

**GOVERNMENT OF CANADA RESPONSE TO THE RECOMMENDATIONS OF THE
TWENTIETH REPORT OF THE STANDING COMMITTEE ON FOREIGN AFFAIRS
AND INTERNATIONAL DEVELOPMENT ENTITLED
“CANADA’S ENGAGEMENT WITH EAST ASIA”**

RECOMMENDATION 1: The Government of Canada should continue to engage with China to deepen economic and trade relations while actively holding China accountable for its domestic violations of international standards.

RESPONSE: The Government of Canada agrees with this Recommendation. The Government notes with deep concern the arbitrary detention of Canadian citizens by the Government of China in December, 2018 and the arbitrary sentencing of a Canadian citizen and imposition of the death penalty by the Government of China in January, 2019. Canada’s overriding priority remains the safety of Canadians in China. Canada will continue to pursue a relationship with China within which common interests and respective concerns can be addressed. Moving forward, Canada will continue to advance Canadian interests through existing mechanisms such as the Annual Leaders’ Dialogue, the ministerial-level Canada-China Economic and Financial Strategic Dialogue (EFSD), and the various consultative mechanisms established through the more than 150 memorandums of understanding (MOUs) agreed to with the Government of China.

The Government of Canada agrees that it is important to hold China accountable to international standards, including with respect to human rights. The rule of law, the protection of Canadian security, and the promotion of human rights remain core priorities in our engagement with China. Canada will continue to raise these issues with China at every opportunity and will continue to encourage China to live up to its international commitments.

RECOMMENDATION 2: The Government of Canada should continue to actively seek out opportunities to increase Canada’s economic integration with countries in East Asia through bilateral and multilateral trade agreements.

RESPONSE: The Government of Canada continues to actively seek out commercial opportunities in the Asia-Pacific and is actively working with Canadian companies to take advantage of new agreements. The Government’s effort to swiftly ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) – which entered into force on December 30, 2018 – reflects the importance Canada places on strengthening economic ties and advancing economic integration with the Asia-Pacific region in markets such as Australia, Brunei, Japan, Malaysia, New Zealand, Singapore and Vietnam. Canada welcomes the future accession of economies that are able to meet the high standard rules and ambitious market access commitments of the CPTPP which will further expand benefits for Canadian businesses. At the same time, Canada is engaged in free trade agreement exploratory discussions with the Association of Southeast Asian Nations (ASEAN), which is comprised of the following member states: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. Canada is also committed to advancing the negotiation of a Canada-India Comprehensive Economic Partnership Agreement with the aim of securing an ambitious agreement what will benefit both Canada and India.

RECOMMENDATION 3: The Government of Canada should continue to strengthen the Canadian Trade Commissioner Service and support the work of local Canadian Chambers of Commerce in East Asia as part of a comprehensive strategy to promote Canadian trade and investment in the region.

RESPONSE: The Government of Canada agrees with this recommendation. Canada began to significantly increase its network of Trade Commissioners in China with the establishment of four Canadian Trade Offices in China (CTO) in 2006 which grew to a total of 10 in 2010. 20 Trade Commissioners are assigned to the CTOs. A further 80 Trade Commissioners are deployed at Canada's Embassy and the four consular missions in China.

Since 2015, 38 new positions have been added to our missions and trade offices in China, Japan, Korea, India and ASEAN countries. The 2018 Federal Budget proposed up to \$75 million in funding over five years, in addition to \$11.8 million in ongoing funding, for Global Affairs Canada to establish a stronger Canadian diplomatic and trade support presence in the Asia-Pacific region. Of this amount, up to \$48.3 million over five years (plus \$9.8 million in ongoing funding) was earmarked to enhance the Trade Commissioner Service's resources specifically for Asia. In addition, the 2018 Fall Economic Statement proposed increasing the number of Trade Commissioners in key overseas markets including China, India, as well as major markets covered by new free trade agreements such as the CPTPP to which seven nations from the Asia-Pacific region are signatories. Implementation of the 2018 Federal Budget and the 2018 Fall Economic Statement to expand Canada's trade promotion services in East Asia is being developed.

Canadian chambers of commerce have been established in major commercial centres across the globe, including in the Asia-Pacific region. They are voluntary organizations, incorporated under local law whose typical mandate is to support bilateral business activity between Canada and the host jurisdiction. Given their shared objectives, Trade Commissioners at Canadian diplomatic missions work closely with these local chambers, often sitting on their boards. Depending on their capacity, our missions may engage them for services such as event organization or market studies. The Trade Commissioner Service will continue its engagement with Canadian chambers of commerce in Asia to serve Canadian commercial interests.

RECOMMENDATION 4: The Government of Canada should increase its efforts, in coordination with similar initiatives at the provincial level, to promote a Canadian brand in East Asia in order to improve local knowledge of Canada and help Canadian firms differentiate themselves from their competitors.

RESPONSE: The Government of Canada takes note of this recommendation. Canada continues to be in the top tier of major country brand rankings. The Government of Canada welcomes the participation of provinces, territories and municipalities in the Asia-Pacific region and elsewhere to advance shared economic interests. Global Affairs Canada also holds regular consultations with provinces and territories on their respective international business development activities to ensure coordinated efforts in Asia and elsewhere.

The Government of Canada is active in a number of micro-branding efforts. Global Affairs Canada has worked very closely with 22 provincial/territorial ministries of education to manage EduCanada, a whole-of-Canada initiative to brand Canada as a top destination for studies and research. Agriculture and Agri-food Canada has its “Canada Brand” program which allows Canadian agri-food businesses and associations adopt a common look and feel for their marketing efforts. Similarly, Canada’s national tourism agency, Destination Canada, actively shares its branding materials with Canadian tourism operators. As a further measure to reinforce Canada’s global brand and increase international awareness of Canada, in July 2018, the Government of Canada announced a new Creative Export Strategy, which is led by Canadian Heritage with the support of Global Affairs Canada. The Strategy will help Canada’s creative industries achieve international success and advance trade opportunities.

RECOMMENDATION 5: The Government of Canada should continue to cooperate with its international partners to pressure North Korea to abandon its nuclear weapons and ballistic missiles programs, and should verifiable progress be made towards that goal, consider renewing its diplomatic engagement with North Korea, including cross accrediting the Canadian Ambassador to South Korea to North Korea.

RESPONSE: The Government of Canada agrees with the Committee’s recommendation that it “should continue to cooperate with its international partners to pressure North Korea to abandon its nuclear weapons and ballistic missiles programs”. Canada has committed significant resources to bolster security and stability on the Korean Peninsula, including: 1) an increased contribution of Canadian Armed Forces personnel to the United Nations Command; 2) playing an important role in the economic pressure campaign aimed at convincing North Korea (The Democratic People’s Republic of Korea or DPRK) to abandon its unlawful weapons of mass destruction and ballistic missile programs; 3) a contribution of military assets in 2018 to a multinational initiative aimed at countering DPRK’s maritime sanctions evasion and bolstering the integrity of UN Security Council sanctions; and 4) co-hosting the Vancouver Foreign Ministers’ Meeting in January 2018, which brought together 20 countries to advance diplomatic efforts towards a stable, secure, and denuclearized Korean Peninsula. The Government of Canada will continue to work with allies and partners across the region and around the world in support of this key foreign policy priority.

The Government of Canada also takes note of the Committee’s recommendation with respect to renewing diplomatic engagement with the DPRK. Movement in this respect is directly related to the DPRK’s commitment to progress in verifiably abandoning its weapons of mass destruction (WMD) and ballistic missile programs and reduced tensions on the Korean Peninsula. Canada’s diplomatic relations with the DPRK were established in 2001, and remain in place. However, the DPRK’s aggressive actions in 2010 led Canada to impose tight restrictions on the relationship, including a *Controlled Engagement Policy*. Ambassadors between the two countries are currently not accredited. While Canada is encouraged by ongoing dialogue, and has noted the DPRK’s reaffirmation of its commitment to denuclearization, Canada will continue to advocate for the DPRK to take concrete actions to verifiably abandon its WMD programs. This is especially important given that it appears that the DPRK has yet to take any steps that would meaningfully degrade the capabilities of its WMD programs. In fact, the DPRK appears to be continuing to advance the capabilities of its WMD and ballistic missile programs.

RECOMMENDATION 6: The Government of Canada should pursue a strategy that blends law enforcement and intelligence approaches with targeted development assistance in order to increase its engagement on counter-terrorism with partner countries in East Asia.

RESPONSE: The Government of Canada agrees with this recommendation, although it notes that Canada only supports partner states in their law enforcement and intelligence approaches through capacity building and is not involved in their execution. Furthermore, any security cooperation activity by Canada will always be guided by respect for human rights and the rule of law. Counter-terrorism projects do not necessarily qualify for official development assistance; however, other sources of funding may be available. The Government of Canada is deeply concerned about terrorism, and is engaged in a host of ways in Asia to address both immediate and long-term peace and security goals. Our international assistance includes targeted tools separate from development assistance programming such as the Counter-Terrorism Capacity Building Program (CTCBP) that allows Canada to act nimbly in support of host governments' security efforts.

Currently there are 17 partner countries in the Asia-Pacific who have received assistance under the CTCBP through funding commitments of approximately \$18 million since 2014. Countering violent extremism has been a growing area of focus for the program. Since 2014, the Government of Canada has committed approximately \$3.5 million in countering violent extremism programming in the Asia-Pacific region to reduce recruitment opportunities by strengthening community resilience against radicalization, implementing community policing approaches, improving communication channels between communities, civil society and security providers, and developing reintegration and disengagement strategies. Other areas which the CTCBP seeks to address counter-terrorism capacity include: law enforcement, military and intelligence; legal assistance; border and transportation security; combating the financing of terrorism; countering improvised explosive devices; and, cyber security and critical infrastructure protection. Canada is also supporting partners in East Asia (including the law enforcement community) to mitigate threats posed by terrorist acquisition and use of WMD and related materials. Since 2011, Canada's Weapons Threat Reduction Program has delivered over \$30.2 million in capacity building assistance to ASEAN and its member states to prevent, detect and respond to chemical, biological, radiological and nuclear threats and to strengthen biological security, biological safety and disease surveillance capabilities.

Canada also uses its official development assistance to support peace and security in the region in line with our commitments in the Feminist International Assistance Policy and the Official Development Assistance Accountability Act. For example, Canada's Peace and Stabilization Operations Program (PSOPs) is contributing close to \$13.6 million toward gender-responsive and inclusive conflict prevention, stabilization and peacebuilding across Asia to pave the way for peace to take hold in conflict-affected states and situations. PSOPs' contribution to the Nobel Women's Initiative, for example, is helping to strengthen the active and meaningful participation of women in the peace process on the Korean Peninsula by supporting a collaborative network of women peace builders from Northeast Asia and other key stakeholder countries. Through the United Nations Development Programme, PSOPs is providing small grants to civil society organizations from the seven participating N-Peace countries (Afghanistan, Indonesia, Myanmar, Nepal, Pakistan, Philippines and Sri Lanka) to help implement the women, peace and security

agenda. N-Peace is a network that supports women's leadership for conflict prevention, resolution and peace building, as well as security sector reform and women's engagement in peacebuilding solutions.

RECOMMENDATION 7: The Government of Canada should continue to promote respect for human rights, democracy, gender equality, and the rule of law in East Asia. Engagement strategies should be tailored to local circumstances and focused on supporting positive change in the country in question, including through quiet diplomacy and indirect action, and/or speaking publicly and engaging in open and frank dialogue with governments in the region and where possible, working in concert with likeminded states.

RESPONSE: The Government of Canada agrees with this recommendation. Human rights, democracy, gender equality and the rule of law are an integral part of Canadian foreign policy and a key priority for Canada's engagement in Asia. The Government of Canada will continue to engage strategically to promote human rights, democracy, gender equality and the rule of law, looking to use the most effective tools appropriate to local circumstances. These might include bilateral discussions, engagement in multilateral fora, and supporting civil society's efforts. In order to foster a comprehensive approach, the Government of Canada will continue to support the important role that civil society, NGOs and human rights defenders play in raising awareness and advocating for human rights, democracy, and the rule of law. The Government of Canada will also continue to work with a variety of partners, including traditional like-minded states, issue-based like-minded states and other stakeholders. As part of Canada's Feminist International Assistance Policy, Canada will continue to support states and civil society in advancing norms and standards toward gender equality and address sexual and gender based violence. With the goal of supporting positive domestic change, Canada will also continue to promote inclusion, and encourage efforts undertaken by other countries to respect diversity.

RECOMMENDATION 8: The Government of Canada should work with its provincial partners and educational institutions to improve upon existing efforts to attract foreign students to Canada.

RESPONSE: The Government of Canada agrees with this recommendation. As announced in the 2018 Fall Economic Statement, the current International Education Strategy is being updated by Global Affairs Canada and Employment and Social Development Canada (ESDC) in consultation with other federal, provincial and territorial partners. ESDC is focusing on the part of the Strategy which involves international experiences and outbound mobility for Canadian students, in recognition of their contribution to job skills. Global Affairs Canada remains committed to thorough and detailed consultations with the provinces, territories and other stakeholders as the strategy is renewed.

The International Education Strategy has had considerable success to date. In 2017, its student recruitment target of 450,000 students was surpassed by 45,000, five years ahead of its 2022 target date. According to the most recent UNESCO statistics (2016), Canada is the seventh highest overall recipient of inbound international students, after the United States, United Kingdom, Australia, France, Germany and Russia. The overall number of international students

from Asian countries has more than tripled between 2004 and 2017, with students from China and India now representing over 50% of all incoming students.

RECOMMENDATION 9: The Government of Canada should continue to provide assistance to its development partners in East Asia as part of a comprehensive engagement strategy with emerging economies in the region.

RESPONSE: The Government of Canada agrees with this recommendation. Canada continues to provide assistance to its development partners in Southeast Asia as part of a broader engagement with the region. The delivery of our international assistance in the region is rooted in the principles and objectives of the Feminist International Assistance Policy and the 2030 Agenda and the Sustainable Development Goals which together support gender equality, empowering women and girls, and targeting the poorest and most vulnerable. Canada works with its development partners to ensure that its international assistance supports their development priorities.

To achieve its international assistance objectives in the region, Canada is deploying innovative and catalytic approaches to leverage additional resources for sustainable development, including building new multi-stakeholder partnerships and engaging private capital. Canada works closely with the World Bank Group, the Asian Development Bank and the new Asian Infrastructure Investment Bank, and highly values their key contributions to reducing poverty and bringing prosperity to some of the region's poorest countries. Canada is partnering at a regional level with ASEAN. It co-chairs the ASEAN Regional Forum Inter-Sessional Meeting on Disaster Relief, which helps to guide cooperation on disaster relief among the 27 members in the region. Canada also contributes to peace and stability in the region through ASEAN and on a country basis by engaging with a variety of security-related partners, both Canadian and international. Canada and development partners in Southeast Asia collaborate to fight climate change, reduce ocean plastics and build their economic and environmental resilience given the region's high vulnerability to natural disasters and climate-related shocks. Related to Canada's long established program activity in Southeast Asia is its leadership role in advocating for fundamental human rights, governance and the end to impunity in Myanmar. Canada's Comprehensive Strategy to Respond to the Rohingya Crisis in Myanmar and Bangladesh is a three year, \$300 million effort which aims to improve living conditions of displaced Rohingya and assist host communities in Bangladesh.