

Continued Expansion of Canada's International Commitments

Over the last 10 years, Canada has joined 12 major new international organizations, including the OAS and APEC. In addition, Canada is a long-standing member of numerous other global organizations, including the UN, the G-8 (the group of seven leading industrialized nations as well as Russia), the Commonwealth and La Francophonie. As the international agenda has grown and diversified, so have the demands on the Department of Foreign Affairs and International Trade.

For example, Canada was a member of the UN Security Council until December 2000, when its two-year term ended. Furthermore, the Department hosted a number of high-level international events on behalf of Canada throughout 2000-2001, including:

- the Commonwealth Education Ministers Meeting, in Halifax (November 2000);
- the International Conference on War-Affected Children, in Winnipeg (September 2000); and
- the 30th OAS General Assembly, in Windsor (June 2000).

At the same time, the Department managed Canada's participation in several major international meetings, including:

- the APEC Economic Leaders Meeting, in Brunei Darussalam (November 2000);
- the 55th Session of the UN General Assembly, in New York (September 2000);
- the G-8 Summit and Foreign Ministers Meeting, in Miyazaki, Japan (July 2000);
- the 7th Association of Southeast Asian Nations (ASEAN) Regional Forum and the 33rd ASEAN Post-Ministerial Conference, in Bangkok, Thailand (July 2000);
- the APEC Trade Ministerial Meeting, in Darwin, Australia (June 2000);

- the OECD Council Ministerial Meeting, in Paris, France (June 2000);
- the Canada-European Union Summit, in Lisbon, Portugal (June 2000);
- the North Atlantic Treaty Organization (NATO) Foreign Ministers Meeting, in Florence, Italy (May 2000); and
- the Nuclear Non-Proliferation Treaty Review Conference, in New York (April 2000).

In addition, the Department engaged in advance planning for major events to be hosted by Canada in upcoming fiscal years, such as the Summit of the Americas in Quebec City (2001-2002), the Games of La Francophonie in Ottawa-Hull (2001-2002) and the G-8 Summit in Kananaskis, Alberta (2002-2003).

Canadian Concerns about Global Issues

In 2000-2001, Canadians continued to express concern about global and cross-border issues as well as Canada's role in dealing with them. A steadily increasing number of Canadians (64 percent at present) think the world is becoming less safe (Pollara, 2000). When asked what they considered to be very important international objectives for Canada, 89 percent of Canadians cited the promotion of world peace, while 86 percent identified a ban on the use of child soldiers in armed conflict (Enviroics, 2000). Other key objectives noted in the same survey were the promotion of human rights (80 percent), environmental protection (80 percent), international trade agreements (52 percent), elimination of land-mines (74 percent) and Canadian participation in UN peacekeeping activities (70 percent).

With respect to international trade, an Ekos survey conducted in 2001 indicated that 85 percent of Canadians believe it has become more important to Canada's economy over the past decade. Fifty-one percent of respondents said that businesses in their communities were benefiting from international trade, and 42 percent said they were also benefiting personally, up from 35 percent in March 2000.

Political Changes in the United States and Mexico

In 2000, the U.S. presidential election brought a Republican to the White House for the first time in eight years. In order to maintain our highly productive relationship with the United States while preserving our unique Canadian character and perspective, the Department made considerable effort over the last year to ensure that Canada was in a position to engage the new administration at all levels from the outset.

A new president was also elected in Mexico in 2000. Vicente Fox of the National Action Party (PAN) assumed power, ending 71 years of rule by the country's Institutional Revolutionary Party, known as PRI. Given the new Mexican government's interest in expanding relations with Canada and the United States, the Department was required to focus more attention on relations with our North American partners.

Increased Demand for the Department's Services

As more and more Canadians travelled, worked and did business abroad in 2000-2001, they demanded more services from the Department. In an increasingly unstable world, Canadians are becoming more exposed to armed conflicts and other threats. In the past year, for instance, nine major conflicts required the evacuation of nearly 4500 Canadians from countries such as Indonesia, Eritrea and the Democratic Republic of Congo. At the same time, Canadian businesses have requested more support to help them compete in the increasingly integrated global economy and sell more Canadian goods and services internationally. In this context, emphasis has been placed on improving the management and operations of the Department's services, both at home and abroad.

Increased Use of Electronic Ways of Communicating and Doing Business

The rapid increase in e-commerce as well as the continuing evolution of the Internet and satellite communications have required quick and efficient adjustment in the day-to-day operations of the Department in Canada and around the world. The Department must continually keep pace with these developments, working to ensure that its information management systems are stable, secure and effective in order to serve the needs of its diverse and broadening client base.

Over the past year, there was a continued rise not only in the demand for information from the Department about Canada's trade and foreign policies but also in the number of requests for that information to be transmitted electronically.

Departmental Organization

There are two ministers who are responsible for the Department: the Minister of Foreign Affairs and the Minister for International Trade. It is through them that the Department reports to Parliament.

Given the large size of the Department and the broad scope of its operations, there are four other Cabinet members with specific responsibilities related to foreign affairs and international trade as follows:

- the Minister for International Co-operation, who is responsible for the Canadian International Development Agency (CIDA);
- the Secretary of State (Asia-Pacific);
- the Secretary of State (Latin America and Africa); and
- the Secretary of State (La Francophonie).

The three secretaries of state represent and promote Canada's foreign policy and trade priorities within their designated regions or organization.

A number of other organizations outside the Department report to the Minister of Foreign Affairs, specifically:

- the International Development Research Centre, which helps communities in developing countries to address social, economic and environmental problems;
- the International Joint Commission, a joint Canada-U.S. body that manages and protects lake and river systems on the border between the two countries; and
- the International Centre for Human Rights and Democratic Development, an independent organization that promotes human and democratic rights.

The Minister for International Trade has additional responsibility for:

- the Canadian Commercial Corporation, an export sales agency that works to expand Canada's international trade;
- the Export Development Corporation, a financial institution that provides trade-related financial services to Canadian exporters and investors;
- the Northern Pipeline Agency, which oversees planning and construction of the Canadian portion of the Alaska Highway Gas Pipeline Project; and
- the North American Free Trade Agreement (NAFTA) Secretariat (Canadian Section), which helps administer the dispute settlement provisions of NAFTA.

The Passport Office is a special operating agency within the Department, reporting to the Deputy Minister of Foreign Affairs.

The Department has its headquarters in Ottawa and serves Canadians across the country through 29 passport offices and a network of regional trade commissioners. Outside Canada, the Department operates some 134 diplomatic missions (embassies, high commissions, consulates) and 28 satellite offices in 95 countries, assisted by a further 108 honorary consuls. Canada's representatives are accredited to 192 countries around the world.

The missions and other offices abroad are an essential component of the Department. By providing a kind of one-stop shopping for federal services and functions in other countries, they demonstrate the Department's ability to manage issues horizontally and co-ordinate a broad range of activities. These include trade promotion, political and economic relations, immigration and tourism services as well as international assistance to Canadians travelling, working or doing business abroad.

At its headquarters, below the level of deputy minister, the Department has a Legal Adviser and ten assistant deputy ministers (ADMs). Six of these ADMs are responsible for the Department's eight functional business lines (see table below); they develop policies and initiatives to achieve the specific objectives of those business lines worldwide. The business lines form the structure for managerial accountability in the Department and provide the organization for the Department's plans, estimates and performance reports to Parliament. These six ADMs are also accountable for nine missions to international organizations.

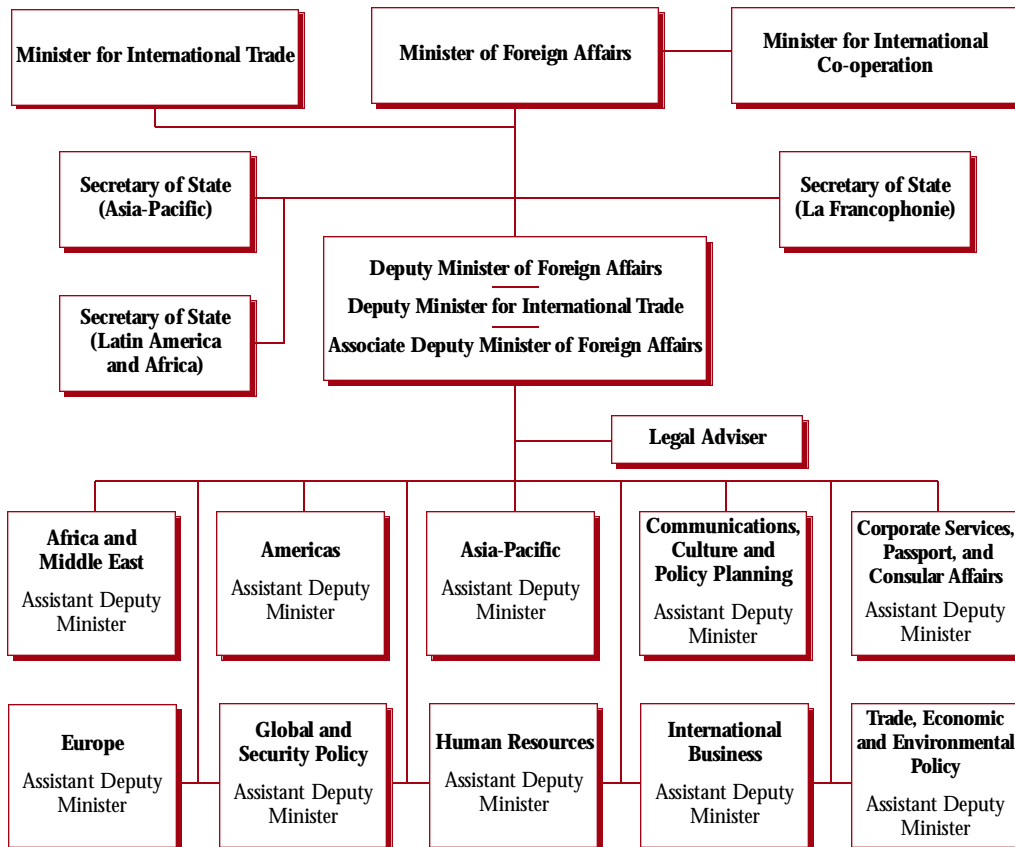
Assistant Deputy Minister (ADM)	Business Line Responsibility
ADM, International Business	<ul style="list-style-type: none"> • International Business Development
ADM, Trade, Economic and Environmental Policy	<ul style="list-style-type: none"> • Trade and Economic Policy
ADM, Global and Security Policy	<ul style="list-style-type: none"> • International Security and Co-operation
ADM, Communications, Culture and Policy Planning	<ul style="list-style-type: none"> • Public Diplomacy
ADM, Human Resources	<ul style="list-style-type: none"> • Corporate Services (Human Resources)
ADM, Corporate Services, Passport and Consular Affairs	<ul style="list-style-type: none"> • Assistance to Canadians Abroad • Corporate Services • Services to Other Government Departments • Passport Services

The Department's four other ADMs are in charge of policies and operations for specific geographic regions: Africa and the Middle East (32 missions, 6 satellites); the Americas (32 missions, 10 satellites); Asia-Pacific (27 missions, 6 satellites); and Europe (34 missions, 6 satellites). These four ADMs, as well as the Legal Adviser, ensure the horizontal co-ordination and appropriate delivery of all business line policies and initiatives in their region(s) or field of jurisdiction.

The Department's employees are divided into three distinct categories: rotational, non-rotational and locally engaged. Both the rotational and non-rotational are referred to as Canada-based.

- The 1914 members of the foreign service are rotational, relocating regularly between Ottawa and missions abroad. This group is made up of senior executives, foreign service officers (trade commissioners and officers dealing with political/economic issues), management and consular staff, information technology specialists and administrative support personnel.
- The 2788 non-rotational and term employees work both at headquarters (mostly in Corporate Services or Services to Other Government Departments) and at regional passport offices and trade centres across Canada.
- The 4575 locally engaged staff work at Canadian missions abroad in administration or program areas, such as international business development, public affairs and cultural activities. Some support the work of other departments, particularly the immigration program. These employees provide local expertise, including language proficiency, and ensure smooth and efficient continuity of service in Canada's missions abroad.

Departmental Organization Chart (2000-2001)



Canada's 134 Diplomatic Missions Abroad by Region (excludes Satellite Offices)

Africa	Middle East, North Africa and Gulf States	North Asia and Pacific Rim	South and Southeast Asia
Abidjan	Abu Dhabi	Beijing	Bandar Seri Begawan
Abuja	Algiers	Canberra	Bangkok
Accra	Amman	Chongqing	Colombo
Addis Ababa	Beirut	Fukuoka	Dhaka
Bamako	Cairo	Guangzhou	Hanoi
Capetown	Damascus	Hong Kong	Ho Chi Minh
Conakry	Dubai	Nagoya	Islamabad
Dakar	Kuwait	Osaka	Jakarta
Dar-es-Salaam	Rabat	Seoul	Kuala Lumpur
Harare	Riyadh	Shanghai	Manila
Kinshasa	Tehran	Sydney	Mumbai
Lagos	Tel Aviv	Tokyo	New Delhi
Libreville	Tripoli	Wellington	Phnom Penh
Lusaka	Tunis		Singapore
Nairobi			
Ouagadougou			
Pretoria			
Yaoundé			

Latin America and Carribean	Western Europe	Central, Eastern and Southern Europe	United States
Bogotá	Brussels	Almaty	Atlanta
Brasília	Copenhagen	Ankara	Boston
Bridgetown	Dublin	Athens	Buffalo
Buenos Aires	EU (Brussels)	Belgrade	Chicago
Caracas	Helsinki	Berlin	Dallas
Georgetown	Lisbon	Berne	Detroit
Guatemala	London	Bucharest	Los Angeles
Havana	Madrid	Budapest	Miami
Kingston	NATO (Brussels)	Düsseldorf	Minneapolis
Lima	OECD (Paris)	Hamburg	New York
Mexico City	Oslo	Kyiv	Seattle
Montevideo	Paris	Milan	UN (New York Perm)
Panama City	Riga	Moscow	Washington
Port-au-Prince	Stockholm	Munich	OAS (Washington)
Port of Spain	The Hague	OSCE (Vienna)	
Quito	UNESCO (Paris)	Prague	
San José		Rome	
Santiago		Sarajevo	
Santo Domingo		St. Petersburg	
São Paulo		Vatican	
		UN/WTO (Geneva)	
		UN (Vienna Perm)	
		Vienna	
		Warsaw	
		Zagreb	

Section III:

Departmental Performance

Summary of Departmental Results

Over the last year, the Department's activities were in support of the Government's commitment as stated in the 2001 Speech from the Throne: "We live in a highly interdependent world where the quality of life of Canadians is affected by the quality of life of people everywhere. The Government of Canada has a responsibility, both to its own citizens and the global community as a whole, to work to improve the quality of life of individuals worldwide." In 2000-2001, the Department made progress in achieving that objective in a number of specific ways. First, it helped the Canadian business community to take advantage of expanded trade and investment opportunities in the globalized economy and generate greater prosperity. These efforts helped to create a stronger, more dynamic economy, the essential foundation for building a brighter future. Furthermore, through its consultation and outreach activities, the Department shared information with Canadians about the country's trade-related success stories in order to encourage and inspire increased innovation as well as greater engagement in international activities.

Other work of the Department in 2000-2001 also contributed to the Speech from the Throne commitment. With its public diplomacy activities, the Department increased awareness among Canadians and non-Canadians alike of this country's interests, values and culture. This greater awareness helped advance human rights and sustainable development as well as project other Canadian values worldwide. By promoting human security, the Department was active in various international efforts to make the world a safer place. In particular, it helped Canada to use its two-year term on the United Nations Security Council (which ended in December 2000) as a foundation for building a number of initiatives to protect civilians in armed conflict around the world. As well, confronted with the globalization of criminality and terrorism, the Department has been and is working to enhance its technical and human capabilities to identify trends, define the risks and deal with threats. At the same time, the Department's consular services helped protect Canadians travelling and doing business in other countries. What follows is a list of the Department's four primary objectives (strategic outcomes). Under each one, the Department's principal accomplishments in 2000-2001 are summarized.

Strategic Outcome: Promoting Greater Prosperity and Employment

- Canada's trade balance established a record surplus in 2000, and the growth in our international trade outstripped that of our gross domestic product (GDP). Exports increased by 15 percent in 2000, reaching a record total of \$477.9 billion, or 45.3 percent of GDP. During the same period, imports accounted for 41 percent of GDP.
- In 2000, the stock of foreign direct investment in Canada increased by \$44.7 billion to \$291.5 billion, which accounted for 28 percent of the country's GDP. At the same time, Canadian direct investment abroad rose by \$31.2 billion to \$301.4 billion. Increased trade and investment means more jobs and greater prosperity for all Canadians.

- The Team Canada 2001 mission to China in February 2001, led by the Prime Minister, helped to secure \$5.7 billion in new deals for Canadian enterprises. Since 1994, Team Canada missions have been highly successful, opening international doors to more than 2400 Canadian firms and helping to establish some 1200 international deals worth about \$30 billion in new business. The Department continues to seek diverse participation in these missions, with a particular emphasis on small and medium-sized enterprises and businesses run by women, young entrepreneurs and Aboriginal people.
- The Minister for International Trade led trade missions last year to Australia, Russia, Hungary, the Slovak Republic, the Czech Republic, Slovenia, the Maghreb (Morocco and Algeria) and the Iberian peninsula (Spain and Portugal). Nearly 250 companies secured deals worth over \$2 billion during these trade missions.
- Over the last year, the Department greatly enhanced its trade-related services for Canadians doing business abroad to help them compete in the globalized economy. For instance, it expanded information about, and access to, international markets and increased by 14 the number of trade commissioners in our missions abroad. The Minister for International Trade travelled with trade commissioners to 10 cities across the country to talk to business people about the benefits of international trade as well as to make them aware of trade opportunities and explain how the Canadian Trade Commissioner Service can help firms interested in international business development. Also last year, officers from the Department's missions abroad met one-on-one with representatives of more than 2000 Canadian businesses.
- In managing Canada-U.S. trade relations, the Department focussed on issues related to our exports of softwood lumber, defence materials and agricultural products, including Prince Edward Island potatoes as well as processed food containing wheat and sugar. In addition, the Department worked to streamline clearance procedures along the Canada-U.S. border.
- Canada was active in negotiations on a Free Trade Area of the Americas and in other trade liberalization talks with Costa Rica, the Central American countries of Nicaragua, Honduras, Guatemala and El Salvador as well as the Caribbean Community. These activities complemented trade-related initiatives with the European Union, Singapore and Japan.
- Over the last year, the Department managed Canada's role in the World Trade Organization (WTO) to improve access to world markets based on open and predictable rules. Specifically, Canada addressed trade disputes, including that with Brazil on the issue of regional aircraft. It participated in negotiations on issues related to trade in services and agriculture, as well as in talks to expand WTO membership to include China and Russia. Finally, Canada helped rebuild international confidence in the WTO as a basis for broader negotiations.
- Canada was a leading proponent last year of efforts to promote greater policy coherence among key multilateral organizations with respect to the interests of developing countries. For example, Canada was part of the initiative to incorporate trade and related issues into country-specific development strategies that are being put together by the International Monetary Fund and the World Bank with the support of other multilateral institutions. Through its membership in the G-7/8 (the group of seven leading industrialized nations, and that group as well as Russia), Canada also played an important role in promoting international economic growth and stability.
- Over the last year, the Department's trade communications activities have contributed to a substantial and measurable increase in public awareness and understanding of the

importance of trade to Canada's economic prosperity. According to an Ekos survey conducted in March 2001:

- A record 85 percent of Canadians now recognize the crucial role trade plays in Canada's economy, up from 77 percent in March 2000.
 - More than six in ten Canadians can readily identify trade issues currently in the news.
 - Three out of four believe that trade brings personal benefits to them and their families as well as to local businesses and smaller companies.
 - Almost three out of four think that trade helps Canada to become more technologically innovative and, therefore, more competitive in the knowledge-based economy.
 - Six in ten believe that trade creates jobs for all Canadians, an increase of 9 percent over the previous year.
- The Department's trade communications have focussed on promoting Canadian trade policy and its benefits as well as specific ministerial trade missions and trade agreements. At the same time, its domestic outreach programs have drawn attention to the positive impact trade has on local communities, while highlighting success stories for small businesses involved in exporting.

Strategic Outcome: Protecting Canada's Security Within a Stable Global Framework

In establishing and implementing Canada's human security agenda

- During its two-year term on the UN Security Council, which ended in December 2000, Canada achieved what it set out to do. It advanced human security issues, particularly the protection of civilians in armed conflict. Under Canada's presidency the Security Council adopted resolutions condemning the targeting of civilians; highlighting the special needs of the most vulnerable — such as refugees and children — in times of conflict; and mobilizing the international community to focus on the illicit trade in diamonds, arms and petroleum by Angolan rebels and its link to the continued conflict. Also during its tenure, Canada helped restore the Council's credibility and effectiveness in maintaining international peace and security by making the Council's operations more open, transparent and accountable.
- Canada actively participated in G-8 work on organized crime and terrorism, including bringing industry representatives into the public and private sector initiative to develop a co-ordinated response to the threat of cyber-crime.
- At the 30th General Assembly of the Organization of American States (OAS), hosted by Canada in June 2000, this country promoted hemispheric co-operation to advance democracy, human rights and other security issues, and ratified the Inter-American Convention Against Corruption.
- In July 2000, Canada ratified the International Criminal Court Statute to address the serious threats to human security posed by war crimes and crimes against humanity. This statute, once ratified by the 60 nations involved, will establish the International Criminal Court, an international institution mandated to prosecute those responsible for genocide, crimes against humanity and war crimes when national judicial systems are unwilling or unable to do so. Meanwhile, Canada established the International Commission on Intervention and State Sovereignty to address the issue of international responsibility for massive humanitarian abuses. In September 2000, Canada hosted the International Conference on War-Affected Children, which adopted an

agenda on this issue to be presented at the UN Special Session on Children in 2001. Canada also signed the Optional Protocol to the Convention on the Rights of the Child on Involvement of Children in Armed Conflict.

In managing Canada's security relationship with the United States

- Canada undertook discussions with the United States, allies and other key international partners such as Russia on the American missile defence program, to ensure that Canada's concerns about this initiative and its implications for the rules-based multilateral non-proliferation, arms control and disarmament regime and its impact on global and regional security and stability were clearly expressed and factored into ongoing U.S. consideration of this program.
- Canada and the United States extended the North American Aerospace Defence Agreement (NORAD) for an additional five years beyond its May 2001 expiry date. Through this agreement, Canada has maintained control over Canadian airspace.

In advancing Canada's nuclear non-proliferation and disarmament goals

- In 2000-2001, the Department continued to work with Canada's allies on a policy review of the North Atlantic Treaty Organization (NATO) in order to better position it to meet changing international security concerns. Canada also established closer links with the European Union with respect to its new European Policy on Security and Defence.
- At the Nuclear Non-Proliferation Treaty Review Conference in May-June 2000, Canada played a key role in achieving new and renewed commitments on non-proliferation and disarmament between nuclear and non-nuclear weapons states.
- As Chair of the February 2001 session of the Conference on Disarmament, Canada vigorously promoted substantive and procedural initiatives to catalyse work in that forum on issues of nuclear as well as conventional disarmament and concern about the weaponization of outer space.

In promoting humanitarian interests and human rights

- Canada joined in the establishment of a multilateral group known as the Standby Forces High Readiness Brigade (SHIRBRIG). In collaboration with the Netherlands, Canada deployed this group to the UN mission in Ethiopia and Eritrea.
- As part of its efforts to raise the profile of indigenous issues with its partners at the Summit of the Americas, Canada hosted the first Indigenous Leaders of the Americas Summit in Ottawa in March 2001. Meanwhile, at the UN, Canada promoted the establishment of a Permanent Forum for Indigenous Issues and took part in preparations for the World Conference Against Racism as well as negotiations on a Draft Declaration on the Rights of Indigenous Peoples.

In advancing environmental and northern policy issues

- Canada's new Framework for Conducting Environmental Assessments of Trade Negotiations was launched in February 2001. It is being used in WTO talks on trade in agriculture and services as well as in negotiations on a Free Trade Area of the Americas.
- In June 2000, the Department announced a new foreign policy framework for Canada's relations with its circumpolar partners in order to advance economic, social and cultural co-operation and promote sustainable development in the region.

In managing Canada's bilateral relations with other countries and international groups

- In 2000, the Minister of Foreign Affairs introduced legislation to prohibit bulk removal of Canadian water under federal jurisdiction. This would include boundary waters, such as the Great Lakes.
- In 2000, Canada won an international competition to establish in Montreal a new UNESCO (United Nations Educational, Scientific and Cultural Organization) Institute for Statistics, reaffirming Canada's stature as a home for important international bodies. This institute will provide more focussed international data on education, science, culture and communications.
- Canada played a lead role in early negotiations to establish a Framework Convention on Tobacco Control under the auspices of the World Health Organization. The negotiating text reflects Canadian priorities.

Strategic Outcome: Projecting Canadian Values and Culture Abroad

- Electronic access to information about Canada's international policies and programs, designed especially for foreign clients, was greatly enhanced in 2000-2001. The Department took the lead in developing the Canada and the World cluster on the Government of Canada's redesigned Web site (<http://www.canada.gc.ca>). Working with 16 other departments and agencies as part of the Government On-Line initiative, the Department assembled a one-stop source of links to hundreds of federal Web sites dealing with issues such as foreign policy, defence policy, the environment and sustainable development.
- The Department provided over \$3.7 million in grants to more than 326 cultural groups across the country to promote Canadian culture internationally in 2000-2001. Selection of the grant recipients was made in collaboration with other federal bodies that provide cultural funding, including the Department of Canadian Heritage, the Canada Council for the Arts and Telefilm Canada. Corresponding provincial and municipal organizations were also consulted. One of the funding recipients was the National Arts Centre Orchestra, which received \$300 000 for a concert tour of Europe and the Middle East. Although the Middle East portion of the trip was disrupted by ongoing political unrest, the tour was still a great success, drawing rave reviews. It was also featured in a documentary film produced by the Canadian film company Rhombus Media, renowned for such well-known works as *Thirty-two Short Films About Glenn Gould*.
- Working with the Canada Information Office, the Department organized cross-country speaking engagements for eight Canadian ambassadors in advance of the Summit of the Americas in Quebec City. This sparked a dialogue with Canadians on issues affecting the hemisphere as well as Canada's strategic interests in it. The ambassadors, all from Canadian missions in Latin America, toured 49 cities in Quebec, New Brunswick, Nova Scotia, Manitoba and Saskatchewan. This initiative gave Canadians the opportunity to express their views directly to federal representatives.
- Last year, the Department's popular international scholarship programs brought about 300 young people from other countries to Canada for comprehensive post-secondary courses. These students joined a growing number of international youth who have chosen to study at Canadian educational institutions. In fact, there were up to 200 000 full-time foreign students pursuing post-secondary education and

language studies in Canada in 2000-2001. These numbers reflect the success of the Department's ongoing promotion of Canadian colleges and universities abroad. The economic impact of foreign students in Canada last year alone has been estimated to be in the range of \$3.5 to \$4.5 billion.

- Last year, the Department collaborated with the Government of Ontario to bring provincial representatives to work at selected Canadian missions abroad, reaching an agreement for Ontario to have an economic presence in Shanghai. This effort will be extended to three additional locations in the future, and similar arrangements are being discussed with Alberta and Quebec. These officials raise awareness of provincial concerns, while assisting the mission in representing the interests of all Canadians. This initiative, which demonstrates what is meant by co-operative federalism, strengthens Canadian representation abroad and shows how the federal and provincial governments can work together to promote Canada internationally.

Strategic Outcome: Ensuring Consistently High-Quality Services for Canadians

- In 2000-2001, efforts were made to expand the content, range and distribution of information on safe travel for Canadians abroad as follows:
 - An e-mail service was established to respond to public enquiries about international travel and safety issues. The number of requests for information using this service more than tripled, and the response time was usually within 24 hours.
 - A redesigned consular Web site (<http://www.voyage.gc.ca>), launched in March 2001, now includes more specific information for Canadians travelling, working or doing business in other countries. In its first month of operation, over 100 000 visitors accessed it.
- In 2000-2001, the Canadian Trade Commissioner Service (TCS) surveyed clients about the services it provides and found them to be satisfied overall. The TCS uses client surveys, consultations as well as a client feedback line to identify strengths and weaknesses in service delivery. Also last year, the Consular Affairs Bureau asked some 3000 international clients to rate its services. Preliminary results showed a high level of satisfaction.
- The Passport Office issued more than 1.8 million passports and other travel documents in Canada and abroad in 2000-2001, a 9 percent increase over the previous year. A total of 93 percent of clients received their passports within five business days.
- Last year, the Department became the first in the federal government to undertake an electronic review of all records in connection with 11 Access to Information requests about Canadian exports of softwood lumber. This complex task was completed by a project team of 15 officers and support staff in a timely and highly professional manner.
- The Department met the requirements of the Financial Information Strategy as of April 1, 2001, by adopting full accrual accounting and reporting systems similar to those used in the private sector. New and revised accounting policies were put in place, and related training was made available to staff at missions worldwide. This is part of the

Department's efforts to modernize its operations and conform with standards identified in *Results for Canadians: The Management Framework for the Government of Canada*, a document issued by Treasury Board of Canada Secretariat in 2000. The Department is now working on risk assessments for its grant and contribution programs as well as risk profiles for various programs in order to set priorities for its evaluation and audit activities.

- In 2000-2001, the Department made considerable progress in modernizing its human resource management. It took various steps to improve the quality of life for the Department's employees abroad. It focussed on expanding skills development and language training for its staff. It continued efforts to establish a competency-based human resource management system, and it maintained its emphasis on recruiting and retaining new foreign service officers through the Foreign Service Development Program, which provides five years of structured on-the-job training.
- Last year, a number of employees won awards for outstanding service as follows:
 - Foreign Service Officers Daniel D. Dragovich and Jean-François Hubert-Rouleau were given the John Tait Memorial Head of the Public Service Award for Values and Ethics for their efforts, while working at the Canadian Embassy in Damascus, to help uncover what now appears to be a major immigration fraud ring centred in Jordan.
 - Staff of the Trade Law Division were accorded the Head of the Public Service Award for maintaining an exemplary level of service.
 - Canadian Foreign Service Awards, sponsored by the Professional Association of Foreign Service Officers, were given to David Angell of the Permanent Mission of Canada to the UN, Douglas Challborn of the Canadian Embassy in Lima, Isabelle Roy of the Canadian Embassy in Paris and Leslie Toope of Citizenship and Immigration Canada.

Resources for the Department as a Whole in 2000-2001

Summary of Departmental Spending in 2000-2001 (\$ millions)	
Planned spending at beginning of fiscal year	1584.1
Total spending authorities at end of fiscal year	1674.4
Actual spending	1554.9
Personnel — Full Time Equivalents (FTEs)	
Canada-based FTEs utilized	4702
Locally engaged FTEs utilized	4575

Strategic Outcomes, Expected Results and Resources by Business Line in 2000-2001

The strategic outcomes, expected results and resources for each business line, outlined in the table below, reflect those established in the Department's management framework. More detail on these elements as well as actual accomplishments can be found in the following sections of this report, which is organized according to the Department's business lines. It should be noted that the actual results presented have been measured against commitments made in the Department's 2000-2001 Report on Plans and Priorities.

This Performance Report provides quantitative and qualitative results, including success stories as well as some shortcomings. In this way, the report tells a balanced story, while highlighting the complexities of the Department's work. In identifying results, the Department relies on expert advice from within the Department, including specialists from each business line as well as audit and evaluation staff. It also uses information from outside the Department for this purpose, including client surveys and public opinion research.

Strategic Outcomes	Expected Results	Actual Spending (\$ millions)	Personnel (FTEs)
<p>International Business Development: Increased employment and greater prosperity in Canada by assisting the Canadian business community to take advantage of international business opportunities and by facilitating investment and technology flows</p>	<p>Greater participation in the international economy by Canadian business, particularly small and medium-sized firms</p> <p>Increased attraction and retention of job-creating international investment in key sectors</p> <p>A broader export base and more diversified export markets</p> <p>Effective implementation of the Team Canada partnerships between levels of government and business across Canada</p>	253.7	1055
<p>Trade and Economic Policy: Increased employment and greater prosperity in Canada by effectively managing Canada's trading relationships and liberalizing trade and capital flows around the world, based on clear and equitable rules that reflect Canadian interests</p>	<p>Ongoing implementation of World Trade Organization agenda and agreements</p> <p>Establishment of more bilateral and multilateral agreements to liberalize trade</p> <p>Solutions that reduce the possibility of disputes with trading partners</p> <p>Increased access for Canadian firms to foreign markets</p>	120.2	549
<p>International Security and Co-operation: A peaceful, law-based international system reflecting Canadian values, in which Canada is secure from threats from abroad</p>	<p>Continuation of Canada's key role in:</p> <ul style="list-style-type: none"> • global and regional security • controlling conventional, nuclear and other weapons of mass destruction • securing democracy, human rights and good governance • strengthening conflict prevention as well as in peacekeeping and peacebuilding • establishing international measures to combat terrorism, crime and drug trafficking • promoting sustainable development and environmental protection • strengthening multilateral organizations, especially the United Nations, and developing an international legal system • sustaining constructive relationships with Canada's strategic international partners 	506.6	712

Strategic Outcomes	Expected Results	Actual Spending (\$ millions)	Personnel (FTEs)
Assistance to Canadians Abroad: Appropriate official assistance that satisfies the needs of Canadians travelling or living abroad	Continued delivery of cost-effective services to Canadians in other countries	49.1	303
Public Diplomacy: Increased interest and confidence in Canada's role in the world and fostering of an international environment that is favourable to Canada's political and economic interests as well as Canadian values	Greater public understanding in Canada and abroad of Canadian policies and positions Greater international awareness of Canada and its accomplishments Increased exports of Canadian cultural and educational products and services Greater numbers of foreign tourists and students choosing Canada as a destination for travel as well as post-secondary education	104.6	431
Corporate Services: Achievement of the Department's objectives by delivering cost-effective support services	Modernized support services and improved delivery across the Department	324.0	4053
Services to Other Government Departments: Provision of support to enable other government departments to deliver their programs abroad	Increased effectiveness and efficiency in the delivery of related support services	216.2	1346
Passport Services: The ability to travel freely through the provision of internationally respected travel documents	Continued provision of passport services that meet or exceed published service standards	(1.1)	828

The following sections give more details about the accomplishments of each business line. As noted above, all business line activities contribute to the Department's strategic outcomes, which, in turn, are linked to the Government's overall objectives as stated in the Speech from the Throne.

Performance by Business Line

International Business Development

Business Line Strategic Outcome

To contribute to the creation of employment and prosperity in Canada by assisting the Canadian business community in taking full advantage of international business opportunities and by facilitating investment and technology flows.

Summary of Spending in 2000-2001 (\$ millions)	
Planned spending at beginning of fiscal year	240.4
Total spending authorities at end of fiscal year	245.7
Actual spending	253.7
Personnel — Full Time Equivalents (FTEs)	
Canada-based FTEs utilized	504
Locally engaged FTEs utilized	551

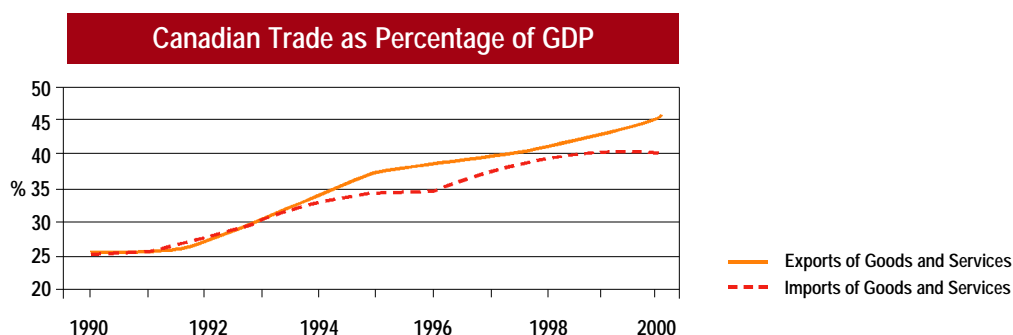
Context

The International Business Development (IBD) business line plans and directs the activities of the Canadian Trade Commissioner Service (TCS) in providing high-quality services that will help Canadian firms take on the challenges of an increasingly complex and competitive global marketplace and win.

The reach and potency of the IBD business line have been strengthened by the leadership role of the Department in Team Canada Inc (TCI), the “virtual” trade network of 23 federal departments and agencies and of Regional Trade Networks in each province and territory. TCI provides integrated and co-ordinated support programs and services to Canadian firms seeking to expand their business in international markets. TCI also provides the Canadian business community with single-window access to its services, both domestic and overseas, through ExportSource, Canada’s most comprehensive online source for government export information, and through TCI’s 1-888-811-1119 Export Information Service. Detailed information on programs and services offered by TCI partners is available on TCI’s Web site (<http://www.exportsource.gc.ca>).

Canada’s outstanding economic performance in 2000-2001 (the highest growth rate in 12 years, the ninth consecutive year of growth, the longest period of uninterrupted growth in more than 30 years) is primarily driven by increased exports of goods and services, which highlights the growing importance of this business line in providing Canadian companies with the services and means they need to compete and succeed in the rapidly evolving global marketplace.

In 2000, the value of Canada's exports of goods and services increased 14.6 percent to reach \$477.9 billion, equivalent to 45.3 percent of our gross domestic product, up from 25 percent in 1991. High-technology exports rose 30 percent in 2000, nearly twice the rate of our overall exports. Merchandise exports rose to \$422.6 billion, up 16 percent from \$365.2 billion in 1999. Exports of services reached \$55.3 billion, which represented an increase of 7 percent over the 1999 figure of \$51.7 billion. The growth of Canada's business internationally and the flow of investment and technologies into Canada in the past year have brought benefits to Canadians across the land. The unemployment rate fell from an average of 7.6 percent in 1999 to 6.8 percent in 2000, the lowest it has been since 1974. *Trade Update 2001: Second Annual Report on Canada's State of Trade*, a report on Canada's performance in international trade, is available on the Department's Web site at <http://www.dfait-maeci.gc.ca/eet/state-of-trade-e.asp>.



Performance Expectations and Accomplishments

Improve our service to the Canadian business community

- The Department continued the implementation of the high-priority “New Approach” program aimed at improving delivery of Trade Commissioner Service activities abroad in order to better meet the increasingly complex needs of Canadian business.
- A second survey of some 2000 business clients was conducted to determine levels of satisfaction and areas for improvement. The survey showed that, overall, 78 percent of our clients are satisfied with the services provided to them. The TCS uses client surveys, a client feedback line and consultations to identify strengths and weaknesses in service delivery.
- Specialized training was provided to over 150 officers from posts abroad to help them become more skilled at delivering the six core services of the Trade Commissioner Service (market prospect, key contacts search, local company information, visit information, face-to-face briefing, troubleshooting). Specialized sectoral training in areas such as construction, telecommunications, biotechnology, mining and environment was delivered to 270 trade officers to address the desire of our clients for more in-depth understanding of key sectors by Canada's trade officers.
- To help address another need identified by our clients, a networking skills and relationship management course was offered on a test-pilot basis to over 125 officers. To improve consistency and quality of services, a centralized headquarters team provided guidance to posts abroad on the application of client service standards, defined new client service policies, developed tools, and provided interpretation of client service policies. Complete information on the range of services and programs provided to Canadian business clients is available on the Web site of the Trade Commissioner Service at <http://www.infoexport.gc.ca>.

- Several improvements were made to the Trade Commissioner Service Web site with the development of a new interface designed to facilitate access by Canadian companies to our services abroad and to allow for customization of information by each post. In addition, a new Science and Technology section addressing the needs of the scientific community was launched and the International Financial Institutions section was revamped. The Web site experienced a 40 percent increase in the number of clients it serves on a monthly basis.
- The Trade Commissioner Service became one of BellZinc's preferred partners. This partnership with Bell Canada's business-to-business portal will increase the Department's ability to disseminate foreign market information to Canadian businesses.
- The Market Research Centre (MRC) contributed a further 137 market reports to the Department's inventory of 800 country and region-specific market studies. There were about 1200 visitors to the MRC reports on the InfoExport Web site in March 2001, an increase of 25 percent over March 2000. Last year there were 115 000 visitors to the MRC reports section of the InfoExport Web site.

Survival Systems Ltd. of Dartmouth, Nova Scotia, developed safety and training programs, including realistic simulators to train workers in situations such as underwater escape and rescue. The company's simulation systems are now being used to train marine, military, industrial and offshore workers in more than a dozen countries spanning five continents. The complete safety training solution that Survival Systems offers is what has made the company an international industry leader. Albert Bohemier, President, received a 2000 Canada Export Award, as well as the Smaller Exporter Achievement Award.

- The MRC introduced two new products for the business community, "Market Briefs" and "Sector Country Profiles," which provide concise market and sectoral information to Canadian business clients. Market news bulletins entitled "MRC E-Bulletins" on specific industries and market development initiatives were introduced to help trade officers abroad enhance their market information dissemination service to the business community.
- Ten additional trade officer positions have been created in the United States, Peru, France, Spain, Libya (two), Nigeria, Kenya, India and China to better meet the increasing and more complex needs of Canadian businesses abroad.
- Both the Export Development Corporation (EDC) and the Canadian Commercial Corporation (CCC) have continued to realign their programs and services to meet the export financing needs of small and medium-sized enterprises (SMEs). Almost 90 percent of EDC clients are SMEs, while that clientele represents 80 percent of the CCC client base.
- EDC supported \$45 billion in business in 2000, surpassing last year's results by 13 percent. The number of customers benefiting from EDC services grew by 10 percent to 5700.
- The total business volume of the CCC increased to \$1.34 billion from \$1.13 billion the previous year. The total number of companies served by the CCC increased slightly to 1863 from 1810 the previous year.

- Canadian companies, in line with firms from other donor countries, continue to witness a gradually declining number and value of contracts financed by international financial institutions (IFIs), as IFI-financed procurement is becoming more locally based. The Department's efforts are increasingly turning to helping Canadian companies find local partners in borrowing countries in order to obtain more indirect contracts. We also continue to implement initiatives aimed at sensitizing and educating Canadian exporters on the particular complexities of IFI procurement.

Aid in the creation of jobs and prosperity by encouraging capable and committed Canadian firms to take full advantage of international business opportunities

- The very successful Prime Minister-led Team Canada missions, a mainstay of the Department's IBD business line in the past decade, continued. In February 2001, the Prime Minister, eight provincial and three territorial leaders and over 600 business participants travelled to China on the largest trade mission in Canadian history.
- Since 1994, Team Canada missions have opened international doors to more than 2400 Canadian businesses and organizations and have helped secure some 1200 international deals, directly contributing about \$30 billion in new business. The Department continues to seek diverse participation in these missions and to place an emphasis on SMEs and on businesses run by women, young entrepreneurs and Aboriginal people.
- During the Team Canada mission to China last year, participants from the education and culture sector comprised the largest component of the mission, with a record number of participating universities, colleges and special training institutions. In the last two Team Canada missions, to Japan and China, SMEs accounted for 71 percent of the 554 participating enterprises in the non-education sectors. Women entrepreneurs made up 18 percent of the 717 individual participants in the non-education sectors. Young entrepreneurs made up 8 percent of the non-education sector participants, while Aboriginal entrepreneurs accounted for 1 percent of the non-education sector participants.
- The Minister for International Trade led trade missions to Australia, Russia, Hungary, the Slovak Republic, the Czech Republic, Slovenia, the Maghreb (Morocco and Algeria) and the Iberian peninsula (Spain and Portugal). Nearly 250 companies secured deals worth over \$2 billion during these trade missions.
- The Minister for International Trade also travelled with trade commissioners across the country to talk to Canadians and businesses about the benefits of international trade, make them aware of trade opportunities, and explain how the Trade Commissioner Service can help firms interested in international business development. In total, 50 trade officers travelled to 10 cities with the Minister: Mississauga, Winnipeg, Calgary, Vancouver, Sherbrooke, Quebec City, St. John's, London, Drummondville and Montreal. In addition, over 200 officers from posts abroad came to Canada to meet individually with more than 2000 businesses.
- The Department implemented an outreach program (via conference presentations and distribution of export information literature) to universities, colleges and youth organizations to raise awareness of exporting among potential young entrepreneurs across Canada.

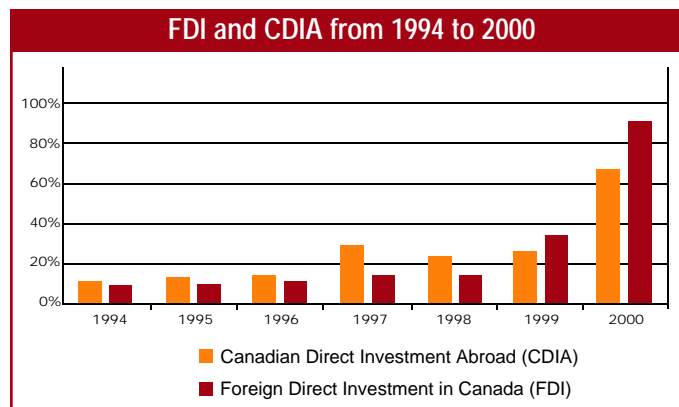
- Three trade missions of businesswomen were organized to Detroit, Atlanta and the United Kingdom and Ireland. The “Going Places” national video-conference connected women across Canada interested in exporting. Organized in connection with International Women’s Day, it attracted 300 participants.

SMART Technologies Inc. is the global leader in developing high-tech products for shared spaces. Its SMART Roomware products include interactive whiteboards, multimedia furniture and software that facilitates meeting, teaching and training. This Calgary-based company’s export sales grew 326 percent from 1996 to 1999, and the firm has ballooned to more than 280 people. SMART Technologies was named Canada Export Awards Exporter of the Year for 2000.

- The very successful On-line Trade Mission Web site was further developed and refined to make it easier for SMEs to prepare for and get the most out of their participation in trade missions.
- The Department commissioned the Council for the Advancement of Native Development Officers to design an indigenized Aboriginal export training course to expand export information to on-reserve tribal councils, provincial Aboriginal co-ordinators, business associations and other service providers.
- In 2000-2001, the International Business Opportunities Centre (IBOC) contacted 12 000 Canadian companies, 75 percent of which were SMEs, in response to over 5000 business leads. Twelve percent of these leads were in the information and high-technology sectors; environment and health accounted for 11 percent; and resource industries another 8 percent.
- A total of 477 companies received assistance under the Program for Export Market Development (PEMD). Authorized assistance amounted to \$9.6 million. Sales reported by companies using PEMD assistance amounted to \$136 million. An additional \$2 million in PEMD financial assistance was authorized for 23 trade associations, representing hundreds of Canadian companies, to help them undertake trade promotion initiatives, on behalf of their members, in a wide variety of industrial sectors.

Increase the flow into Canada of direct investment and technologies from international sources

- Foreign direct investment (FDI) into Canada rose 150.4 percent in 2000, to a record \$93.2 billion (up from \$37.2 billion in 1999). Canada’s stock of FDI reached \$292 billion in 2000, an increase of about 18 percent over the previous year. It has been projected that every \$1 billion increase in FDI increases gross domestic product by \$4.5 billion, resulting in 45 000 new jobs by the fifth year.



- The largest proportion of FDI (64 percent) came from the United States. The U.S. share has remained relatively constant over the last decade, while the share of the European Union has increased from 24 percent to 27 percent at the expense of Asian and other countries. In sectoral terms, the information and communications technologies and life sciences sectors have increased their share of FDI to Canada from 30 percent to 37 percent during the last 10 years, while the share of services and the wood and papers sectors has declined.
- Hundreds of investment promotion initiatives were undertaken to enhance international awareness of Canada as the best bottom-line location for investment in the North American Free Trade Agreement (NAFTA) market. These included ministerial and deputy minister-led campaigns abroad and in Canada, corporate calls, foreign incoming missions and special events.

Med-Eng Systems Inc. produces specialized protective helmets and suits for police, military and emergency response front-line people in more than 120 countries. The Ottawa-based company earned its quality reputation in Canada and used this recognition to step into the competitive U.S. security industry. An aggressive R&D effort keeps the Med-Eng product line growing and the company's international influence expanding. Med-Eng President Richard L'Abbé received a Canada Export Awards Lifetime Achievement Award in 2000, as Med-Eng is a three-time winner of the awards.

- The two geographically and sectorally focussed branding pilots launched last year in two markets in the United States to develop a more positive brand image of Canada have progressed toward their scheduled spring 2002 completion date. The approaches developed and tested in the pilot locations, Dallas and Boston, will serve as a springboard for additional branding campaigns in other countries and markets. Branding research has shown that the high quality of the Canadian workforce, Canada's business environment, and Canada's proximity and similarity to the United States are recognized as positive attributes by potential U.S. investors.
- Since its inception in 1998, the Program for Export Market Development-Investment (PEMD-I) has contributed over \$7.8 million in support of 427 projects (including 159 in 2000-2001) initiated by communities across Canada to attract and retain foreign investment.
- Two existing funding programs have been streamlined and consolidated into the "Going Global Science and Technology" program. With a total budget of \$400 000, the program has helped fund 10 international collaborative R&D initiatives in broadcasting, telehealth, genomics, geomatics, new construction materials, etc.
- A number of new science and technology (S&T) communication tools have been developed to help brand Canada internationally as an S&T-based nation. In particular, the new "S&T Newslines" entitled "Science and Technology in Canada — What's New" provides the Department's S&T Counsellors and officers and their clients abroad with timely and strategic information on Canadian S&T policies, programs, funding and major technology development initiatives in various industrial sectors.

Exporter Success Stories: Success stories of new and experienced exporters are available online at <http://www.infoexport.gc.ca/canadexport/menu-e.asp>.

Trade and Economic Policy

Business Line Strategic Outcome

Contribute to economic growth by creating jobs and prosperity in Canada by effectively managing Canada's trading relationships and liberalizing trade and capital flows around the world, based on clear and equitable rules that reflect Canadian interests.

Summary of Spending in 2000-2001 (\$ millions)	
Planned spending at beginning of fiscal year *	208.8
Total spending authorities at end of fiscal year	130.0
Actual spending	120.2
Personnel — Full Time Equivalents (FTEs)	
Canada-based FTEs utilized	481
Locally engaged FTEs utilized	68

** Planned spending at the beginning of 2000-2001 included \$90 million for contributions to the provinces in accordance with the Canada-U.S. Softwood Lumber Agreement. These contributions were not made in 2000-2001, but will likely be made in 2001-2002 pending Parliamentary approval.*

Context

International trade and investment, based on open, rules-based systems, are crucial to Canada's economic prosperity. One in three jobs in Canada is linked directly to trade, with the value of exports of goods and services in 2000 representing 45.3 percent of gross domestic product (GDP). In 2000, the stock of Canada's direct investment abroad reached \$301.4 billion, and the stock of foreign direct investment in Canada rose by 18 percent to \$292 billion, equivalent to 28 percent of Canada's GDP. Moreover, trade and investment are mutually reinforcing. A recent study by the Organization for Economic Co-operation and Development (OECD) finds that, on average, every \$1 of outward investment is followed by \$2 in exports. The liberalization of trade and investment increases economic growth, promotes Canadian technology and expands consumer choice.

In 2000-2001, the Department continued to play a major role in advancing Canadian economic and trade policy interests at all levels — bilaterally, regionally and multilaterally. Our relationship with the United States — the destination for 85 percent (\$360 billion) of our merchandise exports and the source of 74 percent (\$268 billion) of our merchandise imports — remained paramount. The change in administration in both Washington and Mexico presented opportunities for Canada to build on the success of the North American Free Trade Agreement (NAFTA) and reinvigorate the trilateral partnership.

The international trend in favour of bilateral and regional trade initiatives continued, spurred on in part by the failure of the World Trade Organization (WTO) Ministerial meeting in Seattle in 1999 to launch new, broad-based trade negotiations. Canada continued to exert leadership in the hemisphere, both as an active proponent of the Free Trade Area of the Americas (FTAA) negotiations, and in pursuing enhanced trade relations at the sub-regional level, including with Costa Rica, the other Central American countries, and the Caribbean Community. These activities complemented trade-related initiatives in other regions, including with the European Union, Singapore and Japan.

At the multilateral level, trade policy developments and efforts were focussed on: (i) the implementation of existing WTO commitments; (ii) the management of disputes; (iii) the agricultural and services negotiations launched under the built-in agenda agreed to in the Uruguay Round; (iv) the ongoing WTO accession negotiations, particularly with respect to China and Russia; and (v) efforts to rebuild confidence among the WTO membership — developing countries in particular — so as to establish the basis for launching broader-based negotiations.

More generally, international efforts continued — with Canada as a central proponent — toward promoting greater policy coherence among the key international institutions in their dealings with developing-country interests. This included efforts to incorporate the contribution of trade and related needs into individual country development strategies being developed in co-operation with the International Monetary Fund and the World Bank and supported by other multilateral institutions. The G-7/8 played an important role in this regard, and in its core function of promoting international economic growth and stability.

Opinion polls show that a large majority of Canadians continue to support Canada's trade agreements and initiatives. That support is tempered, however, by concerns about the impact of globalization on health, labour and environmental standards, social policies and sensitive sectors of the economy. This has put a premium on the Department's communications, consultation and outreach efforts with provinces and stakeholders, on its leadership in addressing issues related to the interactions among trade, labour and environmental issues, and on its vigilant administration of trade controls under the Export and Import Permits Act. These controls serve to protect national security, implement international arrangements, including those that preserve peace and stability, and permit the orderly import of products competing with sensitive domestic industries.

Performance Expectations and Accomplishments

I. Creation and expansion of opportunities for Canadian exporters of goods and services to priority markets

A) Pursue trade and investment liberalization and rule making to promote demand and growth, strengthen competition and boost productivity at home and abroad through the WTO and regional initiatives that are complementary to the multilateral trading system.

Expanding WTO Negotiations

- To build support for the launch of expanded WTO negotiations, Canada improved market access for imports from the least-developed countries (LDCs), helped achieve more and better trade-related technical assistance and capacity building, including through the reinvigorated Integrated Framework, and helped address developing countries' concerns on implementation issues.
- On September 1, 2000, Canada added another 570 tariff lines to the list of 6700 duty-free tariff items for LDCs. As a result, approximately 90 percent of tariff lines provide for duty-free treatment for goods imported from LDCs.
- Canada was active in the “proponent-driven” process to build consensus on individual issues (e.g. industrial tariffs, trade facilitation, investment, e-commerce, transparency in government procurement, and competition policy) with a view to broadening the negotiating agenda.

Agriculture Negotiations

- Canada participated actively in the first phase of the WTO agriculture negotiations and advanced the objectives outlined in Canada's initial negotiating position, developed in close consultation with provinces, the Agriculture Sectoral Advisory Group on International Trade, and sector stakeholders.
- Phase one, which involved the submission of proposals on negotiating objectives by 125 WTO members, culminated with a stock taking in March 2001. The next phase involves more detailed work on issues and options for reform identified by WTO members and a review of progress in March 2002.

Services Negotiations

- Canada was also an active participant in the mandated WTO services negotiations. Services are an engine of growth for the Canadian economy. In March 2001, Minister Pettigrew released Canada's initial negotiating position for the current round of negotiations on the General Agreement on Trade in Services (GATS), developed after extensive consultations with provinces, territories, businesses, academia and non-governmental organizations.
- As with the agriculture negotiations, a stock-taking exercise was completed in March 2001. Canada and other WTO members are now reviewing the 90 services-specific negotiating proposals from over 50 countries. These proposals are in preparation for a subsequent stage of request-offer negotiations. Discussions on the "built in" GATS agenda (subsidies, safeguards and government procurement) are continuing.

Dispute Settlement Understanding (DSU)

- Canada continued to use the WTO dispute settlement provisions to defend its trade interests, including in cases involving Brazil's export financing program for aircraft (PROEX), Australian restrictions on imported salmon, measures affecting the importation of milk and the exportation of dairy products, the Auto Pact, aspects of Canada's pharmaceutical patent regime and a French ban on asbestos.
- Canada participated as a complainant in four cases, as a defendant in five cases and as a third party in 17 cases. Canada also played a leading role in the effort to clarify the WTO rules applicable to implementation and retaliation. Canada co-sponsored a proposal to amend the DSU to provide for a clear multilateral determination on the WTO-consistency of implementing measures prior to any request by a complaining party to retaliate.

Culture

- The Government has been pursuing the development of a new international instrument on cultural diversity that would set out clear ground rules to enable Canada and other countries to maintain policies that promote their culture while respecting the rules of the international trading system and ensuring markets for cultural exports. In consultation with domestic stakeholders, the Department took a multifaceted approach to building support for this strategy in such forums as the International Network on Cultural Policy, UNESCO, the WTO, the Organization of American States, and La Francophonie.

Food Safety

- Canada actively participated in the policy development process relating to food safety and biotechnology issues in various multilateral forums, including the G-8, OECD, WTO and Codex Alimentarius Commission.

Trade Policy Review

- Canada received a positive assessment of its trade policy performance in the biennial WTO Trade Policy Review exercise in December 2000.

Free Trade Area of the Americas (FTAA)

- Canada continued to play a leadership role in the FTAA negotiations in the run-up to the Ministerial meeting in Buenos Aires and the Quebec City Summit of the Americas, including as chair of the Negotiating Group on Government Procurement and vice-chair of the Joint Government-Private Sector Committee of Experts on Electronic Commerce.
- In early 2001, the Minister for International Trade, together with the ministers of Finance, Industry, and Agriculture and Agri-Food, presented a Memorandum to Cabinet requesting negotiating guidance for the FTAA. The approved recommendations form the basis for Canada's participation in the negotiations, set to conclude in January 2005.

North American Free Trade Agreement (NAFTA)

- NAFTA implementation continued over the past 12 months, with the third round of "accelerated" tariff reductions completed in 2000. As of January 2001, Mexican tariffs have been eliminated on certain pharmaceuticals, chemicals and batteries, representing close to \$287 million in bilateral trade. The elimination of Canada-U.S. tariffs under the Free Trade Agreement was completed on January 1, 1998.
- Canada worked with the new administrations in Washington and Mexico City in establishing a new North American Energy Working Group to create efficient North American energy markets. The NAFTA provides Canadian energy suppliers with enhanced protection and predictability in terms of access to the U.S. market, and Canada has enjoyed considerable success — Canadian energy exports to the United States were \$51.7 billion in 2000.
- Canada also used the dispute settlement provisions of the NAFTA to advance its trade interests. In 2000, Canada participated as a complainant in three cases under the general (Chapter Twenty) provisions of the NAFTA and as a third party in two cases. Under the investor-state provisions of Chapter Eleven, Canada participated as a defendant in three cases and as a third party in six cases. There were also 16 cases involving Canada under the trade remedy dispute settlement provisions of Chapter Nineteen.
- At Canada's request, Mexico and the United States have agreed to begin work toward clarification of certain key provisions of the NAFTA investment chapter, as well as toward increased transparency of the investor-state dispute settlement process. Officials will report on their work to the NAFTA ministers at the next NAFTA Commission meeting.
- A common understanding was reached on the interpretation of some Chapter Sixteen provisions, further facilitating the temporary entry of Canadian business persons.

Other Bilateral/Regional Negotiations and Initiatives

- Comprehensive free trade negotiations with Costa Rica took place throughout 2000-2001. The Canada-Costa Rica Free Trade Agreement provides balanced access for industrial and agricultural goods and preferential access for Canada to a small but dynamic market. The Agreement marks a step forward, with new co-operation in the areas of trade facilitation and competition policy, and adds momentum to the FTAA talks.
- Canada launched free trade negotiations with the Central America Four (Nicaragua, Honduras, Guatemala and El Salvador) and initiated exploratory discussions with Singapore and the Caribbean Community (CARICOM). Comprehensive consultations were held with stakeholders on the scope and priorities for these initiatives. Free trade negotiations with the European Free Trade Area countries (Norway, Switzerland, Iceland and Liechtenstein) continued.
- The Department began an analysis of the scope and prospects for an enhanced trade and investment relationship with Japan, and co-operated with Canadian business associations to seek input on ways to reinvigorate the relationship.
- The Department conducted an econometric study on the effects of tariff elimination on Canada-European Union trade. This study will serve as a basis for consultations with Canadians and for further studies on transatlantic trade liberalization.
- Pursuant to a commitment contained in the 1997 Canada-Chile Free Trade Agreement, the Canada-Chile Convention on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion entered into force in 2000.
- The Foreign Investment Protection Agreement (FIPA) with Croatia came into force in January 2001. Discussions with other priority countries continued.
- Canada signed a Mutual Recognition Agreement (MRA) on Conformity Assessment with Iceland, Liechtenstein and Norway in July 2000 to facilitate trade in certain regulated products. Implementation continues with respect to MRAs signed earlier with the European Union and with Switzerland.
- Following discussions with the Department and with the provinces throughout 2000-2001, the European Commission approved regulatory changes that make possible the entry of Canadian ice wine into the European Union market. Further discussions with the Commission on issues concerning wines and spirits are planned.
- In the context of a radical restructuring of the Canadian airline industry, Canada conducted a series of 19 bilateral consultations on air transport and successfully concluded eight new agreements or arrangements.

B) Manage the Canada-U.S. trade and investment relationship effectively to further Canadian interests, including by use of dispute settlement mechanisms.

- Prime Minister Chrétien met with President Bush following the latter's inauguration to advance Canada's bilateral trade and investment interests. Other high-level contacts early in the Bush administration also provided opportunities for Canada to set out its priorities for the management of the bilateral trade and investment relationship. These included softwood lumber, defence products, a range of agricultural issues and border facilitation.

Softwood Lumber

- In anticipation of the expiry of the Softwood Lumber Agreement in March 2001, the Department initiated a WTO challenge of U.S. trade legislation respecting the treatment of export restraints in any future countervailing duty investigation. The Department also held consultations with the United States over legislation that bars the refund of countervailing and anti-dumping duties when U.S. trade actions are ruled inconsistent with WTO obligations.
- In anticipation of a possible U.S. countervailing duty investigation, the Department consulted with stakeholders and implemented a national export monitoring system to monitor softwood lumber exports to the United States. The system went into effect on April 1, 2001.
- Canada challenged the U.S. tariff classifications of two products — drilled/notched studs and rougher headed lumber — under the dispute settlement provisions of the Softwood Lumber Agreement. In October 2000, the rougher headed lumber dispute was resolved through negotiation. In March 2001, Canada prevailed in the drilled and notched lumber dispute.

International Trafficking in Arms Regulations (ITARs)

- In April 1999, the United States significantly restricted the long-standing “Canadian exemptions” in the ITARs, which gravely disrupted the Canadian aerospace and defence industries’ access to U.S. defence-related goods and technology.
- After intensive bilateral discussions, including at the ministerial and head of government levels, agreement was reached in June 2000 on a package of legislative and regulatory changes in both countries aimed at restoring licence-free access to a broad range of U.S.-controlled goods and technologies and strengthening controls over domestic transfers of controlled goods. These changes will be implemented in May-June 2001.

Agriculture

- Through the Canada-U.S. Consultative Committee on Agriculture, the Department continued to pursue a range of bilateral agricultural issues, identifying trade concerns before they became major irritants and identifying areas for increased co-operation.
- Canada actively pursued the removal of U.S. restrictions on Prince Edward Island potatoes. High-level interventions, NAFTA consultations and technical meetings laid the groundwork for an agreement that allowed the resumption of these exports.
- The Department, along with Agriculture and Agri-Food Canada, pursued the defence of Canadian wheat trade policies and practices in a U.S. Section 301 investigation initiated by the North Dakota Wheat Commission.
- The Department opposed a March 2000 U.S. proposal to introduce import licensing for Canadian exports of sugar-containing products. Following active lobbying by government and industry, the United States withdrew the proposed measure in September 2000.
- The Department co-ordinated the development and implementation of commercial dairy export measures at the federal and provincial levels to comply with the WTO decision on Canada’s dairy export practices.

Border Facilitation

- In May 2000, Congress introduced legislation to amend Section 110 of the U.S. Illegal Immigration Reform and Immigrant Responsibility Act of 1996 as a result of strong advocacy efforts by the Canadian public and private sector. As a result, no new documentary requirements will be imposed on Canadians at the border.
- Two meetings were held under the auspices of the Canada-U.S. Partnership (CUSP), established in 1999 by Prime Minister Chrétien and President Clinton. A report entitled *Building a Border for the 21st Century*, produced by the U.S. and Canadian governments and released in December 2000, includes agreement on basic principles and recommendations for next steps on border management.

C) Ensure that international trade policy continues to be sensitive to the environment, core labour standards, vulnerable industries and sectors, and the needs of developing countries.

- The Department released the Framework for Conducting Environmental Assessments of Trade Negotiations in February 2001, establishing the process and analytical requirements for conducting environmental assessments of trade negotiations.
- Negotiations were concluded on side agreements to address labour and environmental issues under the Canada-Costa Rica Free Trade Agreement. The labour agreement demonstrates Canada's commitment to the effective enforcement of domestic labour law related to International Labour Organization (ILO) core labour standards and establishes a process for co-operating in labour matters related to trade liberalization. The environmental co-operation agreement focusses on strengthening environmental management systems, public participation, sustainable use of natural resources and capacity building and innovation.
- Extensive work was carried out in developing and funding a plan of action to protect the basic rights of workers, promote equality of job opportunity and improve the working conditions in the hemisphere. The plan of action is to be implemented by the Inter-American Conference of Ministers of Labour.
- Canada adopted the updated OECD Guidelines for Multinational Enterprises, a framework of voluntary principles and standards for responsible business conduct in areas such as labour standards, environmental protection, anti-corruption and consumer protection. Canada established a national contact point to work closely with stakeholders to raise awareness of the Guidelines and assist in the resolution of issues.
- Canada continued to work with other WTO members to identify ways of increasing benefits to developing countries from trade liberalization. In addition to the market access and confidence-building initiatives noted above, Canada participated in the revitalization of the Integrated Framework, which co-ordinates trade-related capacity building within least-developed countries. Improvements in the Framework led to decisions to increase substantially the resources at its disposal.
- Canada ensured that the interests of sensitive sectors such as health, public education, textiles, apparel, and the supply-managed sectors (dairy, eggs and poultry) were protected, including at the WTO and in Canada's regional and bilateral trade initiatives.

D) Administer Canada's export and import controls, consistent with Canadian interests.

- The Department continued to manage effectively the range of import and export controls pursuant to the Export and Import Permits Act. Efforts focussed on the arms trafficking regulations and softwood lumber issues discussed above. In total, the Department issued 1.27 million import and export permits in 2000-2001. A new state-of-the-art Export-Import Control System is in the final stages of construction.
- In the area of strategic goods, agreement was reached at the December 2000 Plenary of the Wassenaar Arrangement on various recommendations that will lead to the strengthening of the Arrangement. Consisting of 33 countries, the Arrangement provides the basis for much of Canada's export controls on defence and strategic goods and technologies. Public consultation and outreach activities were also intensified, with a series of cross-country seminars held in early 2001 and Canada's first-ever participation with the U.S. Department of State in export control seminars in the United States.
- Following extensive consultations with Canadian exporters of cryptography products, changes were made in February 2001 to permit the export of certain cryptography products under a new, streamlined permit procedure.
- In the agriculture, textiles and clothing, and steel sectors, a new verification and compliance section was established to improve compliance with the Export and Import Permits Act.
- Following extensive consultations with industry, Canada notified the WTO of the products it will integrate in the third stage of quota elimination under the WTO Agreement on Textiles and Clothing, to take effect January 1, 2002. Textile and clothing bilateral restraint memorandums were extended with Cambodia, China, Laos, Nepal, Syria and Vietnam.
- Further information on the Department's administration of export and import controls is available at the following Web site: http://www.dfait-maeci.gc.ca/~eicb/epd_home.htm.

E) Engage stakeholders, including civil society, in trade and economic policy activities through consultations and outreach.

- In collaboration with other federal departments and agencies, the Department sustained its dialogue on key trade-related issues with federal, provincial and territorial trade policy representatives; with the sectoral advisory groups on international trade (SAGITs); and with representatives of municipalities, civil society and citizen-based groups and organizations.
- The Minister for International Trade met with his provincial and territorial counterparts in February 2001 to discuss key trade policy issues. Federal, provincial and territorial deputy trade ministers met in December 2000 to discuss trade, science and technology.
- In April 2000, Minister Pettigrew released *Opening Doors to the World: Canada's International Market Access Priorities*, the Government's annual report outlining market access priorities for 2000 and highlighting results.

- Broad-based consultations and communication efforts included multi-stakeholder meetings and roundtables, the Department's Trade Negotiations and Agreements and other Web sites (<http://www.dfait-maeci.gc.ca/tna-nac>), the development of a pilot initiative for electronic virtual consultations, and the use of *Canada Gazette* notices. The Department also worked extensively with parliamentarians, including the House of Commons Standing Committee on Foreign Affairs and International Trade, in the consultation and information exchange process.

II. Strengthen Canada's economic, social and financial interests in the globalized world

A) Promote Canadian economic, social and financial interests through a strong contribution to, and strategic use of, the G-7/8, OECD, Asia-Pacific Economic Cooperation forum (APEC) and related groups.

- The Department led preparations for the participation of the Prime Minister and other ministers in the G-7/8 summit process. The Okinawa Summit was preceded by G-8 Environment, Education, Foreign Affairs and Finance ministers' meetings, and was followed by a meeting of G-8 Labour and Employment ministers. Canada was instrumental in the establishment of the Digital Opportunities Task Force (dot force), which will recommend global action to bridge the information and knowledge divide. Leaders pledged to implement a plan to tackle infectious diseases (HIV/AIDS, tuberculosis and malaria). Leaders also reaffirmed their commitment to implement fully the enhanced Heavily Indebted Poor Countries initiative to support poverty reduction.
- The Department led Canada's involvement in the OECD, a vital forum for dialogue and peer review on economic and social policy. Among the departmental priorities endorsed by the 2000 OECD Ministerial were the updated Guidelines for Multinational Enterprises, the First Report on the Growth Project, and ongoing work on sustainable development. The Department supported ongoing OECD work in the areas of food safety and biotechnology, regulatory reform, untying aid to least-developed countries and the environmental review of export credits. The Department was active on OECD institutional reform, including the budget and priorities planning processes, and it led a successful campaign to reappoint Donald Johnston — the first Canadian Secretary General of the OECD — for a second five-year term.
- The Department led Canada's participation in APEC and played an active part in advancing its work program through meetings of Finance, Trade and Foreign Affairs ministers, capped by the annual Ministerial and Leaders' meetings in Brunei Darussalam. Leaders agreed on the need to promote a new round of trade negotiations in the WTO in 2001, endorsed a strategic APEC plan on building capacity to help developing countries implement WTO agreements, and agreed on a strategy to achieve universal Internet access for all people in the APEC region by 2010.

B) Strengthen the coherence of the global economic architecture and promote good economic governance and operation.

- Canada continued to promote greater coherence in international policy making through institutional and policy reform and enhanced co-operation among the WTO, the Bretton Woods institutions, the OECD, the United Nations and regional institutions. The Department worked closely with the Canadian International Development Agency (CIDA) and the Department of Finance to ensure that Canadian approaches to issues in the international financial institutions, the UN and other international

bodies reflected Canada's foreign policy and international development objectives. Canada advocated the full participation of these institutions in preparing for the International Conference on Financing for Development in March 2002.

C) Ensure, in co-operation with CIDA, Canada's appropriate engagement in assistance to transitional economies in eastern Europe and the former Soviet Union, and more generally promote maximization of benefits from international assistance.

- The Department co-operated closely with CIDA and the Department of Finance in ensuring a strong Canadian contribution to international efforts to elaborate and implement more effective approaches to sustainable economic and social development, based on better planning, increased coherence among social and economic policies, and improved co-ordination among donor agencies. This included the assistance strategy for southern Europe and the Balkans, with initiatives in the areas of peacebuilding and good governance, economic reform and social sustainability, and continuing programs of assistance to Russia and Ukraine, such as technical assistance to support Russia's accession to the WTO.

D) Strengthen economic, statistical and policy analysis of Canada's economic and trade performance.

- The Department increased its efforts to inform and consult with Canadians and to explain and assert the Government's role and objectives in the area of trade policy development. Three research projects and a number of background studies were undertaken, aimed at promoting informed, analytically supported policy debate and development:
 - *Trade Update 2000: First Annual Report on Canada's State of Trade* establishes a common basis for evaluating Canada's annual external trade performance.
 - *Trade Policy Research 2001* examines the costs, benefits and trade policy options of further liberalization under the so-called "trade and" agenda (e.g. trade and the environment).
 - An empirical analysis of the effects of tariff elimination on Canada-European Union trade.

International Security and Co-operation

Business Line Strategic Outcome

Work toward a peaceful, law-based international system reflecting Canadian values, in which Canada is secure from threats from abroad.

Summary of Spending in 2000-2001 (\$ millions)	
Planned spending at beginning of fiscal year	462.0
Total spending authorities at end of fiscal year	571.5
Actual spending	506.6
Personnel — Full Time Equivalents (FTEs)	
Canada-based FTEs utilized	620
Locally engaged FTEs utilized	92

Context

The global security environment remained volatile and unpredictable. Some of the factors that dominated Canada's agenda included:

- *The security of Canada and its people* continued to require even more intensive collaboration and partnerships with friends and allies in the Americas, Europe, and elsewhere in order to develop, strengthen and renew the effectiveness of multilateral and regional organizations, and the promotion, consolidation and universalization of the rule of law.
- *Partnership with the United States* continued to be at the centre of our security policy, both in a bilateral sense and multilaterally, which included dealing with the implications of some elements of an evolving U.S. global agenda (e.g. on missile defence and disarmament or climate change).
- *Human security* emerged as an accepted part of foreign policy and gained considerable international attention and support. Canadian efforts were concentrated in 2000-2001 on addressing the plight of war-affected children, the human suffering caused by small arms, the need to address impunity — whether through sanctions or the International Criminal Court — and the need for international action to break the link between the illicit trade in rough diamonds and armed conflict.
- *Western hemisphere developments* occupied an increasingly important place in Canadian foreign policy and relations, including the hosting in Canada of a series of major events, leading to the 2001 Summit of the Americas, held in Quebec City just after the reporting period.
- *Prospects for more effective United Nations action* were enhanced by adoption of new scales of assessment for both regular and peacekeeping budgets (leading to partial U.S. payments toward its arrears); the UN Secretary-General's announcement that he was prepared to serve a second term of office; and the Millennium Summit, which provided a blueprint for UN action on a range of key issues including development and environmental questions.

- *Canada's position on the UN Security Council* (as a non-permanent member until December 31, 2000) provided occasions to address the changing international agenda and the wave of new peace support demands, in the face of high expectations yet constrained by resource and capacity cutbacks at the UN and by heavy demands on our capacity to make military and police contributions to such operations.
- *The European security structure* continued to undergo stresses reflecting the post-Cold War environment, including relations with Russia and the enlargement and reform of NATO and the European Union. The transition toward market economies and democratic societies continued in Russia, Ukraine and neighbouring countries. While the process of stabilization of the Balkans is well under way, new challenges arose such as the emergence of well-armed ethnic Albanian extremist movements that threaten the stability of Macedonia.
- *The global non-proliferation, arms control and disarmament agenda* continued to come under challenge with Canada working assiduously with allies and new partners to stem the proliferation of weapons of mass destruction and to reinforce the global arms control regimes.
- *Humanitarian disasters* (including the effects of HIV/AIDS) and political instability persisted in parts of Africa and elsewhere.
- *The shape of post-economic crisis Asia* emerged more clearly, with flashpoints (e.g. related to the role of China), uncertainty (e.g. regarding North Korea) and unrest (e.g. in Indonesia). The linkage of security and economic issues and actors became more evident.
- *In the Middle East*, high hopes for a comprehensive peace in the region, fed by seven years of dialogue and some progress, were dashed by a return to violence and the collapse of the peace process. Regional tensions have grown and terrorism has re-emerged as a regional reality. Economic progress, buoyed in some quarters by high oil prices, has been jeopardized in other parts of the region, and the risk of wider escalation of the conflict cannot be ruled out. Support for Islamist organizations and anti-Western sentiment are growing. The Iraq situation remains unresolved and Baghdad has moved to exploit Arab-Israeli tensions to break out of its isolation.
- *Volatile social and political circumstances around the world* threaten the safety of Canadian government personnel posted to our missions abroad and the security of Canadian assets. New pressures result, as well, from our reliance on non-Canadian, locally engaged employees and new communications technologies. Confronted with the globalization of criminality and terrorism, the Department must work to maintain a technical and human capability to identify trends, define acceptable risks and counter threats. To address this responsibility, both at headquarters and abroad, ongoing programs for security training and awareness and measures to protect people, information and information systems are in place. Security equipment and other measures are provided on the basis of threat and risk assessments that are reviewed continually. The volume of sensitive information handled by the Department and through information-sharing agreements with other government departments and foreign governments demands enhanced security measures so that these arrangements and their benefits to Canada are not compromised.

Performance Expectations and Accomplishments

Manage the security relationship with the United States, particularly as regards the North American Aerospace Defence Agreement (NORAD), NATO and the American program for national missile defence

- Canada engaged the United States and other partners on missile defence, ensuring that Canadian concerns are known, and that the United States fully considers the implications of its plans for the global and regional security and stability.
- Canada resolved a series of issues in our security relationship with the United States, including commercial remote satellite systems, international traffic in arms regulations and overflights.
- Intense dialogue across the full range of security and foreign policy issues, including customs, law enforcement and terrorism, has sensitized the U.S. Congress and officials to Canadian co-operation on “homeland defence” and preserved the openness of the Canada-U.S. border.

Establish and implement Canada’s human security agenda, focussing on protection for people from violence

- Following the approval of Cabinet in June 2000, the Department established the Human Security Program, with \$10 million in annual funding, focussing on five priority areas: the protection of civilians, peace support operations, conflict prevention, accountability, and public safety. In 2000-2001, the Program supported more than 80 practical and action-oriented initiatives, furthering Canada’s human security agenda in several bilateral, regional and multinational forums.
- Canada promoted internationally both the concept and a practical agenda for human security, with specific follow-up actions, including at the Organization of American States (OAS) General Assembly in June 2000, the G-8 Summit in July 2000, the UN Millennium Summit in September 2000, and the International Conference on War-Affected Children in September 2000. Canada continued to develop coalitions, such as the 13-member Human Security Network, to promote the human security agenda.
- During its two-year term on the UN Security Council, Canada achieved its three key objectives: to promote human security as a complement to the Council’s traditionally state-centred approach to peace and security (e.g. by integrating humanitarian concerns and protection of civilians into UN mandates); to restore the Council’s credibility and effectiveness in maintaining international peace and security, notably through strengthening the instruments at the Council’s disposal, such as sanctions; and to increase openness, transparency and accountability.

Leadership on Africa

While on the Security Council, Canada ensured that human security concerns were reflected in peacekeeping in Sierra Leone, Eritrea/Ethiopia and the Democratic Republic of Congo. Canada’s efforts on sanctions against the Angolan rebel movement UNITA boosted Council credibility. Canada’s leadership on the link between diamonds and conflict became a model of transparency and effectiveness.

- Canada continued to play a key leadership role in promoting the universalization and implementation of the Ottawa Convention banning anti-personnel mines. As of May 31, 2001, the treaty has been signed by 140 countries and ratified by 116. Canada's support is geared at assisting countries in meeting their Convention obligations and contributes directly to the concrete progress made in the fight against landmines. Implementing what have become almost universally accepted humanitarian principles, Canada has developed mine action programs for NATO and the Euro-Atlantic Partnership Council, and the Stability Pact for South Eastern Europe.
- In September 2000, Canada established the International Commission on Intervention and State Sovereignty to deal with "humanitarian intervention." The Canadian Minister of Foreign Affairs will report to the UN Secretary-General on the work of the Commission in the fall of 2001.
- Canada organized a ministerial-level international meeting on war-affected children, which took place in Winnipeg in September 2000. The agreed framework addresses such issues as training peacekeepers in child rights and child protection, monitoring and reporting child rights abuses in situations of armed conflict, releasing abducted children, and working to suffocate the supply of small arms.
- Canada played a leading role in promoting the signature, ratification and implementation of the Rome Statute of the International Criminal Court (ICC), which has been signed by 139 countries and, by June 2001, ratified by 32. Canada continues to chair the ICC Preparatory Commission.
- The Youth International Internship Program funded some 475 international internships for youth of Canada. Assignments — on topics ranging from the Sudan conflict to all missile defence systems since World War II — were tailored to enhance the interns' international expertise and employability. Internships advance the three main pillars of Canadian foreign policy and, in addition, strengthen partnerships among the Department, Canada-based organizations active internationally, and overseas institutions, including non-governmental organizations (NGOs).

Youth Intern's Self-Discovery

The Canadian Film and Television Production Association placed a young woman from Saskatchewan with 4 Square Productions, based in Regina. Her international duties involved researching footage and photographs for a documentary entitled *End of Empire* in the National Archives of Singapore. As production assistant for the shooting crew, she did location scouting, travelling all over the island to find sites of the Japanese occupation for filming. She says, "I plan to stay on with 4 Square Productions. This internship has been a great opportunity for me to discover my own talents and point my career in the right direction."

Advance the Government's nuclear non-proliferation and disarmament goals, as set out in the April 1999 policy response to the report of the Standing Committee on Foreign Affairs and International Trade

- To re-energize and develop support for nuclear non-proliferation, arms control and disarmament, Canada initiated a review of NATO's policies, resulting in recommendations for steps to build confidence and increase transparency, particularly with regard to Russia.

- To combat the proliferation of other weapons of mass destruction, such as chemical weapons, and of weapons delivery systems, the Department and a public Web site on the negotiations contributed significantly to strengthening the Biological and Toxin Weapons Convention compliance protocol. Canada led the battle against missile proliferation, playing a crucial role in the negotiation of a draft international code of conduct on missile-related activities by the Missile Technology Control Regime, and was chosen to chair that body in 2001-2002. Canada continued its financial assistance to Russia to enable that country to meet its obligations under the Chemical Weapons Convention for the destruction of its chemical weapons stockpiles.
- To address specific risks to the non-proliferation regime, such as the Indian, Pakistani and North Korean nuclear and weapons programs, Canada led International Atomic Energy Agency (IAEA) efforts to strengthen the Convention on the Physical Protection of Nuclear Material and prevent illicit trafficking of nuclear material. Also, Canada continued to press India and Pakistan to honour in full the 13 benchmarks of UN Security Council Resolution 1172 concerning their nuclear weapons and missile programs. In January 2001, Canada assumed the chair of the G-8 South Asia Task Force to co-ordinate international action on the India-Pakistan situation. Canada co-ordinated the resolution on the application of IAEA safeguards in North Korea at the annual general conference of the IAEA.
- Canada continued to encourage the ratification of the Comprehensive Test Ban Treaty (CTBT), focussing diplomatic efforts especially on those 13 key nations, including the United States, whose ratification remains necessary for entry into force, and continued to encourage the initiation of negotiations on the Fissile Material Cutoff Treaty (FMCT).
- To support efforts to reduce nuclear weapons and decommission weapons-grade plutonium, Canadian diplomacy and advocacy played a key role at the Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons in gaining consensus agreement on a final document. Practical measures will encourage force reductions by nuclear weapons states and progress on the negotiation and implementation of multilateral disarmament and non-proliferation instruments (including the CTBT, the proposed FMCT and the IAEA Additional Protocols). Starting G-8 efforts to dispose of the excess weapons-grade plutonium stocks, Canada accepted two small shipments of mixed uranium and plutonium oxide fuel from the United States and Russia and began the comparative testing at the Chalk River laboratories.
- To support strategic stability between nuclear weapons states, Canadian diplomacy strongly advocated on behalf of the Anti-Ballistic Missile Treaty's positive impact on strategic stability, nuclear disarmament and the broad global non-proliferation, arms control and disarmament regime, as key considerations in any discussions between the United States and Russia regarding possible treaty amendments.
- To bolster nuclear safety regimes, Canada oversaw entry into force of the Additional Protocol to its Safeguards Agreement with the IAEA; pledged US\$13 million for the Chernobyl Shelter Implementation Plan, thus making possible sufficient funding to complete the Plan; and successfully advocated full Russian participation in the G-7 Nuclear Safety Working Group.
- Canada remained firm in efforts to block the export of weapons of mass destruction-enhancing materials to Iran and Iraq through bilateral and multilateral mechanisms, while maintaining a dialogue with key players in the Middle East region, such as Egypt and Israel, on core disarmament issues.

Develop Canadian capacity to deal more rapidly and effectively with humanitarian crises, movements of refugees and the internally displaced, and the deployment of civilians and/or military resources to peace support operations (e.g. in the Balkans, East Timor and Sierra Leone)

- To improve management of peace support deployments, Canada joined in the establishment of a multilateral rapid-reaction peacekeeping force known as SHIRBRIG (Standby Forces High Readiness Brigade). With the Netherlands, Canada deployed SHIRBRIG to the UN mission in Ethiopia and Eritrea.
- Canada established an expert deployment unit, significantly enhancing our capacity to deploy civilians safely and quickly in complex emergencies.
- Canada strongly supported the establishment of the Panel on UN Peace Operations (the Brahimi Panel), thereby advancing peacekeeping reform; and as chair of the Special UN Working Group, Canada worked for universal implementation of the recommendations.
- Directly and through our position as gavel-holder for the Refugee Working Group of the Middle East Peace Process, Canada launched a meaningful dialogue that now focusses on core Palestinian refugee issues despite the resurgent violence in the region and the collapse of the peace process. Additionally, the Government offered much-needed humanitarian assistance to the Palestinians most affected by the violence and confrontation.
- Following through on UN Security Council commitments, Canada ensured that UN peacekeeping mandates in the Democratic Republic of Congo and in Eritrea/Ethiopia included civilian protection elements, facilitated discussions on the humanitarian situation in Sudan and Afghanistan, and ensured that a humanitarian impact assessment would be undertaken on newly proposed Security Council sanctions against Afghanistan.
- Canada became chair of the Working Group on the Office of the Co-ordination of Humanitarian Affairs, and continued actively promoting humanitarian policies, including civilian protection concerns and refugee camp security issues, in numerous international forums.
- In the negotiations of the Special Court for Sierra Leone, Canada ensured that particular attention was paid to international humanitarian and human rights law, including the rights of children.
- As a catalyst for international engagement on the potential role of international police in refugee camp security, Canada hosted a workshop for police, military and humanitarian experts to develop practical and workable approaches for field operations.
- Canada contributed to disaster response efforts, including through participation in the UN Disaster Assessment and Co-ordination Team mission to India after the earthquake, and in development of the International Strategy for Disaster Reduction and its Framework.
- In September 2000, Canada hosted the first country visit by the UN Special Rapporteur on the Human Rights of Migrants. Canada's work in the Puebla Process, a regional migration forum, helped prepare the groundwork for the declaration of states made at the Summit of the Americas, to advance good governance and respect of human rights in the field of migration.

Defend and advance our environmental policies, especially regarding climate change, biosafety, persistent organic pollutants and the Forum on Forests, as well as trade and the environment

- Negotiations continued toward meeting the objectives of the UN Framework Convention on Climate Change, but no consensus was reached on operational rules for the Kyoto Protocol in The Hague in November 2000. Canada remains committed to the Kyoto process and announced the first part of its domestic climate change strategy in October 2000. This strategy includes \$25 million directly allocated to encouraging participation by Canadian enterprises in international climate change projects through efforts of the Clean Development and Joint Implementation Office located within the Department.
- Following five years of discussion in successive processes under the UN Commission on Sustainable Development, consensus was reached on the creation of a new UN Forum on Forests. The Forum will concentrate on implementation of the agreed proposals for action and help focus the international community on addressing a number of major issues negatively affecting the world's forests, particularly in the developing world.
- Canada's new Framework for Conducting Environmental Assessments of Trade Negotiations was launched in February 2001, and is being applied to ongoing World Trade Organization agriculture and services negotiations as well as negotiations for a Free Trade Area of the Americas.
- Negotiations on the United Nations Environment Program (UNEP) Convention on Persistent Organic Pollutants concluded in Johannesburg in December 2000, with Canada playing a leading role in reaching consensus. Canada was instrumental in launching negotiations, hosted the first negotiating session in Montreal, and chaired the talks throughout. Canada is providing funding through the World Bank to help developing countries and countries with economies in transition to eliminate or severely reduce their use of the 12 pollutants covered by the Convention.

A Win for the Environment

This Convention was later adopted in Stockholm in May 2001. Canada was the first country to ratify it. The new Stockholm Convention, once it enters into force, will reduce the volume of persistent organic pollutants from foreign sources that are deposited in Canada and damaging the health of northern Aboriginal populations.

- Canada participated actively in the first meeting of the Interim Committee of the new Cartagena Protocol on Biosafety, in December 2000, and signed the Protocol, which will regulate trade in genetically modified products intended for direct introduction into the environment as well as for use in food, feed or processing.
- The Department tabled its second sustainable development strategy, Agenda 2003, in February 2001, including commitments for the next three years.
- The Honourable Gilbert Parent was appointed Ambassador for the Environment in December 2000.

Promote human rights, including through bilateral dialogue with China and, as circumstances permit, Cuba and Indonesia, and in such forums as the UN Commission on Human Rights, OAS, and the Association of Southeast Asian Nations (ASEAN) Regional Forum

- In 2000-2001, Canadian human rights priorities were secured in the Beijing five-year review conference on the rights of women, as well as in the five-year review of the World Summit on Social Development, the OAS, La Francophonie and Commonwealth heads of government meetings, and in the annual Commission on Human Rights, Commission on the Status of Women, and Commission on Population and Development meetings. Particular attention was given to ensuring that human rights (including gender equality and corporate social responsibility) were integrated into the Summit of the Americas and its follow-up, and into ongoing preparations for the World Conference Against Racism and the UN Special Session on Children. Canada secured re-election to the UN Commission on Human Rights for the period 2001-2003.
- Concerning gender equality and women's human rights, Canada participated actively in the five-year review of the Beijing World Conference on Women. Canada continued its emphasis on integrating gender into the work of the United Nations and regional organizations, including the OAS and the Summit of the Americas, and Security Council debates and resolutions on women, peace and security. At the 56th Session of the UN Commission on Human Rights, Canada led the annual resolution on the elimination of violence against women.
- Canada brought indigenous issues into the Summit of the Americas process, culminating with the organization of the first Indigenous Leaders of the Americas Summit, held in Ottawa March 28-30, 2001. At the UN, Canada promoted co-operation between states and indigenous organizations on issues such as the set-up of the Permanent Forum for Indigenous Issues, preparations for the World Conference Against Racism and negotiation of the draft Declaration on the Rights of Indigenous Peoples.

Contribute to the global fight against organized crime, illegal drugs and international terrorism; complete negotiation of the Transnational Organized Crime Convention and its several protocols on trafficking in firearms, migrants, and women and children

- Canada was active in a range of multilateral forums and undertook concrete projects on such international crime issues as illicit trafficking of firearms, money laundering, and addressing the demand and supply of illicit drugs (e.g. with the OAS and UN). Canada actively participated in G-8 work on organized crime and terrorism, including bringing industry representatives into the public and private sector initiative to develop a co-ordinated response to the threat of cyber-crime.
- In December 2000, after two years of intense involvement in negotiations and drafting, Canada, along with 124 other countries, signed the Convention on Transnational Organized Crime and its protocols on the smuggling of migrants and the trafficking in human beings, especially women and children.

Articulate and implement the new northern foreign policy for Canada as part of Canada's relations with the European Union, Russia and Nordic countries

- On June 8, 2000, the Minister of Foreign Affairs announced the Northern Dimension of Canada's Foreign Policy, a new framework for Canada's relations with circumpolar partners. Its priorities include strengthening the Arctic Council, establishing the University of the Arctic, deepening Canada's co-operation in northern Russia, promoting sustainable economic development in the North, and advancing

co-operation with the European Union and other circumpolar partners. The Minister also announced \$10 million in funding over five years to support these activities.

Manage relations with Canada's principal bilateral partners, and with the United Nations, La Francophonie, the Commonwealth and other multilateral organizations

BILATERAL

United States

- Canada acted swiftly and smoothly to ease the transition between the former and the incoming U.S. administrations, reflecting the many varied Canadian interests.
- Minister Manley's introduction of Bill C-6 (amendments to the International Boundary Waters Treaty Act) fulfilled Canada's commitment to prohibit bulk water removal within federal jurisdiction (boundary waters, including the Great Lakes).
- Canada completed negotiations on and signed the Ozone Annex to the Air Quality Agreement, the first bilateral air quality agreement in 10 years. This will reduce transboundary smog, with significant health benefits for millions of Canadians in southern Ontario and Quebec, and in New Brunswick and Nova Scotia.
- The International Joint Commission (IJC) released its final report on the 1997 Red River flood (*Living with the Red: A Report to Canada and the U.S. on Reducing Flood Impacts in the Red River Basin*). The federal government is assessing the IJC's recommendations.
- Canada worked to protect Manitoba's waters from interbasin diversions of water, by opposing projects in North Dakota (e.g. Devil's Lake outlet and Garrison Diversion) that proposed such diversions.

The Americas

- In the preparatory period leading up to the Summit of the Americas in Quebec City, Canada proposed and built consensus for making democracy the central value uniting the countries of the hemisphere.
- Canada fully supported the peaceful and democratic transition in Mexico, Canada's NAFTA partner, through actions such as observing the electoral process with the outgoing administration and quickly establishing supportive ties with the incoming administration through a series of high-level bilateral visits and meetings.
- Canada developed an initiative on Peru at the OAS General Assembly in Windsor and led a mission to assist Peruvians in strengthening democracy in that country. The action led to a transition government that called for new elections.
- Canada successfully lobbied for passage of a resolution on Cuba's human rights record at the UN Commission on Human Rights.
- On Haiti, Canada worked on many bilateral and multilateral fronts to encourage rectification of serious electoral, political and human rights problems and thus permit a return, with the support of the international community, to democratic economic, social and political development.
- Canada deposited its instrument of ratification of the OAS Anti-Corruption Convention at the OAS General Assembly in Windsor, thereby adding its weight to the fight against corruption in the Americas. Canada played a leading role in developing a follow-up mechanism to ensure the effective implementation of the Convention.

- Following Canadian chairmanship of the Intergovernmental Working Group of the Inter-American Drug Abuse Control Commission, the countries of the hemisphere adopted the first-ever peer review of the anti-drug programs of each OAS country and the hemisphere as a whole, thereby strengthening the multilateral fight against drug trafficking and drug abuse.
- Canada supported the establishment of a Peace Fund in the OAS and has made financial contributions to assist countries of the region in resolving border disputes peacefully.

Europe

- During the past year, Canada held defence and security consultations or related activities with a number of European countries including the Netherlands, Belgium, Portugal, France, Germany, the United Kingdom and Denmark. These bilateral contacts helped Canada reach agreement with the European Union over a consultative mechanism on the European Security and Defence Policy where we will be able to express our views on the development of European policy in this area.
- Canada's continued work through the Balkan multilateral process has enabled us to assist in the consolidation of the peace process in that region.

A Voice for Canada

Europe has been increasingly developing a military capacity independent of NATO or the UN, with implications for Canada. The new consultative mechanism will give Canada the kind of access we have enjoyed with other allies in this area.

- Both nationally and internationally, Canada has successfully worked to encourage dialogue between Greek and Turkish communities over the Cyprus question.
- Advanced bilateral dialogue with various European countries, including the Nordic countries and Russia, has resulted in several agreements and statements promoting northern co-operation bilaterally and through the Arctic Council.

Asia

- Canada announced a "re-engagement" with India. While Canada maintains its opposition to India's nuclear policy, this re-engagement has resulted in the exchange of senior bureaucratic and ministerial visits and a renewed emphasis on expanding commercial linkages with this increasingly important global power. Canadian Supreme Court justices visited their Indian counterparts to exchange views on issues such as judicial independence and the equal treatment of citizens under the law.
- Canada advocated a "critical engagement" with Pakistan. Such engagement was also adopted by the Commonwealth in May 2000. The purpose is to assist Pakistan in its transition to a sustainable democracy.
- Canada maintained a presence of 20 civilian police to assist in supporting East Timor's rule of law.
- Canada commenced bilateral consular negotiations with Vietnam following the execution of Ms. Hiep, a Canadian dual national, in April 2000.

- Canada conducted a roundtable on “Good Governance and the Philippines” in Ottawa as a follow-up to the bilateral visit of the Secretary of State (Asia-Pacific) to the Philippines in February 2001.
- Canada was a member of the Afghan Support Group Troika, which presented international concerns on human rights issues directly to Taliban authorities in Afghanistan.
- The Team Canada visit to China delivered a strong Canadian message on human rights. Consultations on security issues continued to take place at various levels during the period under review. The Canada-China Joint Committee on Human Rights held its fifth meeting in Ottawa, followed by a site visit to Iqaluit; this dialogue continued to promote the rule of law consistent with international standards and engagement in a wide range of civil society projects. Close co-operation with the Chinese authorities has brought about a dramatic decrease in the number of irregular marine arrivals.
- Within the context of the Canada-Japan Action Agenda for Peace and Security Co-operation, the Department pursued initiatives with Japan in the areas of human security and peacebuilding, peace support operations, regional security, and arms control. The Department strengthened co-operation with Japan regarding NGO engagement in peacebuilding and pursued a peacekeeping dialogue, including training for civilian peacekeepers. The Canada-Japan commitment to collaborate within the ASEAN Regional Forum (ARF) and to work together on small arms coalesced in a joint small arms workshop for ARF countries. A bilateral symposium on peace and security generated recommendations for further co-operation. The Department engaged Japan in regular consultations on environmental issues and strengthened co-operation in the Climate Change Umbrella Group, the Intergovernmental Forum on Forests and the G-8 Environment Ministers’ meetings.
- Canada’s contribution to the Korean Peninsula Energy Development Organization (\$6 million to date; \$1 million in fiscal year 2001) contributes to stability in the Korean peninsula.
- In February 2001, Canada established diplomatic relations with the Democratic People’s Republic of Korea (DPRK), providing new opportunities to engage the DPRK directly on a wide range of issues.
- Canada co-operated with Korea on a range of peace and security issues, including training exchanges, co-operation in peacekeeping, and annual nuclear consultations. In this regard, Canada negotiated an agreement with Korea for the transfer of tritium-related equipment and technology, thus strengthening the nuclear non-proliferation regime.

Middle East

- Canada successfully pressed hard to advance the use of Canadian environmental technology, a priority sector, in Egypt, and underwrote the participation of Middle East North Africa delegates in the Americana Environmental Trade Fair.
- Canada pursued a dialogue on human rights with Saudi Arabia, which included an offer by the Prime Minister for co-operation on human rights issues, and undertook discussions with Iran on the possibility of establishing a human rights dialogue and seminar.
- Canada provided training in drug enforcement for an Iranian police officer and undertook discussions with Iranian officials about expanding drug enforcement co-operation.

Africa

- Through its membership on the United Nations Security Council during 2000, Canada played a leading role in addressing security, governance and development issues facing Africa, including the conflicts in the Democratic Republic of Congo, Sierra Leone and its neighbouring countries, Eritrea/Ethiopia, Sudan, Angola, Côte d'Ivoire and others. In-depth consultations on the conflict diamonds issue with African partners and others have ensured that the momentum gained from Canada's active position while on the Security Council has been sustained.
- Reflecting the importance of conflict prevention and resolution as an investment in sustainable development, Ambassador Marc Perron was named Special Envoy on the Conflict in the Democratic Republic of Congo, and engaged in extensive consultations in the region and among like-minded countries to map out an effective strategy through which Canada can help promote a durable end to the conflict. Similarly, David Pratt, MP, was reappointed Special Envoy for Sierra Leone, and Senator Lois Wilson was appointed Special Envoy on Sudan. Both undertook consultations with regional players and international partners.
- The development of a strategic plan for engaging South Africa on key areas of mutual concern has resulted in a close policy dialogue and a number of ministerial-level visits.

MULTILATERAL

- Canada won an international competition to host, in Montreal, the seat of the new Institute for Statistics of UNESCO, established to meet the growing requirements by member states and the international community for a wider range of policy-relevant, timely and reliable statistics in the fields of education, science, culture and communication. The Institute is expected to have an economic impact of \$95 million over 10 years in the Montreal region. It will also reaffirm Canada's place as a host of significant international organizations.
- Canada has played a lead role in the early stages of negotiations to establish a Framework Convention on Tobacco Control under the auspices of the World Health Organization. The Canadian government provided financial support to preparatory work on the Convention, and Canadian priorities on tobacco control were reflected in the first version of the negotiating text. Canada also worked to ensure that non-governmental organizations had enhanced access to the negotiations.
- Canada contributed significantly to the successful negotiation of a revised scale of assessments for the UN regular and peacekeeping budgets. Agreement on the new scales, which among other things provide for a reduction in the U.S. assessed contributions to the UN, was critical to the release of a portion of U.S. arrears to the UN.
- Canada continued to play a leading role throughout 2000-2001 in the work of the Commonwealth Ministerial Action Group, which addressed the political challenges in Pakistan, Fiji, the Solomon Islands, The Gambia and Sierra Leone.
- Canada remains a key player in every initiative of La Francophonie. Thanks to a sustained dialogue with the provinces, notably Quebec and New Brunswick, there has been progress in national and international recognition of the diversity of the Canadian francophone reality. The Bamako Ministerial meeting on rights and freedoms in the francophone community, which was mandated by the decisions of the Moncton Summit, produced a major declaration on democracy and the rule of law in francophone countries, and backed it up with means of intervention in situations of democratic crisis or serious human rights violations.

Assistance to Canadians Abroad

Business Line Strategic Outcome

To provide appropriate official assistance that satisfies the needs of Canadians travelling or living abroad.

Summary of Spending in 2000-2001 (\$ millions)	
Planned spending at beginning of fiscal year	50.1
Total spending authorities at end of fiscal year	51.2
Actual spending	49.1
Personnel — Full Time Equivalent (FTEs)	
Canada-based FTEs utilized	101
Locally engaged FTEs utilized	202

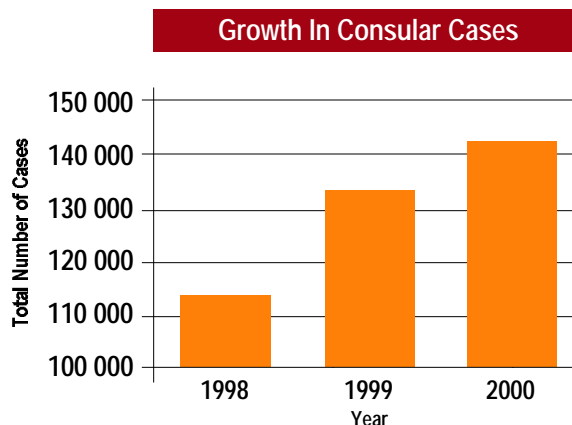
Context

The Department provides consular services to more than two million Canadians around the world every year. Service is provided 24 hours a day, seven days a week, to meet a broad range of needs such as emergency evacuation for Canadians involved in natural, civil or political disasters and crises. Assistance is also provided to Canadians in need due to injury, death, illness, kidnapping, child abduction or child custody issues, and for those arrested or detained in foreign prisons. Complex cases may require months of work. There has been a continuing growth in foreign travel by Canadians due to increased tourism, the growth in international business activity, and greater numbers of Canadians visiting relatives or studying abroad. Canadians are also travelling to more distant and out-of-the-way locations. Older Canadians and those with disabilities and medical problems are also travelling more frequently. In many instances, health care and other services are not up to Canadian standards.

Russia has recognized the reciprocal nature of international adoptions with Canada, allowing Canadian agencies to begin the accreditation process under new Russian legislation.

Canadians living or travelling abroad have high expectations of the level of service they require from their government. In addition, Canadians may not understand the differences between our legal, social and business systems and those of foreign countries. Canadian companies are increasingly active in countries where there are serious security problems (e.g. Colombia, Libya, Nigeria, Ecuador) or where the level of local services is well below the Canadian norm.

There has been growth in the number of consular cases. As well, the trend of Canadians travelling to countries other than the United States is critical, since 95% of consular cases occur outside the United States.



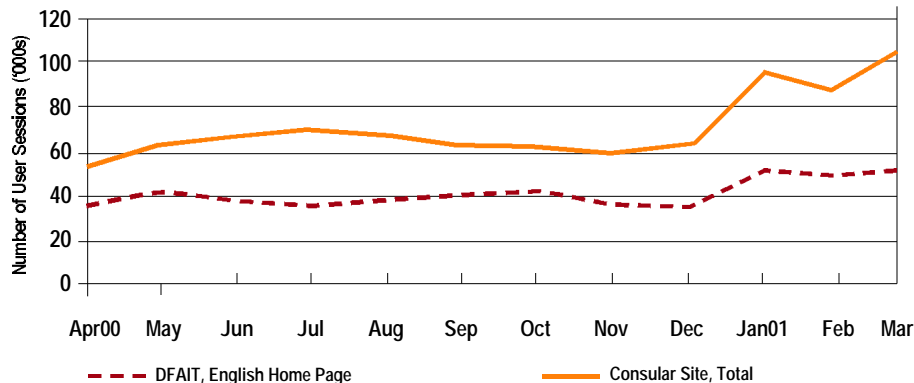
Performance Expectations and Accomplishments

Improved content, range and distribution of information on safe travel

- The Consular Client Services division of the Consular Affairs Bureau helps Canadians prepare for foreign travel and provides information on conditions affecting their safety that they may encounter abroad. Fourteen publications as well as Country Travel Reports for 225 foreign destinations are published and regularly updated to reflect changing conditions. The reports contain information on security and safety issues, health questions, and entry and visa requirements. All publications and reports may be obtained from the Consular Web site (<http://www.voyage.gc.ca>).

Canadians surf for travel advice and information on our Web site

More people access the Consular site than the Department's English home page.



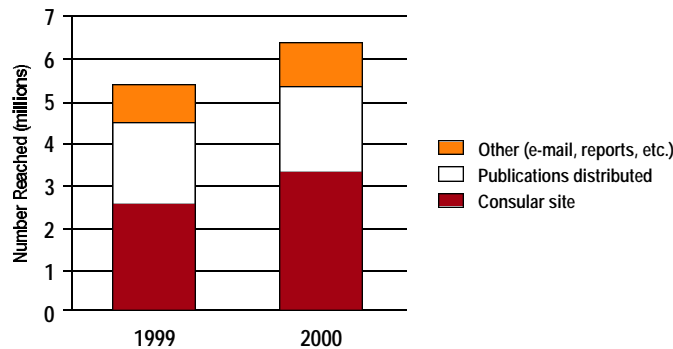
- In 2000, over two million copies of Consular publications were distributed, accounting for 81 percent of all departmental publications distributed. Two new publications were issued in 2000-2001: *What No Child Should Endure* (advice and guidance on child sex tourism) and *Out on a Limb* (advice on adventure travel). A joint venture publication with the Trade Commissioner Service was also released, *Destination: Success — Information for the Business Traveller*.
- The Consular Web site has been redesigned to make it compatible with the Government On-Line standards and to include more specific and better targeted information for Canadian travellers. All information, publications and order forms are available on the Internet. In March 2001, over 100 000 visitors accessed the site. In 2000, an e-mailbox was established to respond to enquiries from the public about international travel and safety issues. Requests for information through the *Voyage* e-mailbox have more than tripled in the intervening months. All requests receive a reply, usually within 24 hours.
- The material on the Consular Web site routinely attracts 25% of all users coming to the Department's Web site.
- Under the requirements of the Treasury Board's Service Improvement Initiative, the Consular Affairs Bureau initiated a client satisfaction survey, which was sent to over 3000 former clients worldwide to establish a baseline level of client satisfaction. Preliminary results (based on a 15 percent return) show a high level of client satisfaction. The Bureau is also in the process of developing performance indicators for arrest-detention, passport and citizenship cases. As well, a Consular Statistical and Analysis section was established to permit the identification of regional and worldwide workload trends.

Increased capacity of headquarters to assist missions during emergencies

- The Department has upgraded the existing system (*COSMOS/iCOSMOS*) that tracks assistance to Canadians in distress, 24 hours a day, seven days a week. Efforts are under way to expand the system to include all 108 offices of honorary consuls.
- Over 100 000 telephone calls were handled by the Department's Operations Centre, which operates 24 hours a day, seven days a week. The after-hours telephone service for missions continues to expand, with 124 missions now online. Mission duty officer costs were dramatically cut in 2000, by redirecting over 25 000 after-hours calls to the Operations Centre in Ottawa. Emergency response times were significantly reduced.
- Through Program Integrity, two positions and one Operations Officer position were added to the Operations Centre, as well as five other positions within the Consular Affairs Bureau. Five new Canada-based and 23 locally engaged positions were also established.

Canadians used our information almost 6 million times

Improving Outreach Programs increased the number of Canadians accessing Consular information by 100 000 from 1999 to 2000 and made access more cost-effective.



Consular officers better trained to deal with cases of child abduction, death and arrest/detention

- Improvements were made to the training of officers dealing with sensitive issues such as child abductions, deaths and arrests/detentions. The Consular Training Program now places emphasis on issues such as international child abductions, mental health, death, kidnapping, and missing persons. Private and public sector experts are now involved in many aspects of consular training. Case management officers participate in seminars, conferences and workshops organized by key partners.
- Regional training sessions were organized for the United States, Europe, Africa and Asia Pacific. As well, over 50 locally engaged staff and 10 honorary consuls were provided training in Ottawa last year. The Manual of Consular Instructions is being revised and updated.

The Department successfully dealt with a high-profile, politically motivated detention of two Canadian citizens in the Federal Republic of Yugoslavia.

Public Diplomacy

Business Line Strategic Outcome

Creation of interest and confidence in Canada's role in the world and fostering of an international public environment favourable to Canada's political and economic interests and Canadian values.

Summary of Spending in 2000-2001 (\$ millions)	
Planned spending at beginning of fiscal year	94.5
Total spending authorities at end of fiscal year	108.3
Actual spending	104.6
Personnel — Full Time Equivalents (FTEs)	
Canada-based FTEs utilized	222
Locally engaged FTEs utilized	209

Context

Canadians are increasingly aware of the interconnected and interdependent nature of today's world. The Public Diplomacy Business Line responds to the opportunities and challenges represented by the growing importance of international relations in domestic affairs and the need for a well-articulated and consistent foreign policy. To promote Canada around the world, better inform citizens of Canada's role in the world, and advance Canada's foreign and trade policy interests, leading-edge technologies such as "Government On-Line" are employed. The Department of Foreign Affairs and International Trade was designated as the lead department to build the *Canada and the World* subject cluster for "Government On-Line." Making use of existing government Web sites, the Department has begun construction of the cluster as an improved means of providing enhanced information on foreign affairs and international trade. More traditional methods of getting the Department's message out to Canadians are also used, including timely news releases, media calls and provision of departmental speakers for conferences and other events country-wide.

More Canadians are aware of the opportunities and demand for Canadian cultural and academic products abroad. The number of Canadian artists presenting their works to key international audiences rose to 326 from 274 as a direct result of the Department's activities. These presentations enhance awareness that Canada's diversity is a source of strength and inspiration. Interest in Canada abroad is also reflected in the success of the Canadian Studies program. Post-secondary courses with Canadian content are attended by some 150 000 students worldwide, some of whom will become key advisers or players in their respective national governments.

In response to these challenges and in pursuit of its business line objectives, the Department has, during the past 12 months, refined and enhanced its core activities, initiated new programs to respond to new challenges, and expanded outreach activities to augment its presence in Canada. Canadian opinion reflects these efforts in public diplomacy.

Promotion of Canadian exports plays a significant role in the Department's endeavours. In spring 2001, the Government received top marks from Canadians for its performance on

trade, promoting Canada as a leader in technology, and Canada-U.S. relations, all of which are departmental issues. The Government's performance rating on trade increased 4 percent over the previous year, and was first in a ranking of 19 public policy issues.

Performance Expectations and Accomplishments

Greater public understanding in Canada and abroad of Canadian policies and positions

Raise public awareness of foreign and trade policy, Canada's international role, and the work of the Department, including services provided to Canadians, using media outreach programs, other outreach activities and tools, and print and electronic publications

Results: Public awareness of foreign affairs and international trade increased as a direct result of the Department's participation in five regional fairs held across Canada (in Winnipeg, Regina, Quebec City, Toronto and Saint John). By taking part in the first Canada Pavilion, a travelling exhibition organized under the auspices of the Canadian Information Office, the Department was able to reach out to many of the more than one million Canadians in attendance, communicating its role, activities and services alongside other government departments. On average, 92 percent of surveyed visitors believed that the Canada Pavilion helped them to better understand the services available from government. Satisfaction ratings on explanations received were also high, averaging 8.5 on a scale of 1 to 10.

In response to the expressed preference of at least 45 percent of Canadians for face-to-face contact with their government, the Department continued to meet the high demand throughout Canada for departmental speakers at all levels, providing more than 70 programs in 64 cities and towns. (This represents an increase from 66 programs in 60 cities and towns in 1999-2000.) These programs reached tens of thousands of Canadians from all walks of life — youth, the elderly, students, academics, opinion leaders and members of ethnic, business and non-governmental organization communities — and generated extensive local and some national media coverage. One highlight was the outreach initiative, conducted in partnership with the Canada Information Office, undertaken by Canadian ambassadors from Latin America in the lead-up to the 2001 Summit of the Americas in Quebec City. Eight ambassadors toured a total of 49 cities in Quebec, New Brunswick, Nova Scotia, Manitoba and Saskatchewan, speaking to a cross-section of Canadians and raising awareness of the Summit and of Canada's strategic interests and objectives for the event. These outreach activities also provided numerous Canadians with an opportunity to express their views and concerns directly to Government of Canada representatives.

With a view to keeping Canadians better informed and to providing a greater understanding of departmental activities in Canada and abroad, the Department issued 256 news releases, some generating up to 30 newspaper articles each, and answered an average of 240 media calls a month when the House of Commons was in session.

Departmental publications such as *Canada World View* and *CanadExport* are widely distributed across the country. *Canada World View* in particular targets young Canadians. In addition, the Web sites for both publications (<http://www.dfait-maeci.gc.ca/canadamagazine> and <http://www.infoexport.gc.ca/canadexport>) proved very popular, with an increasing number of "hits" and longer stays. *Canadians in the World*, the Department's principal educational Web site (<http://www.canschool.org>), focusses on Canada's international relations. Usage has risen dramatically during the last 18 months: during comparative three-week periods in October 1999 and March 2001, page views rose to 17 120 from 6237, visitor sessions climbed to 7194 from 1015, and the average length of sessions increased to 13 minutes and 14 seconds from 6 minutes and 41 seconds. Usage will undoubtedly

increase further with the Department's greater emphasis on partnerships and educational marketing (reinforced by additional teachers' guides on the site) as well as improved links from the departmental Web site and from the *Canada and the World* cluster on "Government On-Line."

Through focussed communications strategies and actions, the Department has contributed to a substantial and measurable increase in trade awareness and a much greater understanding of the Government of Canada's contribution to Canadian prosperity through effective trade policy and trade promotion. Active communications efforts surrounding ministerial missions abroad, domestic outreach and trade policy have boosted support for trade and trade agreements. The building of awareness and commitment has been supported by an active Public Diplomacy program of highlighting local trade benefits and success stories for small business.

Indeed, a record number of Canadians recognize the importance of trade for Canada's economy. Eighty-five percent consider that trade is important to Canada, up from 77 percent last year. Canadians are also better informed and much more aware of trade issues owing to the work of the Department. More than six in ten Canadians can identify specific trade issues in the media, a result highlighted as substantial by independent evaluators. In addition, Canadians are increasingly aware of the prosperity that trade brings, with a strong majority convinced that trade contributes to Canada's prosperity. Three of four Canadians are now of the opinion that trade brings personal benefits for them and their families, as well as benefits for local business and smaller companies. This represents a substantial increase from last year in Canadians' understanding of the local and personal benefits of trade. Likewise, nearly three of four Canadians feel trade helps Canada innovate and develop technology to prepare for a more knowledge-intensive economy, while six in ten feel trade improves job prospects for Canadians. Again, these are significantly higher results than those of the previous year.

Improve promotion of Canadian values and interests abroad, working closely with ministers, missions, bureaus, other government departments and partners in the private and public sectors at home and abroad.

Results: Comprehensive transition briefings were provided to the new Minister of Foreign Affairs on his appointment in October 2000. Departmental transition briefings were also prepared for ministers in anticipation of Cabinet changes and the appointment of parliamentary secretaries to the Department in December 2000.

The Deputy Ministers' Policy Board was established in September 2000 and immediately afforded senior management opportunity for discussion of a wide range of strategic issues including Canada-U.S. relations, the North American Free Trade Agreement (NAFTA), official development assistance, human security, a foreign policy update, the G-8, the Summit of the Americas and Canada's bilateral relations with Brazil and China.

A departmental task force was struck to co-ordinate development of guidelines on corporate social responsibility in Canada's international relations. This allowed for dialogue with other government departments with related substantive interests. It also laid the foundation for proposals to ministers on government policy guidelines as well as for international co-operation on corporate social responsibility.

The Department ensured a transparent and inclusive working relationship with other government departments and Parliament. Initiatives undertaken featured an in-house course designed to guide departmental officers on key parliamentary practices and procedures and an unprecedented *in camera* session with the Senate Foreign Relations Committee on the situation in Ukraine and Russia. Other activities included an orientation session for

parliamentary clerks and debriefing sessions with parliamentary delegations returning from meetings of international associations, such as the Interparliamentary Union (IPU) and Asia-Pacific Parliamentary Forum (APPF). These sessions encouraged ongoing parliamentary input into the formulation of Canada's foreign and trade policy. Departmental officials, notably the Prime Minister's representative for the Summit of the Americas and Canada's chief negotiator for the Free Trade Area of the Americas, appeared several times before the House of Commons Standing Committee on Foreign Affairs and International Trade and other committees, prior and subsequent to the Summit. Their objective was to provide extensive information and engage the committees on Canada's action plan. A briefing was also offered to all five political parties represented in the Parliament of Canada a few weeks before the Summit to ensure a transparent dialogue and consultation on Canada's preparations for the Summit.

All of these initiatives reflect the Public Diplomacy business line mandate to ensure that ministers and secretaries of state are fully informed of current trends in international affairs.

Provide communications support for the human security initiative, northern foreign policy initiatives, the trade liberalization agenda and the hemispheric summits agenda.

Results: Canada's reputation in the Americas as a high-tech country was enhanced in February 2001 when seven Latin American journalists visited Canada under the auspices of the Branch's Foreign Visitors Program. The journalists hailed from Argentina, Brazil, Chile, Colombia, Costa Rica, Peru and Uruguay. Working closely with missions and geographic divisions, program officials organized a visit focussing on Canada's leadership role in information technology and telecommunications, and on Canada as one of the most "connected" countries in the world. This is only one example of the many foreign journalist visits facilitated by the Department to support specific Canadian foreign policy issues.

To promote Canada's trade agenda, the Department produced the International Trade Services and Achievements database. Over 500 examples demonstrating ways in which the Government of Canada has contributed to the success of Canadian exporters can be accessed, focussing on the contribution of these successes to communities across Canada. These "good news" stories have been widely publicized through the general print and electronic media, specialized and departmental publications and ministerial activities, as well as by the participation of senior departmental officials in a wide range of public speaking engagements. Increased publication of trade success stories, accomplished via this project, may encourage a greater number of Canadians to try their hand and enjoy success in the international arena, thus demonstrating the correlation between government services and activities and prosperity in local communities.

Improve the capacity of ministers to respond to correspondence in a timely manner, promoting the activities of the Department and communicating Canadian policies and positions.

Results: The Department co-ordinated responses to over 20 000 letters to ministers. Average response time was 20 days, depending upon the complexity of the issue. This was consistent with established service standards. With a view to ensuring adherence to required standards in all cases, improved methods of processing ministerial correspondence are currently being explored.

Correspondence to departmental ministers originated from a variety of groups, including the Canadian public, international organizations and interest groups, concerning issues ranging from the North American Free Trade Agreement (NAFTA), the Free Trade Area of the Americas (FTAA) and bulk water removal, to human security and the respective

situations in the Middle East, Sudan and China. This ongoing exchange of correspondence through various channels, including the ever-increasing use of electronic mail, has enhanced the image of the Department as a responsive and transparent organization. To further improve this image, a project is under way to acquire a state-of-the-art correspondence management system that will enable officials to monitor and report on timeliness and better co-ordinate rapid responses to ministerial enquiries.

Liaise closely with the provincial and territorial governments on international issues within their jurisdiction domestically or otherwise of interest to them.

Results: The Department provided close support and substantive assistance to the Council of Ministers of Education, Canada (CMEC) in holding the very successful Commonwealth Education Ministers' Conference in Halifax in the autumn of 2000.

The Department entered into negotiations with the provinces of Alberta, Ontario and Quebec to facilitate the inclusion of provincial government employees within selected Canadian missions abroad. One example was the opening of the Ontario office in Shanghai, during the Team Canada visit. These provincial government representatives become part of the mission, and highlight provincial government concerns, while assisting the mission to continue to represent the interests of all Canadians. As a tangible example of "co-operative federalism," provincial representatives strengthen Canadian representation abroad and provide a concrete example of the way in which the federal and provincial governments work together to promote Canada internationally.

Implement the Department's obligations under Access to Information and Privacy legislation.

Results: Foreign Affairs and International Trade became the first federal government department to review electronically all records associated with 11 requests on the same subject, made under the Access to Information Act. These requests dealt with the issue of softwood lumber and necessitated the review of approximately 1.5 million pages. This task was completed by a project team of 15 officers and support staff. In addition, during 2000-2001, the Department reviewed another 91 441 pages in response to requests made under the Access to Information Act, an increase of more than 150 percent from the previous year. Documents processed under the Privacy Act also rose nearly threefold, to 9824. Access consultations from other departments increased 26 percent and privacy consultations climbed 29 percent. In spite of the dramatic increase in volume, the Department maintained high standards in responding to all requests.

Enhance public access to information electronically.

Results: Electronic access to information about Canada's international policies and programs, designed especially for foreign clients, has been greatly enhanced through the Department's leadership in creating the *Canada and the World* cluster, located on the Services to Non-Canadians gateway of the Government of Canada's new Web site (<http://www.gc.ca>). Working with 16 government departments and agencies as part of the "Government On-Line" initiative, the Department has improved access to an enormous variety of Web-based content by incorporating links to hundreds of sites dealing with such issues as foreign and defence policy, international assistance, and the environment and sustainable development. Other clusters on the international gateway include *Going to Canada*, *Doing Business with Canada*, and *Arts and Culture*.

Greater international public awareness of Canada's characteristics and accomplishments through cultural, scholarly or comparable events and increased exports of cultural and educational services

Expand Canada's cultural profile abroad, working in conjunction with the Department of Canadian Heritage, the Canada Council for the Arts and other funding partners; develop ever-closer links between cultural activities funded by the Department and foreign policy priorities.

Results: The Department provided over \$3.7 million in grants to more than 326 cultural groups with a view to promoting Canadian culture throughout the world. These grants were awarded on projects supported by Canadian missions abroad, in consultation with other relevant federal funding bodies such as the Canada Council for the Arts, Telefilm Canada and the Department of Canadian Heritage. Relevant provincial and municipal funding bodies were also consulted.

One example of the positive effect of this assistance was the presentation of *For the Pleasure of Seeing Her Again*, a Michel Tremblay play produced by the Centaur Theatre Company in Washington, D.C., as part of the year 2000 "Canadian invasion" of that city. The Canadian company's production, staged in the U.S. capital using a \$30 000 grant, ran for a month to full houses and glowing reviews. The play also stimulated a strong interest in Canadian theatre, resulting in several other productions and readings being staged in Washington theatres that season. The Canadian Embassy was able to take full advantage, in public relations terms, of this Canadian cultural presence, to support Canada's political and trade agenda in the influential U.S. capital.

Another example was a National Arts Centre Orchestra tour to Europe and the Middle East, for which joint Israeli-Palestinian activities were scheduled. Though somewhat disrupted by disturbances between Israel and the Palestinians during the Middle East portion, the tour was nonetheless very well received. The Orchestra also garnered rave reviews in Europe, where it played in Austria, Germany, France, Switzerland and the United Kingdom. The tour grant of \$300 000 resulted in considerable "bounce back" to Canada, including extensive media attention and a documentary film on the tour produced by Canadian film company Rhombus Media, renowned for such well-known works as *Thirty-two Short Films About Glenn Gould*.

A third example was the display of Canadian artist Ken Lum's gigantic mural *There Is No Place Like Home* in a central Vienna traffic node. This compelling photographic and textual reflection on immigration, race and intolerance was co-funded with Austrian partners and with the Department of Canadian Heritage. It offered optimal visibility for Canada and generated extensive editorial coverage on Canada's approach to cultural diversity.

Internationalize higher education by maintaining and expanding frameworks for academic and institutional co-operation and exchanges bilaterally and multilaterally; promoting Canada as a desirable destination for international students; developing new ways to facilitate international links; and co-operating with provincial governments and others to advance Canadian interests internationally.

Results: Scholarships were awarded to some 300 exceptionally gifted future world leaders, in many cases opening reciprocal opportunities for similarly gifted young Canadians to study abroad. A pilot program in distance education within the ambit of the Commonwealth Scholarship program came to a successful conclusion. A renewed agreement with the European

Union on co-operation in higher education was signed, enabling the continuation of a highly successful program of academic mobility that parallels a similar program in North America. Productive co-operation with the Council of Ministers of Education, Canada (CMEC), continued, and discussions are proceeding on ways of enhancing this co-operation to further Canadian educational interests in the international sphere.

Enhance the appeal of Canadian Studies abroad through rejuvenated and expanded programs.

Results: Successful programs of Canadian Studies continued in some 30 countries, with courses on Canadian topics taught by some 7000 foreign “Canadianists” to 150 000 foreign students at the post-secondary level. One program encouraged youth internships in Canadian Studies. A Canadian Studies scholarship initiative was also launched, as were research projects and events to mark the 25th anniversary of the Canadian Studies program in the Department.

Increase opportunities for Canadian youth to gain international experience through study and work programs abroad.

Results: In 2000-2001, the number of young people taking part in work and travel exchanges to and from Canada topped 34 000 for the first time. The introduction of reciprocal user fees allowed the Department and partners to launch a successful information program in Canada, consisting of a national advertising campaign in early 2001 directed at major Canadian markets. The campaign, based on the theme “Leave Canada with a Dream, Come Back with a Vision,” significantly increased interest in the use of the travel and work abroad programs as a means for young Canadians to gain international experience. The hundreds of additional “hits” on the departmental Web site as well as numerous telephone queries resulting from the initiative attest to the positive effect of the campaign. Indeed, early estimates suggest that approximately 40 000 young people will participate in these exchanges in 2001-2002.

Improve the marketing abroad of Canadian educational products and services

Results: The number of foreign students in Canada continues to grow. Over 100 000 full- time visa students attended Canadian educational institutions in 2000, in addition to a comparable number of overseas students on short-term courses. The economic impact of these individuals studying in Canada has been estimated at between \$3.5 and \$4.5 billion for 2000-2001. Recognizing the contribution of the Canadian Education Centre Network (CECN) in recruiting through its 20 centres overseas a growing number of foreign students destined to its 279 client institutions in Canada, the Department has renewed its direct funding and in-kind support to the CECN.

The Department also worked with other federal departments, provincial governments, marketing agencies, institutions and private sector clients to organize trade missions and fairs. Representatives of the education sector, for example, made up the largest single component of the Team Canada mission to China, with over 100 participants. Institutions and educational software companies, in particular, noted the value of participation in the Team Canada visit in terms of both making new contacts and strengthening previous contacts. Agreements and contracts worth over \$400 million were signed on that mission, with Canadian content valued at over \$250 million.

Corporate Services

Business Line Strategic Outcome

To enable the Department to achieve its mission and objectives by delivering cost-effective support services.

Summary of Spending in 2000-2001 (\$ millions)	
Planned spending at beginning of fiscal year	307.1
Total spending authorities at end of fiscal year	329.2
Actual spending	324.0
Personnel — Full Time Equivalents (FTEs)	
Canada-based FTEs utilized	1908
Locally engaged FTEs utilized	2145

Context

Corporate Services provides a wide array of essential support services to the Department: human resources and training; corporate finance, planning and information systems; technology; property and materiel management; security; and audit and evaluation.

Over the last year, various social and economic factors have influenced the work of Corporate Services. First, volatility in the world's political climate has increased the threat of terrorism and other crimes worldwide, which, in turn, has required the Department to strengthen its security measures as well as its ability to identify potential risks. Nothing is more important to the Department than the safety of its employees at home and abroad. Meanwhile, Corporate Services had to make various program adjustments to address increases in staffing levels at missions abroad, particularly in response to significantly higher demands for services from other government departments.

Second, Human Resources faced ongoing challenges associated with government-wide efforts to modernize management practices in the public service as well as difficulties in retaining foreign service officers and the need to provide new kinds of training and skills development to better position employees and the Department in the new knowledge-based economy.

Third, Canadians continued to demand more from government with respect to faster and more efficient delivery of services. They also expressed a need for greater transparency and increased public input into policy making, more support for sustainable development, new ways of managing that focus on results and deal more effectively with risks, and increased accountability in government spending.

Finally, the rapidly increasing volume of e-mail and other electronic communications in the Department put unprecedented emphasis on the management of information technologies. Because some information handled by the Department is sensitive, greater attention also had to be paid to tightening the security of these communications systems.

In order to meet these challenges and carry out its business line objective in 2000-2001, Corporate Services continued to implement the Department's Human Resources Strategy, took some first steps to modernize its management and intensify its focus on results, expanded and improved its communications systems and client services as well as increased security at headquarters and at various missions abroad.

Performance Expectations and Accomplishments

Putting Employees First: Modernizing Human Resource Management and Training

- To enhance the quality of life of its employees abroad, the Department, in securing improvements to the Foreign Service Directives, has implemented measures to assist with the cost of daycare and eldercare, as well as to improve benefits for spouses, including: enhanced provisions to support job searches; a new allowance of up to \$1000 for career-related retraining; and a new provision to assist spouses who remain in the headquarters area, for employment or other reasons, for part of the employee's posting. In addition, the Department has made career counselling services available to all employees and instituted employment assistance
- Over the last year, the Department took numerous steps to benefit locally engaged staff, who represent 54 percent of employees. Their opportunities for training have been expanded. Their classification standard has been updated, and new pension schemes have been implemented for them. In addition, a standardized, user-friendly handbook on issues related to locally engaged employees has been prepared and distributed to the Department's missions worldwide. It is for the use of managers in those missions as well as for human resource staff visiting from headquarters.
- Service standards and human resource guides were developed to improve service delivery. Human Resources continued to work on the Universal Classification Standard (UCS) project with a view to implement an inventory of generic job descriptions in the next year.
- Managers at headquarters can now take advantage of a strategic leadership training program, which is part of the Department's Human Resources Strategy. A total of 257 managers participated in the Department's management development program in 2000-2001, which emphasizes better resource management, greater focus on clients, more effective management of change, improved internal communications and development of a better working environment. One aspect of the program is validated each year. Last year, the participants' managers were asked to evaluate their job performance after completing the courses. The results showed the program to be highly effective: overall productivity was up 18 percent; morale improved 45 percent; the ability of participants to manage horizontal files improved 18 percent; and their ability to adjust more quickly and efficiently to shifting priorities improved 27 percent.
- The Department committed more funds last year to official languages training. In addition, the number of courses offered in other languages was increased. At least 550 employees took part in official languages classes last year, while more than 400 had training in other languages. This increased the language skills of staff at missions abroad, which, in turn, helped those missions to network more effectively in support of Canadian interests. It is worth noting that a survey of headquarters staff about their level of proficiency in Spanish revealed that the vast majority of those who had become fluent in the language believed that this skill was having a positive impact on their work environment. Spanish is the third most frequently studied language across the Department.
- In 2000-2001, fully 80 percent of the Department's employees in the EX (executive) category met government standards of proficiency in their second official language, compared with 60 to 70 percent in the federal public service as a whole. This high level of proficiency among the Department's executive staff facilitated greater productivity and better service for Canadians.

- In 2000-2001, the Department issued a request for proposals for a competency-based human resource management system, which uses a common profile of the skills, knowledge and behaviour required by the Department in managing its human resource activities. Two firms submitted proposals, but only KPMG Consulting met all the necessary qualifications and, therefore, was the successful bidder. However, the firm later notified the Department that it was closing its operations in human resource consulting. The Department will seek a new contractor in 2001-2002.
- A total of 235 distance learning courses were provided by e-mail to more than 1300 employees last year. A survey of participants revealed that 80 percent were satisfied with the courses and felt they were more productive thereafter. Because distance learning only became fully operational in 2000-2001, it is still difficult to measure its impact. A complete review will take place next year.
- Recognizing that the number of foreign service officers declines by nearly 60 each year, the Department has instituted what is expected to be a more effective means of attracting and retaining new foreign service officers. Starting in 1998, the Foreign Service Development Program has provided new officers with five years of structured formal training and a series of on-the-job assignments that develop specific foreign service skills. Last year, 62 young men and women were hired to take part in this ongoing program and the Department has started to plan for a deployment exercise to address the severe shortage of experienced officers.
- Retention of foreign service officers in mid-career remains a critical issue. Human Resources has spearheaded a tripartite committee, composed of the employer, Citizenship and Immigration Canada and Professional Association of Foreign Services Officers, to do a comparative study on the terms and conditions of employment of foreign service officers. The results, expected next year, will provide all stakeholders with objective information to address compensation questions, issues relevant to spouses and dual careers, and management practices.

Modernizing Management and Financial Information Systems

- To assist managers with decision making, the Department is developing new tools, such as business intelligence and activity-based costing. Using interactive technology, business intelligence brings together previously unrelated systems, allowing managers worldwide to get a more complete view of both financial and non-financial information. Activity-based costing allows managers to identify activity costs and undertake more advanced planning and budget forecasting. Both tools support work undertaken as part of the government-wide Financial Information Strategy, giving managers timely, accurate information that enables them to focus on results. Information about implementing both these tools is being shared with other federal departments and agencies.
- The Department successfully met the requirements of the Financial Information Strategy as of April 1, 2001, by adopting full accrual accounting and reporting systems similar to those used in the private sector. At the same time, new and revised accounting policies were put in place, and related training was made available to staff at missions worldwide. This work, undertaken as part of the Financial Information Strategy, is a fundamental element of the Department's efforts to modernize its operations and provide more complete and consistent financial reporting throughout the year.
- The Department joined with 15 others in 2000 to participate in pilot projects as part of the comptrollership modernization initiative of Treasury Board of Canada Secretariat.

The Department assessed its own comptrollership and developed a plan to strengthen it. The plan integrates strategic priorities, formalizes accountability and incorporates elements of the Human Resources Strategy. Progress in these areas will be assessed on a regular basis.

Improving Business Practices, Communications and Client Services Using New Technologies

- The Department's call centre, which provides technical support to employees, extended its hours of operation in 2000-2001 to accommodate the large number of staff who work outside regular hours or in different time zones. This reflects the rapidly growing application of new technologies across the Department.
- The Department has recently launched a project to identify ways of improving management of information. One aspect of this project is to expand the access of its employees around the world to electronic communications systems, including e-mail.
- Working with other federal partners, the Department is playing a leading role in expanding international components of the Government of Canada Web site (<http://www.gc.ca>), improving access to information and transforming the way it delivers services. In particular, the Department championed development of a gateway (<http://www.canadainternational.gc.ca>) to federal programs that is specifically designed for non-Canadian business people and students as well as new immigrants. In January 2001, this new gateway was launched at the redesigned site, along with two others: one that offers information on all federal programs and services to Canadians, including those living abroad (<http://www.canadians-canadiens.gc.ca>); and another for Canadian business people (<http://businessgateway.ca>) that provides information on federal programs and assistance for entrepreneurs. The first two gateways mentioned above also provide details about the Department's missions abroad, including staff lists and e-mail addresses. This improves access to Canadian representatives around the world for Canadians and non-Canadians alike.

Ensuring a Safe, Secure and Cost-Effective Work and Living Environment

- The purpose of the Department's capital investment strategy is to provide safe, secure and well-designed accommodation to its employees working abroad, while ensuring that its foreign property investments provide long-term value for Canada (Financial Table 9). Changing program requirements at the Department's missions abroad in 2000-2001, particularly redeployment of immigration program staff, necessitated some adjustments to construction projects under way in Beijing, Bucharest, Kyiv and Moscow. Citizenship and Immigration Canada significantly increased its share of funding for these projects accordingly. Construction has been completed on new chanceries (office space) in Beijing and Lagos as well as new staff living quarters in Beijing, New Delhi and Tokyo. Work has begun on chanceries in Cairo, Warsaw and Caracas and is about to start in Nairobi. The first acquisition of apartments for staff in Moscow was completed after several unsuccessful attempts, and missions in Lisbon and São Paulo were relocated to rented accommodations. Planning continued for the Department's largest project, construction of a new chancery in Berlin. Conceptual designs have now been completed and the final process to select a contractor was under way at the end of the fiscal year.
- Despite considerable progress in capital projects last year, there remain some challenges. In Seoul, the chancery project was delayed by a zoning dispute that required extensive negotiations with local officials. An evaluation of options regarding the renovation or

replacement of Macdonald House, which is part of the Canadian High Commission in London, England, has yet to be completed, and negotiations in Moscow to acquire a chancery annex were unsuccessful because of an inability to reach an agreement on the purchase price.

- The Department has developed proposals to deal with the impact of ageing properties and deferred maintenance (“rust out”). In 2000-2001, two initial infusions of capital funding enabled the Department to commission 35 comprehensive Building Condition Reports at 30 missions abroad and address over 80 of the most urgent health and safety projects related to issues such as electrical repairs and fire safety. This represents an initial step in government efforts to deal with this growing problem.
- Revenue of \$4 million from the sale of surplus and underutilized property in 2000-2001 was applied to the Department’s capital program. Although the amount of this revenue declined sharply last year, it is expected to increase significantly over the next three fiscal years. It will be used to provide the accommodation the Department requires at no additional cost to taxpayers.
- The Department is improving its property planning and project management by incorporating new financial systems and establishing a formal Quality Management System that meets the requirements of the ISO 9001:2000 designation (an internationally recognized framework for quality management). This designation was established by the International Organization for Standardization, a non-governmental body made up of representatives from some 140 countries. The Department expects to be fully compliant with this designation by 2002-2003.
- The Department has streamlined preparation of Mission Property Management Plans by downloading material from the Department’s property database and making use of existing informatics and intranet links. Work has begun to establish a Web-based system for the database, which will allow missions and headquarters staff to access a wide variety of property-related information from a single source.
- Given the rise in terrorism and other crime worldwide, the Department has put measures in place at headquarters and its missions abroad to protect employees and infrastructure, including communications systems that handle high volumes of information, some of it sensitive. Security equipment and other assistance are provided based on risk assessments, which are reviewed continually.

Managing for Results

- In 2000-2001, the Department followed Treasury Board’s lead in adopting a new Transfer Payments Policy, which requires all new and renewed Treasury Board submissions for grants and contributions to be accompanied by a Results-based Management and Accountability Framework (RMAF) and a Risk-based Audit Framework (RBAF). In implementing this new policy, the Office of the Inspector General undertook a number of new initiatives during the period. A comprehensive risk-based planning methodology was developed to identify resource requirements and suggest timing of evaluation services and internal audits for contribution programs. Risk profiles were developed for 15 of the more than 80 separate grant and contribution programs funded by the Department. Risk profiles were used to develop audit frameworks for a number of other programs in the Department as well.

- Seven audits were conducted last year by the Department to review three kinds of contribution funding: for discrete projects, for non-governmental organizations, and as part of international agreements. These audits found that managers across the Department are acting to bring greater discipline and consistency to the administration of contribution agreements. Specific recommendations with respect to improving the visibility of programs, the documentation maintained on file and the analysis of benefits derived are being implemented.
- Also last year, Treasury Board established a new Evaluation Policy, requiring departments to assist managers and employees with results-based management on an ongoing basis. To provide this kind of support at the Department of Foreign Affairs and International Trade, the Evaluation Division helped managers develop results management and accountability frameworks as well as related performance measurement tools. The Evaluation Division also offered seminars on results-based management to units across the Department that prepare Treasury Board submissions.
- To find ways of improving client services and assessing results, the Department conducted various interdepartmental evaluations in 2000-2001. It collaborated with Industry Canada on a review of Investment Partnerships Canada, a program that encourages this kind of collaboration between Canadian and foreign firms, and worked with a number of departments to evaluate the Youth International Internship Program. The Department is one of six federal government departments that offer international internships for young Canadians. Last year, the Department also assessed all programs at 21 missions abroad as well as several policies and procedures at headquarters, including the political officer function, the Commonwealth Scholarships and Government of Canada Awards, the training policy and measures related to Access to Information requests. The findings of these internal audits have been used to develop measures for improvement, which are being implemented.

Services to Other Government Departments

Business Line Strategic Outcome

To provide Canadians with cost-effective support services for the overseas requirements of other government departments and organizations.

Summary of Spending in 2000-2001 (\$ millions)	
Planned spending at beginning of fiscal year	222.6
Total spending authorities at end of fiscal year	225.5
Actual spending	216.2
Personnel — Full Time Equivalents (FTEs)	
Canada-based FTEs utilized	38
Locally engaged FTEs utilized	1308

Context

The Department is responsible for the procurement of goods, services and real property to meet its own overseas requirements and those of other government departments and agencies as a common service. The services provided to other departments and agencies revolve around support to their personnel working abroad and include the provision of office and staff accommodation, financial and personnel administration, materiel management, maintenance and telecommunications services. Costs for the provision of these services are recovered if they are not included in the Department's appropriations. The Department also provides common services on a full cost recovery basis for other entities that are not Canadian federal departments and agencies. These include Canadian provinces, Canadian Crown corporations and non-Canadian governments, such as the Government of Australia, that are co-located in certain of our missions abroad.

Approximately 52 percent of personnel abroad (excluding administrative staff) are engaged in delivering programs for departments and agencies of the federal government other than the Department of Foreign Affairs and International Trade, and about 78 percent of all missions and satellite offices have personnel from other government organizations. Services provided to these personnel are guided by memorandums of understanding that the Department has negotiated with the relevant government departments. These include the Canadian International Development Agency, Canadian Space Agency, Citizenship and Immigration Canada, Department of National Defence, National Film Board, Natural Resources Canada, Royal Canadian Mounted Police, and numerous others.

Performance Expectations and Accomplishments

Effective and efficient delivery of services to the satisfaction of client departments and agencies within resource, legal and policy constraints

During the fiscal year, the Department negotiated the creation overseas of more than 165 new positions representing seven other government departments. A further 32 positions were cut and 28 adjustments were made to position classifications. Ongoing support at missions abroad was provided to 1974 personnel working in support of non-departmental programs.

Department	Canada-Based FTEs	Locally Engaged FTEs	Total FTEs
Canadian International Development Agency	105		143
Citizenship and Immigration Canada	242		1087
Department of National Defence	128		34
Others	80		155
Total	555		1419

The Department also concluded common-service agreements with the Export Development Corporation; the Province of Ontario for the creation of an economic presence in Shanghai, China; and the Government of Australia for the sharing of facilities in Abuja, Nigeria, and Bogotá, Colombia. In addition, an agreement with the Canadian Tourism Commission was renewed for a further year following the Commission's change to a Crown corporation. These agreements are advantageous for Canadians as they provide opportunities to co-ordinate efforts at various levels of government, eliminating overlap between activities, and to maximize economies of scale in the provision of services.

Following many years of downsizing at missions abroad, the federal government's overseas presence increased significantly during the fiscal year. The administrative requirements to support an increasing number of federal organizations operating abroad represent an ongoing challenge and create significant pressures on departmental personnel, who operate not only in a changing international environment but also within a diversity of cultures.

In order to better manage the increasing pressure on departmental resources, a framework for planning and managing growth in personnel at missions abroad was recently established by the Department. The framework applies to all Canada-based and locally engaged staff to be added or relocated to missions abroad. It requires that all proposals to establish or cut positions overseas proceed only when policy and program requirements are consistent with Canada's broad foreign policy objectives, when operational considerations and costs are fully assessed, and when all funding has been provided by the sponsoring organization. The policy also requires that all requests for new positions be raised during an annual consultation process to ensure that proposals from all organizations are given equal and due consideration.

To standardize the level of service provided to and expected by other government departments, a draft generic memorandum of understanding is being developed to replace the numerous agreements the Department has with other government departments and agencies. This generic memorandum of understanding will be accompanied by service standards.

Passport Services

Business Line Strategic Outcome

To provide internationally respected travel documents to Canadian citizens and other eligible residents of Canada.

Summary of Spending in 2000-2001 (\$ millions)	
Planned spending at beginning of fiscal year	(1.4)
Total spending authorities at end of fiscal year	13.0
Actual spending	(1.1)
Personnel — Full Time Equivalents (FTEs)	
Canada-based FTEs utilized	828
Locally engaged FTEs utilized	0

Context

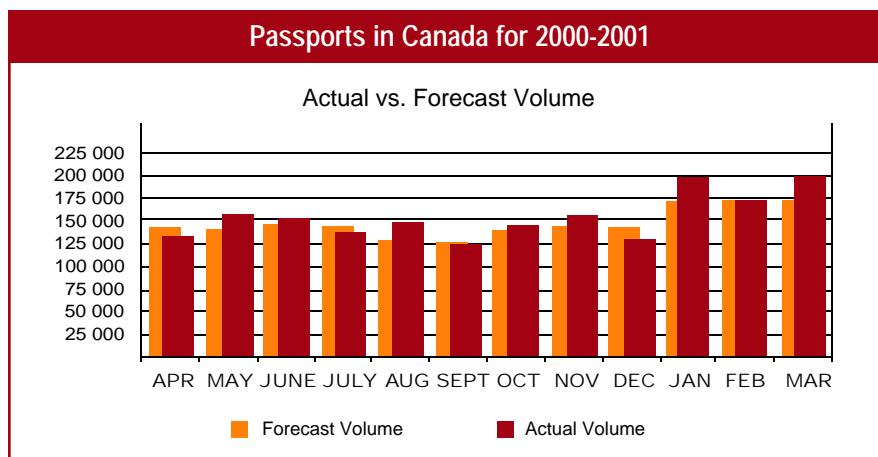
The Passport Office provides Canadians with internationally respected travel documents and client services that meet or exceed published service standards. The Passport Office, a special operating agency within the Department, is self-financing and recovers its costs from fees collected on passport services. The Passport Office must routinely assess the integrity of these documents as well as the security of the eligibility and issuance process. Service quality and fiscal balance are maintained through a careful review of service delivery costs.

Performance Expectations and Accomplishments

Business Volume

The Passport Office processed 3.9 million client transactions in 2000-2001 (including 2.1 million phone calls), an increase of 12 percent over total transactions the previous year.

In 2000-2001, the Passport Office issued more than 1.83 million passports and other travel documents in Canada and abroad. This represents a 9.1 percent increase over the previous year, a result of increased disposable income in the largest client group (“baby boomers”). Our revised forecasting model, introduced in 2000-2001, performed well — volume was lower than projected by 2.8 percent, a result within the acceptable risk limits of 1 percent to 3 percent of the model’s parameters.



Client Requirements and Service Improvement

The Passport Office has developed a new program for soliciting and assessing client input. In preparing our client satisfaction program, we used several studies (past client satisfaction, marketing and public consultation surveys) that uncovered valid indicators and identified the elements of service that should be touched upon in the measurement of client satisfaction. We also integrated the precepts of the Common Measurement Tool (CMT), as they have come to form the Government of Canada corporate approach to satisfaction measurement (Service Improvement Initiative).

The Passport Office has also identified six clusters of service features that should be investigated in the context of feedback on customer satisfaction: *passport security and integrity, responsiveness, reliability, access and facilities, communication, and costs*. With these, the Passport Office will develop a client satisfaction index (CSI). This will support our ongoing service improvement efforts, consistent with Treasury Board Secretariat's *Policy Framework for Service Improvement*.

Service Turnaround

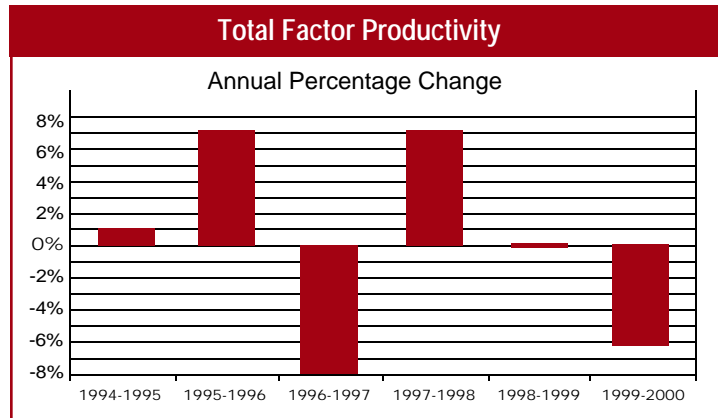
In 2000-2001, 93.3 percent of walk-in clients received their passport within our five-business-day service standard, a four-point drop from last year. The very high winter peak season accounted for this drop. For the mail-in services, the Passport Office estimates that more than 90 percent of the volume was processed within the 10-day turnaround objective, also a significant drop from last year. The performance of the mail-in services was particularly affected by highly volatile demand and the difficulty of allocating, in this context, the corresponding resources to handle the volume. In winter, mail-in services faced a backlog of up to one month. The situation was corrected within three weeks, and the processing time was reduced to eight days. For the rest of the year, service standards were met.

The Passport Office has started to measure the waiting time for its walk-in service. Measures indicated that 70 percent of clients were served within 45 minutes. The Passport Office aims to reduce the waiting time for the walk-in service and will continue to develop strategies to meet its goal of 45 minutes on 95 percent of the days it is open to the public.

In November 2000, the Passport Office discovered that valid passports issued by its North York office the previous month could not be read mechanically by foreign authorities at borders. The Passport Office took immediate steps to recall all 10 000 of the passports in question. The Office sent the clients a recall letter and informed Canadian missions abroad and foreign authorities. Business hours at the North York office and at call centres were extended, and a separate service facility was established to accommodate Canadians holding these passports.

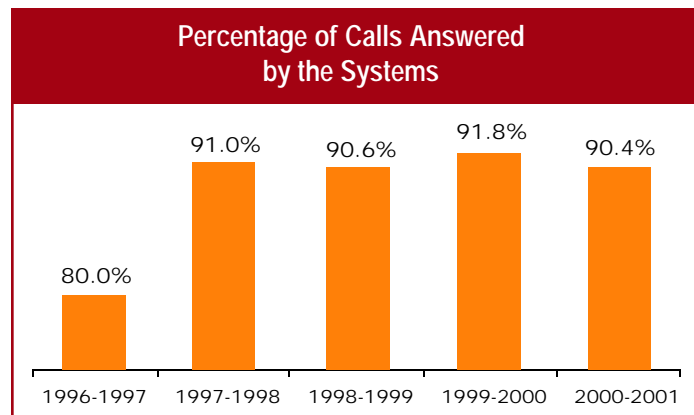
Productivity

The Passport Office has long recognized the need to link its management decisions to the financial health of the organization. The Office has reviewed the way it measures its productivity by developing a new indicator: Total Factor Productivity incorporates more components or factors such as the capitalization factor, which was not previously done. Starting in 1994, the Passport Office has made a large capital investment in automating its passport processes. This has resulted in an automated issuance and production system, known as IRIS®. The system was introduced in two offices in 1999 and rolled out over the next two years. This explains the downward trend in productivity figures. The system is amortized over a 10-year period, and the investment will only start to realize a payback on subsequent passports (renewals) issued by IRIS®. Since a passport's validity is five years, the first returns are expected for 2003-2004.



Call Centres

In 2000-2001, the Passport Office dealt with approximately 2.14 million phone calls, an increase of 23 percent over last year. The access rate for our call centres is 90.4 percent this year, a one-point drop from last year, when it was 91.8 percent. While the access rate is consistent, there is still room for improvement as the Passport Office tries to meet the industry standard of 95 percent.



Financial Situation

This year, expenses exceeded revenues. The situation was principally caused by an inability to obtain approval for a fee increase at the appropriate juncture in the Passport Office's four-year revolving fund cycle and by massive investments in technology over the years. While the first returns of these investments will have a positive impact on our finances in the medium term, additional measures to reach the break-even point have nevertheless been deployed: a freeze on any office expansions and a review of internal processes to increase productivity and revenues.

Progress on Major Strategic Projects

Accelerate the Application of Technology

- The new automated passport issuance and production system (IRIS)[®] has been successfully rolled out in 28 of 29 offices. The new system accounts for a total of 78 percent of issuances in Canada. IRIS[®] will not only increase the security and integrity of the entitlement process and passport production, but will also enable the Passport Office to provide more flexible and accessible service to Canadians.

- The Passport Office is creating two central production centres and introducing a new printing technology that offers significant security enhancements. In addition to improved security, centralized production methods are expected to result in efficiency and productivity gains.

Alternative Service Delivery and Partnerships

- The Passport Office and Canada Post Corporation (CPC) are again partners in a new service initiative. CPC will act as a third-party receiving facility for passport applications. The project aims to increase access to passport services in targeted areas, thus providing Canadians with another channel through which to apply for their passports. Since January 2001, 15 CPC outlets have been offering this new service and the Passport Office has received more than 3500 applications through this channel. A rapid survey showed that clients are satisfied with the new offering, and there are plans to increase the number of participating CPC outlets.
- Linked to its efforts to re-engineer services (see *Passport On-Line* below), the Passport Office has pursued discussions with Citizenship and Immigration Canada and the 13 provincial and territorial registries to develop the capability to verify citizenship information online. Discussions are under way with the private sector about developing a secure system for online payments linked to the Passport Office's financial management system (PASSAP). Memorandums of understanding with provincial authorities should coincide with the implementation of the online service.

Re-engineering of Passport Services

- The Passport Office has started to design the infrastructure for a new service: *Passport On-Line* (POL). The primary objective of this project is to develop an infrastructure to allow clients to apply for a travel document online, while maintaining and improving the security and integrity requirements of the current passport system. Part of the Government On-Line initiative, POL will reduce the overall transaction time and will increase access to passport services for those living in remote areas or outside the country.
- Analysis of the pilot project on expedited delivery services — Urgent (one business day) and Express (two business days) — showed this type of services attracts 5 percent of the clientele. The Passport Office will deploy the service at the national level.
- All passport application forms have been revised and simplified to correspond to clients' preferences. The Passport Office has also created a new application form for Canadians residing in the United States. Canadians can now download application forms from the departmental Web site. The Passport Office's pages recorded more visits than any other section of the Department's Web site; an average of 133 000 application forms were downloaded each month between January and March 2001.
- The Passport Office has acquired a monitoring system to better manage services for its walk-in clients. Principally deployed on a trial basis in some metropolitan areas, the system is already showing promising returns: reduced waiting time for clients and more efficient use of public counters.

Section IV:

Consolidated Reporting

Transfer Payments (in Excess of \$5 Million)

Assessed Contributions to International Organizations and Peacekeeping (2000-2001 Main and Supplementary Estimates Funding: \$337 Million)

Canada has membership in a wide range of international organizations. The purpose of membership is to further the Government's foreign policy goals and provide it with a voice in the international community. To this end, the Department makes contributions to international organizations, often in the form of dues or membership fees. These are assessed based on a number of factors, the most common being a percentage of gross national product. The Department is just one of a number of government departments and agencies that participate in the activities of these organizations. As an example of these activities, Canada's role in United Nations peacekeeping efforts is examined below.

UN Peacekeeping (2000-2001 Actual Spending: \$96.6 Million)

The result of armed conflict is human suffering — often on a massive scale; threats to wider international peace and security; and the destruction of the economic and social life of entire populations. International co-operation is needed to deal with these and other global problems. UN peace support operations are an indispensable tool. In fiscal year 2000-2001, Canada paid assessed contributions of \$96.6 million to fund UN peacekeeping operations around the world.

Peacekeeping cost forecasts are based on extremely unpredictable variables: in what region will a problem arise; when will the Security Council authorize a peacekeeping force; how large will it be; what will be its mandate; for how long, etc. They are, therefore, obviously difficult to cost accurately in advance. Member States' assessment notices are issued at various points throughout the year, depending on the date of the Security Council decision to establish or extend a particular operation and on the date of the General Assembly's approval of the consequent appropriations. Accordingly, the size of Canada's assessed contribution to the UN peacekeeping account depends on the total cost of UN peacekeeping operations in a given year, and that can never be known accurately in advance. UN financial regulations stipulate that "contributions ... shall be considered as due and payable in full within 30 days of the receipt of the communication of the Secretary-General."

A downward trend in peacekeeping costs was witnessed in the latter half of the 1990s. Member States' assessment levels plummeted from their peak in 1995, hitting a low of US \$811 million for the peacekeeping financial period July 1, 1998, to June 30, 1999. However, peacekeeping costs have since more than doubled, reflecting the expense of major operations in Kosovo, East Timor, Sierra Leone, Ethiopia-Eritrea, and the Democratic Republic of Congo. For the period July 1, 2000, to June 30, 2001, the total budget for all peacekeeping operations was approximately US \$2.6 billion.

In 2000-2001, Canada continued to fulfil its UN Charter obligations by ensuring payment of its assessed contributions to UN peacekeeping in full, on time and without conditions. In supporting the United Nations with timely peacekeeping payments, Canada advanced its human security agenda by translating human security principles into practice at home and abroad. As a Member State that honoured its contribution obligations, Canada helped to ease UN financial constraints that impair co-operative efforts to protect and promote international peace and security. Through its contributions to peace operations, Canada was instrumental in opening doors that otherwise would have remained closed to efforts to secure lasting peace.

Program for Export Market Development (2000-2001 Main Estimates Funding: \$9.5 Million)

The Program for Export Market Development (PEMD) helps Canadian companies enter new markets by sharing the costs of activities that companies normally could not or would not undertake alone, thereby reducing the risks involved in entering a foreign market. Eligible costs and activities include market visits, trade fairs, visits of incoming buyers, product testing for market certification, legal fees for international marketing agreements, transportation costs of offshore company trainees, product demonstration costs, promotional materials and other costs necessary to execute a market development plan. The program also shares the cost of preparing bids on major capital projects outside Canada.

PEMD activity costs are shared on a pre-approved, 50-50 basis, supported by documentary proof of actual expenses. The contribution is repayable, based on the sales volume achieved in the target market by the company, further to receiving the assistance.

Client satisfaction with the program (based on recent years' surveys) exceeds 80 percent.

Grants in Aid of Academic Relations (2000-2001 Main Estimates Funding: \$13.5 Million)

The purpose of grants in aid of academic relations is to advance international understanding of Canadian aspirations, to expand international trade in a global, knowledge-based economy, and to project Canada and Canadian values abroad. This is done at modest cost and at a fraction of the per capita expenditure by other G-7 countries. The Joyal Report (1995) noted that Japan and the United Kingdom spent four times as much, and France eight times as much, on similar programs.

Grants in Aid of Cultural Relations (2000-2001 Main and Supplementary Estimates Funding: \$8.7 Million)

As part of its International Cultural Relations Program, the Department provides grants to Canadian groups and individuals for the promotion of Canadian culture abroad.

Grants are awarded on the basis of relevance to the three pillars of Canadian foreign policy, as laid out in the Government statement on foreign policy, *Canada in the World*, and particularly to the third pillar, the promotion of Canadian culture and values abroad. The evaluation of projects is based on artistic quality, taking into account cost-effectiveness and the ability of the applicant to undertake an international project. Feedback from posts abroad, including media coverage in the countries hosting Canadian artists, and reports received from grant recipients upon completion of their tour suggest that the Arts Promotion Program is successfully meeting its objective of profiling Canada in the international arena.

Youth International Internship Program (YIIP)
(2000-2001 Main and Supplementary Estimates Funding: \$7.1 Million)

The YIIP provides eligible unemployed or underemployed Canadian youth (aged 18 to 30) with a first paid career-related international work experience to prepare and position them for future employment. The program is designed to bridge the gap between formal education and an internationally focussed career, as well as to increase and improve the employability skills and knowledge required to succeed in such a career. In addition, the YIIP strengthens partnerships between the Department, Canada-based organizations active internationally, and overseas institutions in order to advance the three main objectives of Canada's foreign policy: to promote prosperity and employment; protect Canada's security within a stable global framework; and project Canadian values and culture abroad.

Since the YIIP's inception in 1997, approximately 1850 young Canadians have participated in departmentally funded internships implemented by 130 Canada-based organizations in over 115 countries. The Department's annual allocation under the Youth Employment Strategy (YES) inclusive of operating costs is \$6.4 million, which provides for 396 internships per year. In fiscal year 2000-2001, the Department's funds were increased by a mid-year reallocation of \$1.17 million from unused Human Resources Development Canada funding.

Funding covers the contributions to implementing organizations to deliver internships and the operating costs of the YIIP unit at the Department. The Department has responsibility for reviewing all overseas placements of other participating government departments (except CIDA) and registering the interns (including CIDA's) at headquarters in the Registry of Canadians Abroad. The YIIP unit co-ordinates these two responsibilities with headquarters divisions and with missions abroad.

Projects and Development Activities Resulting from La Francophonie Summits
(2000-2001 Main and Supplementary Estimates Funding: \$7.1 Million)

The fund supports the biennial action plan, ratified by the heads of state and government on the occasion of La Francophonie summits, in the areas of democratic development, consolidation of the rule of law, peace and human security, francophone multilateral co-operation, new information technologies and cultural diversity. The amount contributed by Canada is the subject of interdepartmental co-ordination and is usually re-evaluated at each summit.

Canadian Landmines Fund
(2000-2001 Main and Supplementary Estimates Funding: \$3.8 Million)

The Canadian Landmines Fund was established in 1997 to ensure that Canada's contribution to the implementation of the Ottawa Convention banning anti-personnel mines (APMs) is effective, co-ordinated and sustainable and meets the goals of universalization and early entry into force of the Convention. The programs and projects launched or supported under the Fund by the Department's Mine Action Team have been designed to meet the following objectives: increase Ottawa Convention treaty ratification and universalization through a co-ordinated international campaign and targeted mine action programs; ensure effective implementation and verification of the Ottawa Convention provisions; maximize international co-ordination and effectiveness of mine action in the field; increase awareness of and support for Canadian leadership on mine action; contribute to the destruction of APM stockpiles by offering technical expertise and financial support; foster partnership among Canadian mine action communities and constituents through regular consultations, as well as the co-ordination of resources; and increase the financial capacity of mine action programming on a long-term basis.

Peacebuilding (Human Security) Program (2000-2001 Main and Supplementary Estimates Funding: \$6.2 Million)

Following Cabinet approval in May 2000, the Department's Human Security Program was established at \$10.0 million annually for five years. The program was created to advance Canada's foreign policy objectives for human security, which were determined through a broad interdepartmental consultative process and include the following priority areas: protection of civilians, peace support operations, conflict prevention, accountability and public safety. In its first fiscal year of operation, the program has been very successful in funding practical, action-oriented projects in support of Canada's human security agenda. Significant achievements to date include support for the establishment of the International Criminal Court, consideration of protection of civilians and gender issues at the UN Security Council, and a successful high-profile initiative aimed at raising global awareness of the plight of war-affected children. These projects covered each of the five priority areas and were implemented principally in Africa, Latin America and Asia, as well as in Canada, with a broad range of Canadian and international partners.

Procurement and Contracting

The Department continued to make great strides in improving management and accountability relating to materiel management and professional services contracts. The Materiel Management Committee established last year continues to be the focal point for strategic issues and is currently spearheading a project to systematically implement the materiel management module in the Department's Environmental Review Process (ERP) system.

The various contracting activities emanating from the centre of expertise established last year (contract review boards and training and advisory services) are now well entrenched in departmental culture. Future activities such as establishing contracting guides, standards and compliance checks will further enhance the usefulness of the centre.

Sustainable Development Strategies

The Department tabled its second sustainable development strategy, *Agenda 2003*, in the House of Commons on February 14, 2001. It includes the Department's sustainable development commitments for the next three years. *Agenda 2003* builds upon the lessons learned and the progress made in implementing the commitments of the first strategy. It also benefited from improved interdepartmental co-ordination and productive public consultations. Preparation of *Agenda 2003* was guided by an advisory team that included representatives of the groups of bureaus in the Department.

A full copy of *Agenda 2003* can be found online (<http://www.dfait-maeci.gc.ca/sustain/menu-e>) along with the first strategy, *Agenda 2000*, and relevant progress reports. Following are some of the areas in which the Department moved forward.

- Progress was made in aligning the second strategy with the business planning exercise. The 2001-2002 *Report on Plans and Priorities* and the *Departmental Performance Report* will reflect action on the commitments in the strategy that fall within that same time frame.
- Progress toward factoring environmental considerations into major policy initiatives was made with the February 2001 release of the Framework for Conducting Environmental Assessments of Trade Negotiations. This framework results from a Department-led initiative. It can be found at: <http://www.dfait-maeci.gc.ca/tna-nac/social-e.asp#environment>
- Progress was significant in international negotiations for agreement on a Global Convention on Persistent Organic Pollutants.



Regulatory Initiatives

On January 17, 2001, the Governor in Council approved SOR/2001-34, “Regulations Amending the Export Permits Regulations,” to take effect on June 1, 2001. This amendment is the result of bilateral negotiations with the United States on the *International Traffic in Arms Regulations*. The amendment requires exporters of U.S.-origin goods or technology — in whole, in part or incorporated into a finished product — to obtain a U.S. re-export authorization for a Canadian export permit to be issued for certain Export Control List items.

On January 17, 2001, the Governor in Council also approved SOR/2001-33, “An Order Amending the Export Control List 5504,” to take effect on April 30, 2001. This amendment is also the result of bilateral negotiations with the United States relating to the *International Traffic in Arms Regulations* and serves to harmonize Canada’s Export Control List with the United States Munitions List.

In both cases (SOR/2001-33 and SOR/2001-34), Canadian exporters have been amply informed of the regulatory changes well in advance of their coming into force.

Section V:

Financial Information

Summary of Financial Tables

- Table 1:** Summary of Voted Appropriations
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Table 3: Historical Comparison of Spending by Business Line
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Table 6: Non-Respendable Revenues by Business Line
Table 7: Transfer Payments by Business Line
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Table 10: Passport Revolving Fund Financial Statement
Table 11: Contingent Liabilities

Table 1: Summary of Voted Appropriations (\$ millions)				
Vote / Statutory (\$)		Planned Spending 2000-2001	Total Authorities 2000-2001	Actual Spending 2000-2001
1	Operating expenditures	941.1	1,021.9	975.7
5	Capital expenditures	125.9	104.7	104.6
10	Grants and contributions	433.4	435.8	377.0
11	To write off debts and obligations	0.0	0.0	0.0
(S)	Ministers' salaries and motor car allowances	0.1	0.1	0.1
(S)	Payments under the Diplomatic Service (Special) Superannuation Act	0.2	0.2	0.2
(S)	Contributions to employee benefit plans	84.8	95.1	95.1
(S)	Passport Revolving Fund	-1.4	13.0	-1.1
(S)	Refunds of amounts credited to revenue in previous years	0.0	0.7	0.7
(S)	Collection agency fees	0.0	0.0	0.0
(S)	Spending of proceeds from disposal of surplus Crown assets	0.0	2.9	2.6
Total Department		1584.1	1674.4	1554.9

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

Table 2: Comparison of Total Planned Spending to Actual Spending by Business Line (\$ millions)

Business Line	FTEs	Operating	Capital	Grants & Contributions	Total Gross Spending	Less: Respendable Revenue	Total Net Spending
International Business Development	1040	226.4	5.2	16.9	248.5	8.1	240.4
	<i>1040</i>	<i>233.3</i>	<i>4.9</i>	<i>15.6</i>	<i>253.7</i>	<i>8.1</i>	<i>245.7</i>
	1055	219.5	4.9	13.0	237.4	2.1	235.3
Trade and Economic Policy	578	98.9	2.1	107.8	208.8	0.0	208.8
	<i>578</i>	<i>109.2</i>	<i>2.9</i>	<i>17.9</i>	<i>130.0</i>	<i>0.0</i>	<i>130.0</i>
	549	103.2	2.9	14.0	120.2	0.0	120.2
International Security and Co-operation	771	172.9	5.4	283.7	462.0	0.0	462.0
	<i>786</i>	<i>198.1</i>	<i>6.3</i>	<i>367.8</i>	<i>572.1</i>	<i>0.6</i>	<i>571.5</i>
	712	185.1	6.3	315.7	507.0	0.4	506.6
Assistance to Canadians Abroad	337	50.9	1.3	0.1	52.3	2.2	50.1
	<i>337</i>	<i>52.1</i>	<i>1.2</i>	<i>0.1</i>	<i>53.4</i>	<i>2.2</i>	<i>51.2</i>
	303	49.9	1.2	0.1	51.1	2.0	49.1
Public Diplomacy	438	69.6	1.2	24.8	95.6	1.1	94.5
	<i>438</i>	<i>73.5</i>	<i>1.4</i>	<i>34.5</i>	<i>109.4</i>	<i>1.1</i>	<i>108.3</i>
	431	69.9	1.4	34.2	105.5	0.9	104.6
Corporate Services	3807	214.4	104.7	0.3	319.4	12.3	307.1
	<i>3807</i>	<i>259.6</i>	<i>81.8</i>	<i>0.2</i>	<i>341.5</i>	<i>12.3</i>	<i>329.2</i>
	4053	251.2	81.6	0.2	333.0	9.0	324.0
Services to Other Government Departments	1282	216.6	6.0	0.0	222.6	0.0	222.6
	<i>1289</i>	<i>219.2</i>	<i>6.3</i>	<i>0.0</i>	<i>225.5</i>	<i>0.0</i>	<i>225.5</i>
	1346	209.9	6.3	0.0	216.2	0.0	216.2
Passport Services	561	54.2	0.0	0.0	54.2	55.6	-1.4
	<i>561</i>	<i>77.3</i>	<i>4.1</i>	<i>0.0</i>	<i>81.4</i>	<i>68.4</i>	<i>13.0</i>
	828	79.7	4.1	0.0	83.8	84.9	-1.1
Total	8814	1103.9	125.9	433.6	1663.4	79.3	1584.1
	<i>8836</i>	<i>1222.3</i>	<i>108.9</i>	<i>436.0</i>	<i>1767.1</i>	<i>92.7</i>	<i>1674.4</i>
	9277	1168.3	108.7	377.2	1654.2	99.2	1554.9
Other Revenues and Expenditures							
Non-Respendable Revenues							186.2
							<i>225.9</i>
							225.9
Cost of services provided by other government departments							43.6
							<i>43.6</i>
							45.0
Net Cost of the Program							1441.5
							<i>1492.2</i>
							1374.1

Amounts in regular font denote planned spending and revenue at the beginning of the fiscal year.

Amounts in italics denote total authorities for spending and revenue at the end of the fiscal year.

Amounts in bold denote actual spending and actual revenue.

Due to rounding, figures may not add to totals shown. FTEs include Canada-based and locally engaged.

Table 3: Historical Comparison of Spending by Business Line (\$ millions)					
Business Line	Actual Spending 1998-1999	Actual Spending 1999-2000	Planned Spending 2000-2001	Total Authorities 2000-2001	Actual Spending 2000-2001
International Business Development	223.4	273.9	240.4	245.7	235.3
Trade and Economic Policy	181.6	204.9	208.8	130.0	120.2
International Security and Co-operation	407.6	448.7	462.0	571.5	506.6
Assistance to Canadians Abroad	45.6	46.0	50.1	51.2	49.1
Public Diplomacy	85.1	90.1	94.5	108.3	104.6
Corporate Services	311.9	306.8	307.1	329.2	324.0
Services to Other Government Departments	190.9	208.9	222.6	225.5	216.2
Passport Services	7.5	8.2	-1.4	13.0	-1.1
Total	1453.6	1587.5	1584.1	1674.4	1554.9

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

Table 4: Resource Requirements by Organization and Business Line (\$ millions)

Organization	Business Line								
	International Business Development	Trade and Economic Policy	International Security and Co-operation	Assistance to Cdns Abroad	Public Diplomacy	Corporate Services	Services to Other Gov't Departments	Passport Services	Total
Executive Offices	0.0	0.0	0.0	0.0	0.0	8.1	0.0	0.0	8.1
	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>8.6</i>	<i>0.0</i>	<i>0.0</i>	<i>8.6</i>
	0.0	0.0	0.0	0.0	0.0	8.2	0.0	0.0	8.2
Legal Adviser	0.0	2.5	8.4	0.0	0.0	0.0	0.0	0.0	10.9
	<i>0.0</i>	<i>2.8</i>	<i>3.7</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>6.5</i>
	0.0	2.8	3.6	0.0	0.0	0.0	0.0	0.0	6.4
Global and Security Policy	0.0	5.2	309.2	0.0	0.0	0.0	2.8	0.0	317.2
	<i>0.0</i>	<i>5.3</i>	<i>403.4</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>3.1</i>	<i>0.0</i>	<i>411.8</i>
	0.0	5.3	350.0	0.0	0.0	0.0	2.4	0.0	357.7
Trade and Economic Policy	0.0	137.2	0.2	0.0	0.0	0.0	0.5	0.0	137.9
	<i>0.0</i>	<i>55.5</i>	<i>0.2</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.5</i>	<i>0.0</i>	<i>56.2</i>
	0.0	52.4	0.2	0.0	0.0	0.0	0.5	0.0	53.1
International Business Development	45.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	45.7
	<i>47.7</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>47.7</i>
	46.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	46.3
Communications, Culture and Policy Planning	0.0	0.0	21.0	0.0	29.1	0.0	0.0	0.0	50.1
	<i>0.0</i>	<i>0.1</i>	<i>21.0</i>	<i>0.0</i>	<i>41.8</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>62.9</i>
	0.0	0.0	21.0	0.0	39.5	0.0	0.0	0.0	60.5
Corporate Services, Passport and Consular Affairs	0.0	0.0	29.4	8.8	0.0	250.0	1.7	-1.4	288.5
	<i>0.0</i>	<i>0.0</i>	<i>36.2</i>	<i>8.9</i>	<i>0.0</i>	<i>268.3</i>	<i>1.8</i>	<i>13.0</i>	<i>328.2</i>
	0.0	0.0	31.3	8.9	0.0	265.4	1.1	-1.1	305.6
Human Resources	0.0	0.0	0.0	0.0	0.0	49.0	0.0	0.0	49.0
	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>52.3</i>	<i>0.0</i>	<i>0.0</i>	<i>52.3</i>
	0.0	0.0	0.0	0.0	0.0	50.4	0.0	0.0	50.4
Americas	67.3	23.8	32.2	15.0	22.0	0.0	53.1	0.0	213.4
	<i>69.0</i>	<i>24.9</i>	<i>42.8</i>	<i>15.3</i>	<i>22.6</i>	<i>0.0</i>	<i>53.1</i>	<i>0.0</i>	<i>227.7</i>
	65.1	22.8	41.3	13.5	21.5	0.0	52.3	0.0	216.5
Europe, Middle East and North Africa	62.5	23.5	35.8	17.7	29.2	0.0	77.3	0.0	246.0
	<i>63.5</i>	<i>24.3</i>	<i>36.9</i>	<i>18.0</i>	<i>29.4</i>	<i>0.0</i>	<i>78.1</i>	<i>0.0</i>	<i>250.2</i>
	61.9	22.7	32.0	17.9	29.2	0.0	75.7	0.0	239.4
Asia-Pacific and Africa	64.9	16.7	25.8	8.6	14.1	0.0	87.2	0.0	217.3
	<i>65.5</i>	<i>17.1</i>	<i>27.3</i>	<i>9.0</i>	<i>14.5</i>	<i>0.0</i>	<i>88.9</i>	<i>0.0</i>	<i>222.3</i>
	62.0	14.2	27.2	8.8	14.4	0.0	84.2	0.0	210.8
Total	240.4	208.9	462.0	50.1	94.5	307.1	222.6	-1.4	1584.1
	<i>245.7</i>	<i>130.0</i>	<i>571.5</i>	<i>51.2</i>	<i>108.3</i>	<i>329.2</i>	<i>225.5</i>	<i>13.0</i>	<i>1674.4</i>
	235.3	120.2	506.6	49.1	104.6	324.0	216.2	-1.1	1554.9

Amounts in regular font denote planned spending and revenue at the beginning of the fiscal year.
 Amounts in italics denote total authorities for spending and revenue at the end of the fiscal year.
 Amounts in bold denote actual spending and actual revenue.

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

Table 5: Respendable Revenues by Business Line (\$ millions)

Business Line	Actual Revenues 1998-1999	Actual Revenues 1999-2000	Planned Revenues 2000-2001	Total Authorities 2000-2001	Actual Revenues 2000-2001
<i>International Business Development</i>					
Canadian Business Centre	0.0	0.0	0.1	0.1	0.0
Trade fairs and trade/investment technology missions	2.8	2.8	8.0	8.0	2.1
<i>Trade and Economic Policy</i>	0.0	0.0	0.0	0.0	0.0
<i>International Security and Co-operation</i>					
International Youth Exchange Program	0.0	0.0	0.0	0.6	0.4
<i>Assistance to Canadians Abroad</i>					
Specialized consular services	1.9	2.1	2.2	2.2	2.0
<i>Public Diplomacy</i>					
Canadian Education Centres	0.7	0.8	1.1	1.1	0.9
<i>Corporate Services</i>					
Telecommunications services	1.5	1.0	2.1	2.1	0.9
Training services	4.1	4.8	5.0	5.0	4.3
Real property services abroad	3.7	3.5	5.2	5.2	3.8
<i>Services to Other Government Departments</i>	0.0	0.0	0.0	0.0	0.0
<i>Passport Services</i>					
Passport fees	58.9	64.9	55.6	68.4	84.9
Total Respendable Revenues	73.7	80.0	79.3	92.7	99.2

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

Explanatory notes to Table 5

The Department has the authority to collect and respend revenues arising from the activities listed in the preceding table. Revenue was collected in 2000-2001 for the following:

- **Trade fairs and trade/investment technology missions:** DFAIT provides logistical support to Canadians organizing trade and investment missions abroad. The costs of such services (local transportation, translation, room rentals, hospitality events, etc.) are recovered from mission organizers. Sufficient authority exists to accommodate large trade missions such as Team Canada.
- **International Youth Exchange (IYE) Program:** DFAIT uses revenue from user fees to cover incremental costs incurred to support the program at missions abroad, other than costs of processing visas and work permits; to expand quotas within the IYE 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 Canadian youth and more effectively promoting the program within Canada.
- **Specialized consular services:** In 1998-1999, DFAIT received approval to respend revenues collected for specialized consular services at missions abroad. These services include activities such as legal and notary services (e.g. administering oaths, receiving an affidavit, authenticating signature and 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.
- **Canadian Education Centres:** The cost of certain services (e.g. rent and utilities) provided to Canadian Education Centres, which promote Canadian education and training services, is recovered from the Canadian Education Centre Network.
- **Telecommunications, training and real property services abroad:** DFAIT is designated a common service provider (a central supplier of particular services to support the requirements of other departments) to departments with overseas operations. DFAIT is funded for the provision of those services that are mandatory for departments to use when required to support Canada's diplomatic and consular missions abroad and has the authority to charge other departments and agencies for optional services. DFAIT consults its client departments and agencies on the rates to be charged and the services provided. Rates charged to other government departments are to recover incremental costs only, and rates charged to Crown corporations and non-federal organizations do not exceed the full cost of the service being provided, in accordance with the Government's cost-recovery policy.
- **Passport fees:** The Passport Office operates as a revolving fund, which is a non-lapsing authorization by Parliament to make payments out of the Consolidated Revenue Fund. It is financed through the recovery of fees for travel documents. A fee of \$35 applies to the 24-page passport, which accounts for over 97 percent of the travel documents issued.

Table 6: Non-Respendable Revenues by Business Line (\$ millions)

Business Line	Actual Revenues 1998-1999	Actual Revenues 1999-2000	Planned Revenues 2000-2001	Total Authorities 2000-2001	Actual Revenues 2000-2001
<i>International Business Development</i>					
Contributions repaid under the Program for Export Market Development	3.0	3.4	2.3	3.6	3.6
<i>Trade and Economic Policy</i>					
Import and export permit fees	12.5	16.4	15.7	17.5	17.5
Softwood lumber permit fees	81.9	102.5	90.0	93.2	93.2
<i>International Security and Co-operation</i>					
Adjustment to Previous Years' Expenditures	2.0	9.1	0.0	4.9	4.9
<i>Assistance to Canadians Abroad</i>					
Consular fees on travel documents	40.6	44.0	43.2	48.1	48.1
<i>Public Diplomacy</i>					
	0.0	0.0	0.0	0.0	0.0
<i>Corporate Services</i>					
Employee rental shares and transportation	15.3	14.3	14.3	14.7	14.7
Sales of properties and other assets	25.3	8.9	11.3	27.4	27.4
Adjustment to Previous Years' Expenditures	8.9	7.1	4	7.4	7.4
Services provided to the Passport Office	4.4	4.4	4.4	4.4	4.4
Other	1.4	1.3	1.0	1.9	1.9
<i>Services to Other Government Departments</i>					
Adjustment to Previous Years' Expenditures	0.8	1.2	0.0	2.7	2.7
<i>Passport Services</i>					
	0.0	0.0	0.0	0.0	0.0
Total Non-Respendable Revenues	196.1	212.7	186.2	225.9	225.9

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

Explanatory notes to Table 6

The Department has the authority to collect and spend revenues arising from the activities listed in the preceding table. Revenue was collected in 2000-2001 for the following:

- **Contributions repaid under the PEMD:** This program provides contributions to small companies and national industry associations. Most contributions are repayable if the recipient company has incremental sales or contractual success. Repayments are credited to the Consolidated Revenue Fund (CRF).
- **Import and export permit fees:** The issuance of import and export permits is fundamental to the control of the export and import of identified goods under the Export and Import Permits Act (EIPA). The standard cost recovery fee is \$9 per permit, and the revenue collected is credited to the CRF.
- **Softwood lumber permit fees:** The standard fee of \$9 per permit is charged to softwood lumber exporters up to established limits. Beyond this limit, and until March 31, 2001, a fee for the privilege of continuing to export was levied at US \$54 per 100 board feet and US \$108 per 1000 board feet in accordance with the Canada-U.S. Softwood Lumber Agreement. The Softwood Lumber Agreement provided companies the flexibility to make their own commercial decisions to continue to export, rather than face a fixed volume restriction under provisions of the EIPA.
- **Consular fees on travel documents:** In addition to the fees collected for responding by the Passport Office, a consular fee of \$25 is collected on behalf of DFAIT and credited to the CRF. This fee represents the costs of services provided by the Consular Program.
- **Employee rental shares and transportation:** Under foreign service directives, employees pay an accommodation rate based on accommodation costs in Ottawa. In addition, under certain circumstances, primarily at hardship posts, employees are permitted to rent official vehicles for personal use. These payments are credited to the CRF.
- **Sales of properties and other assets:** As a special operating agency, the Physical Resources Bureau of DFAIT has the authority to sell surplus Crown-owned property. The revenue generated from these sales is credited to the CRF and returned to DFAIT through Supplementary Estimates for reinvestment.
- **Services provided to the Passport Office:** Since the Passport Office sets its fees on the basis of the full cost of its operations, DFAIT's overhead cost attributed to passport operations at missions abroad must be accounted for. The value of this overhead (financial and personnel services, information management, physical resources) has been established at \$4.4 million, and this amount is deposited to the CRF.

Table 7: Transfer Payments by Business Line (\$ millions)

Business Line	Actual Spending 1998-1999	Actual Spending 1999-2000	Planned Spending 2000-2001	Total Authorities 2000-2001	Actual Spending 2000-2001
GRANTS					
International Business Development	0.8	0.8	2.1	0.1	0.0
Trade and Economic Policy	0.0	0.0	0.0	0.0	0.0
International Security and Co-operation	6.3	5.9	10.3	11.0	10.8
Assistance to Canadians Abroad	0.0	0.0	0.0	0.0	0.0
Public Diplomacy	18.1	22.3	22.8	32.5	32.5
Corporate Services	0.2	0.2	0.3	0.2	0.2
Services to Other Government Departments	0.0	0.0	0.0	0.0	0.0
Passport Services	0.0	0.0	0.0	0.0	0.0
Total Grants	25.4	29.2	35.5	43.9	43.5
CONTRIBUTIONS					
International Business Development	12.4	14.8	14.8	15.4	13.0
Trade and Economic Policy	86.4	107.2	107.8	17.9	14.0
International Security and Co-operation	238.2	257.2	273.4	356.8	304.9
Assistance to Canadians Abroad	0.0	0.0	0.1	0.1	0.1
Public Diplomacy	0.0	0.5	2.0	2.0	1.7
Corporate Services	0.0	0.0	0.0	0.0	0.0
Services to Other Government Departments	0.0	0.0	0.0	0.0	0.0
Passport Services	0.0	0.0	0.0	0.0	0.0
Total Contributions	337.0	379.7	398.1	392.1	333.7
Total Transfer Payments	362.4	408.9	433.6	436.0	377.2

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

Table 8: Capital Spending by Business Line (\$ millions)

Business Line	Actual Spending 1998-1999	Actual Spending 1999-2000	Planned Spending 2000-2001	Total Authorities 2000-2001	Actual Spending 2000-2001
International Business Development	4.4	4.2	5.2	4.9	4.9
Trade and Economic Policy	1.5	2.8	2.1	2.9	2.9
International Security and Co-operation	4.6	10.2	5.4	6.3	6.3
Assistance to Canadians Abroad	1.2	1.2	1.3	1.2	1.2
Public Diplomacy	1.4	1.2	1.2	1.4	1.4
Corporate Services	134.0	95.4	104.7	81.8	81.6
Services to Other Government Departments	8.1	5.8	6.0	6.3	6.3
Passport Services	3.8	5.5	0.0	4.1	4.1
Total Capital Spending	159.1	126.3	125.9	108.9	108.7

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

Table 9: Capital Projects Exceeding \$1 Million, by Business Line (\$ millions)

Business Line	Current Estimated Total Cost	Actual Spending 1998-1999	Actual Spending 1999-2000	Planned Spending 2000-2001	Total Authorities	Actual Spending
Corporate Services						
Beijing, China Compound Purchase	35.6	9.0	8.3	5.0	8.5	8.5
Berlin, Germany Chancery Construction	90.6	20.6	2.2	13.6	13.6	2.8
Berlin, Germany Official Residence Construction	7.2	0.1	3.8	0.4	0.4	0.2
Bucharest, Romania Chancery Annex Construction	1.9	0.0	0.0	1.8	1.8	1.8
Cairo, Egypt Chancery Construction	16.8	3.5	2.6	9.4	9.4	5.1
Caracas, Venezuela Chancery Construction	20.9	9.8	1.4	3.6	5.8	5.8
Dallas, United States Official Residence Purchase	2.4	0.0	2.1	0.3	0.3	0.3
Dhaka, Bangladesh Compound Construction	23.0	-	7.5	0.1	0.1	0.1
Geneva, Switzerland Chancery Construction	21.4	3.9	4.4	0.4	0.4	0.4
Lagos, Nigeria Compound Renovation	3.2	0.0	0.7	2.2	2.2	2.2
Moscow, Russia Five Staff Quarters Purchase	4.2	0.1	0.0	2.7	2.7	2.7
Nairobi, Kenya Chancery Construction	23.6	0.2	0.9	9.4	9.4	1.0
New Delhi, India Eight Staff Quarters Construction	4.2	0.1	2.7	1.4	1.4	1.4
Port-au-Prince, Haiti Chancery Construction	20.1	1.6	0.0	0.1	0.4	0.4
Seoul, Korea Chancery Construction	55.2	0.2	0.7	4.0	4.0	0.1
Tokyo, Japan 19 Staff Quarters Construction	18.5	0.3	4.7	9.5	12.5	12.3
Warsaw, Poland Chancery Addition/Renovation	16.8	0.2	1.2	10.6	10.6	4.7
Passport Services						
Technology Enhancement Plan	32.9	9.1	5.7	0.1	15.0	0.1
Passport Card	4.6	0.1	0.1	0.1	0.4	0.1
Total Capital Projects	403.2	58.7	49.0	74.8	98.9	50.0

Table 10: Passport Office Revolving Fund Financial Statement (\$ millions)

	Actual 1998-1999	Actual 1999-2000	Planned 2000-2001	Total Authorities 2000-2001	Actual 2000-2001
Revenues	58.5	64.5	68.4	68.4	71.3
Expenses	55.6	67.5	85.2	85.2	82.5
Profit or Loss	2.9	-2.9	-16.9	-16.9	-11.2
Add items not requiring use of funds:					
Amortization	1.8	3.5	10.0	10.0	7.9
Provision for employee termination benefits	0.5	1.0	0.7	0.7	1.1
Changes in working capital	-1.5	2.3	-1.5	-1.5	12.8
Net capital acquisitions and other changes	-11.2	-12.1	-14.9	-14.9	-23.1
Cash surplus (requirement)	-7.5	-8.2	-22.6	-22.6	-12.5
Loan from DFAIT					7.9
Return of a previous write-off of the Revolving Fund accumulated surplus	0.0	0.0	0.0	0.0	5.8
Authority: cumulative surplus (drawdown)	21.2	13.0	-9.7	-9.7	14.1

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

Table 11: Contingent Liabilities (\$ millions)

	Amount of Contingent Liability		
	March 31 1999	March 31 2000	Current as of March 31, 2001
Loans			
Parliamentary-approved loan guarantees to the governments of Romania and Bulgaria	24.0	24.0	35.0
Pending and threatened litigation	153.5	854.7	700.2
Total	177.5	878.7	735.2

Explanatory notes to Table 11

As at March 31, 2001, contingent liabilities estimated at \$735.2 million were outstanding against DFAIT:

- \$35 million relate to Parliamentary-approved loan guarantees made by Canadian financial institutions in accordance with terms and conditions approved by the Minister of Finance to the governments of Romania and Bulgaria.
- \$700.2 million relate to 17 individual cases of pending or threatened litigation. Most of these claims are for contractual damage claims and/or employment-related actions. While these cases are in various stages of litigation, it is not DFAIT'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.

Section VI:

Other Information

How to Reach Us: Information and Media Services

The Department of Foreign Affairs and International Trade provides two principal methods of access to its wealth of information resources and reference tools: the InfoCentre and the departmental Library.

The **InfoCentre** is a referral service and information resource centre where Canadians can obtain information on international markets and Canadian foreign policy. Publications prepared by the Department's officers in Ottawa and abroad are made available to clients through the following channels: the Enquiries Centre, FaxLink and the departmental Web site.

The departmental **Library** holds a unique collection of materials in both electronic and non- electronic format in areas of research relevant to the mandate of the Department. Selected services are available to Canadian and foreign clients conducting serious research in the subject areas of foreign affairs and international trade, where the fulfilment of their research needs is not mandated to public, academic or special libraries.

Enquiries Centre

The Enquiries Centre operates a toll-free (1-800-267-8376 in Canada) enquiries telephone line and acts as the Department's first line of contact with the public. Accordingly, the Centre responds to general enquiries about the Department's mandate, organizational structure and diplomatic representation abroad, trade-related enquiries 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 the Department's geographic or sectoral experts. The Centre also co-ordinates the storage and distribution of the Department's hard-copy publications.

FaxLink

The InfoCentre maintains two interactive fax-on-demand systems that provide access to departmental publications for both Canadian and foreign clients. **FaxLink Domestic** stores a wide variety of trade and foreign policy-related documents and is accessible within Canada only. The system can be reached by dialling (613) 944-4500 from the handset attached to a fax machine (users must dial the system from a fax phone). **FaxLink International** is a separate fax-on-demand system designed to respond to foreign investors, business people and those requiring general information on Canada. This system is accessible worldwide by calling (613) 944-6500 from the handset attached to a fax machine.

Media Relations Office

Working with Canadian and foreign media, the Media Relations Office of the Department promotes greater public awareness and knowledge of Canadian foreign and trade policy issues and initiatives. The Media Relations Office provides information to media on all aspects of Canada's foreign and trade policy and departmental operations. The Media Relations Office can be reached by calling (613) 995-1874 or faxing (613) 995-1405.

Main Publications

The Department is responsible for the publication of a large number of documents. It is possible to access them through <http://www.dfait-maeci.gc.ca/english/news/public.htm>. The list of publications on the Web site is currently being updated.

Web Access

The Department of Foreign Affairs and International Trade has over 180 Web sites dealing with specific client needs both domestically and internationally. The departmental site and the sites of the special operating agencies, corporations and commissions that report through the ministers to Parliament are as follows:

Department of Foreign Affairs and International Trade: <http://www.dfait-maeci.gc.ca>

Canadian Commercial Corporation: <http://www.ccc.ca>

Canadian International Development Agency: <http://www.acdi-cida.gc.ca>

Export Development Corporation: <http://www.edc-see.ca>

International Centre for Human Rights and Democratic Development:
<http://www.ichrdd.ca>

International Development and Research Centre: <http://www.idrc.ca>

International Joint Commission: <http://www.ijc.org>

Northern Pipeline Agency: http://canada.gc.ca/depts/agencies/npaind_e.html

NAFTA (North American Free Trade Agreement) Secretariat:
<http://www.nafta-sec-alena.org>

Passport Office: http://www.dfait-maeci.gc.ca/passport/menu_e.asp

For one-stop access to Government of Canada programs and services, visit:

<http://www.servicecanada.gc.ca>

or call:

1800-O-Canada (1 800 622-6232)

TTY/TDD 1 800 465-7735

Office Locations of the Department and of Related Organizations

Department of Foreign Affairs and International Trade

125 Sussex Drive
Ottawa, Ontario
K1A 0G2
(613) 944-4000

Canadian Commercial Corporation

50 O'Connor Street
Ottawa, Ontario
K1A 0S6
(613) 996-0034

Export Development Corporation

151 O'Connor Street
Ottawa, Ontario
K1A 1K3
(613) 598-2500

International Centre for Human Rights and Democratic Development

63 rue de Bresoles, suite 100
Montreal, Quebec
H2Y 1V7
(514) 283-6073

North American Free Trade Agreement (NAFTA) Canadian Section

90 Sparks Street, Suite 705
Ottawa, Ontario
K1P 5B4
(613) 992-9388

Passport Office

Corporate Secretariat
Ottawa, Ontario
K1A 0G3
(819) 953-7622

Regulatory Affairs for Department of Foreign Affairs and International Trade

Co-ordinator of Regulatory Affairs
125 Sussex Drive, Tower A-3, Room 368
Ottawa, Ontario K1A 0G2
(613) 944-1831

Canadian International Development Agency

200 Promenade du Portage
Hull, Quebec
K1A 0G4
(819) 997-5006

International Development Research Centre

250 Albert Street, P.O. Box 8500
Ottawa, Ontario
K1G 3H9
(613) 236-6163

International Joint Commission

100 Metcalfe Street, 18th Floor
Ottawa, Ontario
K1P 5M1
(613) 995-2984

Northern Pipeline Agency

125 Sussex Drive
Ottawa, Ontario
K1A 0G2
(613) 993-5000

Statutes and Regulations

The Minister of Foreign Affairs has sole responsibility to Parliament for the following acts:

- *Chemical Weapons Convention Implementation Act*, SC 1995, c. 25
- *Department of Foreign Affairs and International Trade Act*, RSC 1985, c. E-22
- *Export and Import Permits Act*, RSC 1985, c. E-19
- *Food and Agriculture Organization of the United Nations Act*, RSC 1985, c. F-26
- *Foreign Missions and International Organizations Act*, SC 1991, c. 41
- *International Boundary Commission Act*, RSC 1985, c. I-16
- *International Boundary Waters Treaty Act*, RSC 1985, c. I-17
- *International Development (Financial Institutions) Assistance Act*, SC 1980-81-82-83, c. 73
- *International Development (Financial Institutions) Assistance Act*, RSC 1985, c. 1-18
- *Privileges and Immunities (NATO) Act*, RSC 1985, c. P-24
- *Prohibition of International Air Services Act*, RSC 1985, c. P-25
- *Special Economic Measures Act*, SC 1992, c. 17
- Treaties of Peace with: Austria, Germany, SC 1919 (second session), c. 30; Bulgaria, SC 1920, c. 4; Hungary, SC 1922, c. 49, SC 1948, c. 71 and SC 1950, c. 50, s. 10; Italy, Romania, Finland, SC 1948, c. 71 and SC 1950, c. 50, s. 10; Japan, SC 1952, c. 50; Turkey, SC 1922, c. 49
- *United Nations Act*, RSC 1985, c. U-2

The following acts under the responsibility of the Minister of Foreign Affairs are administered outside the Department:

- *Asia-Pacific Foundation of Canada Act*, RSC 1985, c. A-13
- *Fort-Falls Bridge Authority Act*, SC 1970-71-72, c. 51
- *International Centre for Human Rights and Democratic Development Act*, RSC 1985, c. I-17.3 (RSC 1985 [fourth supplement] c. 54)
- *International Development Research Centre Act*, RSC 1985, c. I-19
- *Rainy Lake Watershed Emergency Control Act*, SC 1939, c. 33
- *Roosevelt Campobello International Park Commission Act*, SC 1964-65, c. 19
- *Skagit River Valley Treaty Implementation Act*, SC 1984, c. 11

Certain provisions of the following acts involve the Minister of Foreign Affairs:

- *Canada Shipping Act*, RSC 1985, c. S-9, s. 632.4
- *Canada Transportation Act*, SC 1996, c. 10, s. 76
- *Canadian Environmental Assessment Act*, SC 1992, c. 37, s. 40, s. 47, s. 58
- *Canadian Security Intelligence Service Act*, RSC 1985, c. C-23, s. 13, s. 16, s. 17, s. 19
- *Citizenship Act*, RSC 1985, c. C-29, s. 3
- *Coasting Trade Act*, SC 1992, c. 31, s. 3, s. 11
- *Criminal Code*, RSC 1985, c. C-46, s. 7, s. 57, s. 477.4
- *Cultural Property Export and Import Act*, RSC 1985, c. C-51, s. 4, s. 17, s. 39
- *Customs Tariff*, SC 1997, c. 36, s. 51, s. 53
- *Excise Tax Act*, RSC 1985, c. E-15, s. 68.3
- *Federal Real Property Act*, SC 1991, c. 50
- *Foreign Enlistment Act*, RSC 1985, c. F-28, s. 7
- *Foreign Extraterritorial Measures Act*, RSC 1985, c. F-29, s. 2.1, s. 5
- *The Geneva Conventions Act*, RSC 1985, c. G-3, s. 6, s. 9
- *Immigration Act*, RSC 1985, c. I-2, s. 116
- *Motor Vehicle Transport Act*, 1987, RSC 1985 (third supplement) c. 29, s. 17
- *Mutual Legal Assistance in Criminal Matters Act*, RSC 1985 (fourth supplement) c. 30, s. 6
- *Oceans Act*, SC 1996, c. 31, s. 23, s. 25, s. 42, s. 44
- *Revolving Funds Act*, RSC 1985, c. R-8, s. 4
- *State Immunity Act*, RSC 1985, c. S-18, s. 9, s. 14, s. 15

The following acts under the responsibility of the Minister for International Trade are administered outside the Department:

- *Canadian Commercial Corporation Act*, RSC 1985, c. C-14
- *Export Development Act*, RSC 1985, c. E-20
- *Northern Pipeline Act*, RSC 1985, c. N-26

Certain provisions of the following acts also involve the Minister for International Trade:

- *Canada-Chile Free Trade Agreement Implementation Act*, SC 1997, c. 14, s. 1 to 8 and Parts I and III
- *Canada-Israel Free Trade Agreement Implementation Act*, SC 1996, c. 33, s. 1 to 7 and Parts I and III
- *Canada-United States Free Trade Agreement Implementation Act*, SC 1988, c. 65, s. 1 to 7 and Parts I and V
- *North American Free Trade Agreement Implementation Act*, SC 1993, c. 44, s. 1 to 9 and Parts I and III
- *Special Import Measures Act*, RSC 1985, c. S-15, Parts I.1 and II
- *World Trade Organization Agreement Implementation Act*, SC 1994, c. 47, s. 1 to 7 and Parts I and III

In addition to regulations under the previously mentioned acts, the following have provisions that involve the Minister of Foreign Affairs:

- The Canadian Passport Order, SI/81-86
- Customs diplomatic privileges regulations
- Government contracts regulations

Acronyms and Abbreviations

ADM	Assistant deputy minister	IJC	International Joint Commission
APEC	Asia-Pacific Economic Cooperation forum	ILO	International Labour Organization
APM	Anti-personnel mines	IRIS[®]	Automated passport production system
ASEAN	Association of Southeast Asian Nations	ISC	International Security and Co-operation
CCC	Canadian Commercial Corporation	LDCs	Least-developed countries
CIDA	Canadian International Development Agency	MRC	Market Research Centre
COSMOS	Consular Management and Operations System	NAFTA	North American Free Trade Agreement
CPC	Canada Post Corporation	NATO	North Atlantic Treaty Organization
CRF	Consolidated Revenue Fund	NGO	Non-governmental organization
DFAIT	Department of Foreign Affairs and International Trade	NORAD	North American Aerospace Defence Agreement
ECL	Export Control List	OAS	Organization of American States
EDC	Export Development Corporation	OECD	Organization for Economic Co-operation and Development
EIPA	Export and Import Permits Act	OGDs	Other government departments
EU	European Union	OSCE	Organization for Security and Co-operation in Europe
FDI	Foreign direct investment	PEMD	Program for Export Market Development
FTA	Free Trade Agreement	POL	Passport On-Line
FTAA	Free Trade Area of the Americas	R&D	Research and Development
FTE	Full time equivalent	SHIRBRIG	Standby Forces High Readiness Brigade
G-7/8	Group of Seven leading industrialized nations [Canada, France, Germany, Italy, Japan, United Kingdom, United States] plus Russia	SMEs	Small and medium-sized enterprises
GATS	General Agreement on Trade in Services	TCI	Team Canada Inc
GDP	Gross domestic product	TCS	Trade Commissioner Service
IAEA	International Atomic Energy Agency	TEP	Trade and Economic Policy
IBD	International Business Development	UN	United Nations
ICC	International Criminal Court	UNESCO	United Nations Educational, Scientific and Cultural Organization
IFIs	International financial institutions	WTO	World Trade Organization
		YIIP	Youth International Internship Program