

**FULL GOVERNMENT RESPONSE TO THE REPORT OF THE STANDING COMMITTEE ON
NATIONAL DEFENCE “CANADA’S SUPPORT TO UKRAINE IN CRISIS AND ARMED CONFLICT”**

INTRODUCTION

The Government of Canada has carefully reviewed the report of the Standing Committee on National Defence (hereafter referred to as the Committee) and thanks its members for their interest. The Government appreciates that the Committee has devoted considerable attention to this important issue, including by travelling to Ukraine in September 2017, and welcomes the continuing interest of the Committee in Canada’s strong support to Ukraine, which is a matter of cross-partisan parliamentary unity.

The Government is pleased to note that many of the Committee’s recommendations are consistent with Canada’s current approach to supporting Ukraine’s security, stability, and economic prosperity.

Below is the Government’s response to specific recommendations made by the Committee.

RECOMMENDATION 1

That the Government of Canada continue to provide strong military training to the Ukrainian Armed Forces and that it look for opportunities to expand the type of training and support provided by the Canadian Armed Forces (CAF) through Operation UNIFIER.

RESPONSE

The Government of Canada agrees with this recommendation. Announced by the Government on 14 April 2015, Operation UNIFIER reached full operational capability on 5 October 2015. Operation UNIFIER involves the deployment of approximately 200 CAF personnel to Ukraine to develop and deliver military training and capacity-building programs. Initially approved until 31 March 2017, the Operation was renewed until 31 March 2019 at a total incremental cost of \$57.75 million over two years.

Operation UNIFIER has six lines of effort: small team training; explosive ordnance disposal and improvised explosive device disposal instruction; military police professionalisation courses; medical training; logistics systems modernisation; and, language, staff, peace support, exercise planning, and other specialized training provided through the Department of National Defence’s (DND) Military Training and Cooperation Program. To date, over 5100 Ukrainian Armed Forces personnel have been trained under Operation UNIFIER. Most of the training takes place at the International Peacekeeping and Security Centre in Starychi (Yavoriv), though some training takes place at other locations in western Ukraine. Furthermore, in line with stated Ukrainian needs, DND/CAF is increasing the assistance it provides in order to support the Ukrainian defence establishment’s ambitious defence reform program, where it is aiming for Euro-Atlantic standards and interoperability with NATO forces by 2020.

Operation UNIFIER is part of the Government of Canada's comprehensive support to Ukraine, which has totaled more than \$700 million since January 2014. The goal of this assistance is to support Ukraine in its efforts to maintain sovereignty, security and stability. In addition to Operation UNIFIER, Canada has provided the following defence-related assistance to Ukraine:

- Approximately \$16 million of non-lethal equipment was provided to the Ukrainian Armed Forces between August 2014 and late 2016, with another \$7.25 million committed to Ukraine before the 31 March 2019;
- Canada has been contributing to Ukraine's Defence Reform Advisory Board (DRAB) since October 2015, and in October 2016, appointed a senior civilian DND executive to the Board. DRAB includes members from other NATO countries, and has been established to provide a high level of expertise and recommendations to Ukraine's senior political leadership on matters relating to the reform of Ukraine's defence institutions, in accordance with Ukraine's Euro-Atlantic aspirations;
- Ukraine has been a member of DND's Military Training Cooperation Program (MTCP) since 1993, with over 2200 Ukrainian defence personnel having participated in MTCP activities to date. Ukraine is the single largest recipient of training and funding in the MTCP. To support the lines of effort outlined above, the Program has sought to align its Ukraine activities with Operation UNIFIER and Defence Reform Advisory Board aims to the degree permitted by its Treasury Board terms and conditions, including by increasing its offers of English language, staff, strategic, and professional development training, and continuing its support to Ukraine's participation in relevant non-combat military exercises;
- \$685,000 has been provided to the NATO-Ukraine Command, Control, Communication and Computer (C4) Trust Fund, which Canada co-leads with Germany and the UK;
- \$300,000 has been provided to the NATO-Ukraine Logistics and Standardization Trust Fund; and
- A Defence Cooperation Arrangement (DCA) was signed by the Minister of National Defence and his Ukrainian counterpart on 3 April 2017 in Ottawa. The DCA lays out the areas in which Canada and Ukraine can pursue future defence cooperation, including, for example, in defence policy, defence research, development and production, and in military education.

RECOMMENDATION 2

That the Government of Canada strengthen Canada's contribution to military, police, justice, and anti-corruption training beyond the expiration of current funding agreements.

RESPONSE

The Government of Canada is active in these areas, and will take this recommendation into consideration as decisions are made on the possible renewal of current funding agreements, where applicable.

Canada is providing military and military police training to Ukraine through Op UNIFIER (as outlined above), as well as training in the areas of justice and anti-corruption. The Government

is a strong and committed supporter of professionalization of the Ukrainian security and justice sector, including efforts to reduce corruption across Ukraine.

Under the Peace and Stabilization Operations Program (PSOPs), Canada is implementing reform and capacity-building initiatives in support of the Ukrainian National Police (UNP). Current initiatives include the Police Training Assistance Project and the Ukraine Police Equipment Project. Both initiatives build on and continue a range of past achievements, including Canada's leading support for the establishment of the Patrol Police (a new and reliable unit within the UNP) and the National Police Academy, Ukraine's first national-level police education institution. These initiatives also support continued training activities, including leadership and supervisory training of police commanders and building capacity for outreach and public engagement. PSOPs current and past programming aligns with support provided under the Canadian Police Arrangement and support capacity-building initiative the judicial and anti-corruption sectors provided under provided under Canada's Development Assistance Program in Ukraine.

The Canadian Police Arrangement (CPA) is the partnership between Global Affairs Canada, Public Safety Canada and the Royal Canadian Mounted Police through which Canadian civilian police officers are deployed to peace support operations internationally. Administered by PSOPS, the CPA currently deploys up to 20 civilian police officers to support Ukraine's police reform efforts. These women and men deliver training to their Ukrainian counterparts across most of the country on priority themes agreed jointly with the Ukrainian police leadership. Since this bilateral police mission – Canada's first and largest – was established in June 2016, training themes have included: basic police security skills, front-line investigative techniques, community policing models, and sexual and gender-based violence prevention and investigation. CPA partners are currently considering options to expand the mission, both in size and in scope, including deepening the focus on issues such as gender-sensitive policing and improving investigation of serious and organized crime.

Until December 2020, Canada will continue its support for judicial reform in Ukraine to establish an effective, fair and accountable court system that is trusted by the public and adheres to high ethical and professional standards. Expert advice will be offered on merit-based competitive judicial selection and objective disciplinary procedures. Targeted assistance will be provided to establish an effective and independent High Anti-Corruption Court to review top-level corruption cases. In 2018, Canada will also continue its support to the accessible, transparent and accountable free legal aid system, which operates at arms-length under the Ministry of Justice of Ukraine.

Through the Expert Deployment for Governance and Economic Growth Project (EDGE), Canada is helping Ukraine move towards a democratic and prosperous society by advancing citizen-centered democracy and promoting sustainable economic growth. In the area of anti-corruption, EDGE is providing support to the Government of Ukraine (GoU) on the development of a mechanism for handling corruption-related complaints, and whistleblowers' protection. EDGE assisted the National Agency on Corruption Prevention in approval of policies on corruption-related complaints handling, and is currently focused on piloting the corruption-

related complaints mechanism in select GoU institutions. Currently, the pilot is rolling out in the first institution, the Ministry of Healthcare. The goal is to have line ministries formally adopt and implement a mechanism for handling complaints and whistleblowers' protection in the near future. In addition, in the area of regulatory environment, EDGE undertakes significant efforts which indirectly mitigate corruption risks, such modernizing the administrative service delivery model across Ukraine and developing an electronic platform to support the newly legislated national public health care system.

RECOMMENDATION 3

That the Government of Canada facilitate stronger parliament-to-parliament relations including possible assistance in the development of anti-corruption mechanisms, institutions and training as requested by Ukrainian officials. The Committee further recommends that the Government of Canada explore ways to assist Ukraine in the creation of mechanisms similar to the Canadian Auditor General and the House of Commons Public Accounts and National Defence Committees.

RESPONSE

The Government supports this recommendation. Through several international development assistance projects, Canada is currently engaging the Ukrainian Parliament in a number of areas, including: supporting Ukraine's efforts to ratify the Istanbul Convention on preventing and combating violence against women and domestic violence; actively engaging a cross-factional group of young, reformist Ukrainian Members of Parliament to adopt electoral reforms in line with recognized European commitments and standards; and, supporting efforts to adopt laws on transparency of political financing.

RECOMMENDATION 4

That the Government of Canada increase Canada's contribution to the OSCE Special Monitoring Mission in Ukraine, and consider including more women monitors.

RESPONSE

The Government of Canada takes note of this recommendation, underlining that Canada has consistently and strongly supported the OSCE Special Monitoring Mission's (SMM) work, both through assessed contributions to the Mission's operations budget and through funding the deployment of Canadian personnel to the Mission. Canada commends the efforts of the OSCE SMM to Ukraine amidst increasingly difficult and dangerous conditions in the East of the country.

Under the Peace and Stabilization Operations Program, Canada is supporting the recruitment, selection, pre-posting training and deployment of monitors to the OSCE Special Monitoring Mission. Canada's committed support totals \$12.4 million and currently provides for the deployment of up to 50 Canadians as SMM monitors. Canadian personnel deployed fill a variety of roles, including monitoring, technical, and supervisory positions. The number of personnel actually deployed fluctuates based on a number of factors, including hiring periods, mission mandate expiration and roll-over dates, the situation on the ground, and the personal circumstances of the monitors themselves.

As of January 2018, 37 Canadian personnel are deployed or in the process of deploying to the SMM, with funding in place to accommodate the deployment of up to 50 persons. This latter figure represents approximately 5% of internationally seconded Mission members, which mirrors Canada's overall contribution rates to the OSCE.

In line with the Government of Canada's broader commitments to advance the Women, Peace, and Security agenda, Canada, through its Permanent Delegation to the OSCE in Vienna, has regularly advocated for greater attention to gender balance in the SMM (and the entire OSCE organization), and strives to maximize gender balance in the deployment of Canadians to the SMM. At present, women make up 12 of the 37 Canadian personnel deployed.

RECOMMENDATION 5

That the Government of Canada advocate for a United Nations peacekeeping mission in Ukraine that respects its territorial integrity.

RESPONSE

The Government of Canada agrees that any United Nations peacekeeping mission in Ukraine must respect that country's territorial integrity. Canada is supportive of international efforts to develop a broad agreement regarding the potential establishment of a UN peacekeeping mission in Eastern Ukraine, provided that the mandate of such a mission recognizes Ukraine's capacity to exercise full sovereignty over its territory and provides for a meaningful UN role. However, as Russia holds a veto over any prospective UN Security Council resolution, reaching an agreement on such a mandate remains challenging.

Canada did not support the UN mission mandate proposed by Russia in September 2017, as it limited the UN role to that of a guard force for OSCE monitors and risked essentially freezing the conflict lines in place and preventing the effective reestablishment of Ukrainian authority over the eastern Donbas region. This would have proven detrimental to Ukraine's national unity and would have undermined its capacity to restore constitutional order throughout the country.

Thus any viable prospect for a UN peacekeeping mission in Ukraine will require Russia to compromise on the mandate, area of operation, and scope of the mission. Canada is actively supporting efforts to foster an agreement on the mission mandate and will continue to engage with international partners in pursuit of an acceptable solution.

RECOMMENDATION 6

That the Government of Canada expand Canada's support for gender equality promotion through Canada's Development Program in Ukraine, existing United Nations programs, and women, peace and security initiatives.

RESPONSE

The Government supports this recommendation. Grounded in Canada's Feminist International Assistance Policy, Canada plans to continue strengthening the effectiveness and capacity of

Ukraine's state and non-state (civil society and media) actors to deliver gender-responsive services by applying a gender equality lens to the Government of Ukraine's reform implementation. Along with Sweden, Canada is already seen as a leading gender equality champion thanks to its active diplomatic advocacy and policy leadership (for example, related to ratification of the Istanbul Convention on preventing and combating violence against women and domestic violence), and its rights-based support to the Convention on Elimination of All Forms of Discrimination against Women implementation, and is regarded as a principled advocate for equality and inclusion.

Gender equality is currently a central consideration in Canada's international development assistance programming in Ukraine, and all future programming will be focused on the empowerment of women and girls. Building on Canada's successful Women's Leadership Academy that enabled more than 65% of participants to join in the 2015 local elections, Canada also plans to expand opportunities for women's political participation, and strengthen the capacity of and expand the depth and reach of women's rights organizations, supporting the women's movement in Ukraine.

RECOMMENDATION 7

That the Government of Canada provide lethal weapons to Ukraine to protect its sovereignty from Russian aggression, provided that Ukraine demonstrate it is actively working to eliminate corruption at all levels of government.

RESPONSE

The Government of Canada is committed to supporting Ukraine in its efforts to maintain its sovereignty, security, and stability, but is not actively considering the provision of lethal assistance to Ukraine in the form of military-to-military donations of lethal weapons. The Government of Canada remains in contact with the Government of Ukraine on its requests for military equipment.

RECOMMENDATION 8

That the Government of Canada add Ukraine to the Automatic Firearms Country Control List.

RESPONSE

On November 23, 2017, the Government of Canada concluded the regulatory process to amend the Automatic Firearms Country Control List (AFCCL) and expand it to include Ukraine. This brought the number of countries on the AFCCL to 40.

The *Export and Import Permits Act* places very strict controls on the export of firearms, weapons and devices defined as prohibited in the Criminal Code of Canada. Export permit applications for these items are only considered to countries on the AFCCL. Certain prohibited firearms, weapons, devices, or components that are included on the Export Control List may be exported only to destinations on the AFCCL and only to consignees that are government or authorized by government. In order to lawfully export these items from Canada, they must be authorized by an export permit issued by the Minister of Foreign Affairs under the authority of the *Export and Import Permits Act*.

Inclusion in the AFCCL does not guarantee that exports of prohibited firearms, weapons and devices to a country will be approved. All applications to export controlled items are rigorously evaluated on a case-by-case basis to ensure consistency with Canadian foreign and defence policy. This includes an assessment of the risks related to international and regional security, human rights related risks and the possibility of diversion to an unauthorized end use.

RECOMMENDATION 9

That the Government of Canada reinstate the practice of providing RADARSAT-2 Imagery, and engage in the exchange of intelligence sharing capabilities with Ukraine.

RESPONSE

The Government of Canada takes note of this recommendation and remains committed to supporting Ukraine in its efforts to build a democratic, stable, and prosperous country. Canada previously shared satellite products with Ukrainian authorities for a one year period ending May 2016, based on agreed permissible uses of imagery and products. After careful consideration of the changing strategic landscape, it was decided that resources be redirected to other areas and the supply of satellite imagery ended. Canada and Ukraine continue to discuss Ukraine's evolving security and defence needs on an ongoing basis.

RECOMMENDATION 10

That the Government of Canada encourage the collaboration between Ukrainian and Canadian defence industries.

RESPONSE

The Government of Canada welcomes the recommendation to encourage further collaboration between Ukrainian and Canadian defence industries. Representatives from the Government of Canada have been in discussion with counterparts from the Government of Ukraine to explore and develop areas of mutual interest and potential collaboration. Ultimately, the extent of cooperation realized will be driven by commercial factors, but government officials are committed to providing a platform that will encourage commercial cooperation. For example, the tripartite Memorandum of Understanding signed on 22 September 2017, between the Canadian Commercial Corporation (CCC), the Ministry of Temporarily Occupied Territories and IDPs, and the Luhansk Regional State Administration/ Regional Civil-Military Administration has been proposed as a template from which to develop a similar memorandum between the CCC and Ukraine's Ministry of Defense. The Government of Canada will also seek to learn from Ukraine's unique experience in hybrid warfare as a means of drawing linkages to ongoing efforts in promoting defence industry innovation and efforts to keep pace with emerging technologies. The Canadian Trade Commissioner Service works closely with DND/CAF to identify opportunities for industrial collaboration that meet the interests and objectives of both countries, and to provide a supportive environment in which commercial partnerships can thrive.

RECOMMENDATION 11

That the Government of Canada commit to supporting Ukraine in its resistance to hybrid warfare attacks, specifically with regard to cyber attacks on government systems and critical infrastructure, and resistance to the dissemination of foreign propaganda and disinformation through the media.

RESPONSE

The Government of Canada takes note of the recommendation and underlines that it remains concerned by reports of Russian efforts to misinform both Russian- and non-Russian-speaking audiences about its actions in Ukraine, and more broadly. The Government of Canada works together with NATO and other relevant partners to support the provision of factual, objective information.

Canada is part of the Hybrid Platform Management Board, which gives direction to the NATO-Ukraine Platform for Countering Hybrid Warfare, which was established under NATO's 2016 Comprehensive Assistance Package for Ukraine. Latvia, Lithuania, Poland, Ukraine and NATO are the other members of the board so far. Poland hosted the first event under the Platform in October 2016, and other countries are planning on hosting events related to hybrid warfare in the near future.

Additionally, under Operation UNIFIER, Joint Task Force-Ukraine, Canada is involved with the Ukrainian Armed Forces in enhancing our mutual understanding of hybrid warfare.

RECOMMENDATION 12

That the Government of Canada assign CAF cyber security personnel to Ukrainian cyber defence operations to assist in monitoring and defending against related communications, hybrid warfare and cyber-attacks on Ukrainian critical infrastructure; and to participate in inter-agency exercises being conducted to train and develop the capabilities of Ukraine's allies against emerging cyber threats.

RESPONSE

The Government of Canada is concerned by the increasing cyber intrusions in Ukraine, including in critical civilian infrastructure such as power grids. Canada supports Ukraine's steps in cyber security, including establishing their national cyber security strategy, bringing their regulations in line with EU and NATO standards, and improving domestic information exchange related to threats to critical infrastructure. However, providing military assistance in this area is not under consideration at this time.

Canada and key allies share the firm view that international law applies in cyberspace, both in peacetime and in armed conflict. In addition, Canada supports the development of voluntary international norms for state behaviour in cyberspace, particularly in peace time. Indeed, Canada's primary engagement in international cyber security and norms development is through multiple international fora, notably through NATO. In July 2016, the Allied Heads of State pledged to ensure the Alliance and member nations could keep pace with the evolving

cyber threat landscape through the NATO Cyber Defence Pledge. The Pledge included several promises related to capacity building within the Alliance, such as that the Alliance:

- reaffirmed national responsibility to enhance the cyber defences of national infrastructures and networks and to work together to better protect national networks and thereby contribute to the success of Allied operations;
- welcomed the work of Allies and the EU on enhancing cyber security, and support further NATO – EU cyber defence co-operation;
- reaffirmed the applicability of international law in cyberspace and acknowledged the work done in relevant international organisations;
- emphasised NATO’s role in facilitating co-operation on cyber defence including through multinational projects, education, training, and exercises and information exchange; and
- pledged to strengthen and enhance the cyber defences of national networks and infrastructure to reinforce the cyber defence and overall resilience of the Alliance.

Further, through the PSOPs, Canada, including the CAF, continue to support a range of initiatives to address Ukraine’s most immediate stabilization requirements: (a) police reform; (b) election and cease-fire monitoring; (c) parliamentary and governance reform; (d) non-lethal military equipment and military training; and, (e) cyber security.

RECOMMENDATION 13

That the Government of Canada announce a plan to grant visa-free travel to Canada for Ukrainians.

RESPONSE

The Government of Canada is committed to welcoming all genuine visitors and facilitating travel, but is not actively considering a review of Ukraine’s visa requirement at this time. A visa requirement is the norm for citizens from most countries. Under the *Immigration and Refugee Protection Regulations* (IRPR), all visitors to Canada require a temporary resident visa (TRV), except in such cases as are prescribed (for example, the citizens of those visa-exempt countries listed in the IRPR). The visa requirement is Canada’s most effective tool in both detecting and deterring irregular migration to Canada, since TRV applicants are screened prior to travel for health and security concerns, as well as a traveller’s intent and ability to abide by his/her conditions of stay while in Canada. Decisions to lift or impose visa requirements are made on a case-by-case basis and premised on a rigorous whole-of-government analysis of a country against the comprehensive criteria outlined in Canada’s Visa Policy Framework. These criteria include a country’s socio-economic conditions, migration trends, human rights record, identity document and passport regime, border management capabilities and security situation. Visa lifts are undertaken when it is assessed that the benefits to Canadians and Canadian interests outweigh risks. Canada does not make visa policy decisions based on reciprocity, nor provides visa exemptions to specific classes of visitors, such as holders of diplomatic passports or business travellers.

The Government of Canada continues to carefully monitor conditions in Ukraine, but has no plans to review the visa requirement at this time, as Ukraine does not meet Canada's criteria for a visa exemption. To ensure a strong and positive bilateral relationship and facilitate travel to Canada, the Government of Canada has put in place high quality visa services for Ukrainian visa applicants, encompassing Visa Application Centres in Kyiv and Lviv that assist clients in their mother tongue, the issuance of 10-year Multiple-Entry Visas, and an average 8 day processing time for applications (compared to the global average of 21 days). Through this ongoing commitment to excellent service delivery for Ukrainians wishing to visit and do business in Canada, the Government of Canada continues to successfully manage visa-related issues with Ukraine.

RECOMMENDATION 14

That the Government of Canada reinstate the Youth Mobility Agreement with Ukraine to allow for qualified Ukrainians to apply for travel and work within Canada for up to one year as a means to further enhance Canadian and Ukrainian economic and cultural cooperation.

RESPONSE

The Government of Canada supports, in principle, the Committee's recommendation to reinstate the Memorandum of Understanding (MOU) between the Government of Canada and the Government of Ukraine Concerning Youth Mobility in order to further enhance Canadian and Ukrainian economic and cultural cooperation.

Canada recognizes the importance of international work and travel experiences for youth, as they offer unique opportunities for personal and professional development. Immigration, Refugees and Citizenship Canada (IRCC) supports youth mobility through International Experience Canada (IEC), which manages 34 Youth Mobility Agreements (YMAS)¹. While there is significant interest in IEC among foreign youth, Canadian youth interest in working and travelling abroad remains low. As a result, Canada is focused on addressing barriers to participation, raising awareness of IEC among Canadian youth and their influencers, and working with stakeholders to improve opportunities for Canadians abroad. Canada also has criteria to assess potential new YMAS that emphasizes the reciprocity of opportunities for Canadian youth.

The YMA between Canada and Ukraine was signed in 2010 and implemented in Canada in 2011. Approximately 215 Ukrainian youth participated under this YMA; however, no Canadians participated, as it was not implemented in Ukraine. Although this resulted in the temporary suspension of the YMA since 2014, Canada continues to work with Ukraine to identify and address these issues in a manner that can provide genuine opportunities for our youth.

¹ YMAS include agreements and arrangements. For the purpose of this GR, the Department will use only 'Agreements'.

RECOMMENDATION 15

That the Government of Canada consider furthering Ukrainian interests at the G7.

RESPONSE

The G7 continues to be an important mechanism for providing support for, and solidarity with, Ukraine. In that regard, Canada is considering how best to support Ukraine by including it on the G7 agenda, where possible, during our presidency in 2018. In previous years, Ukraine has been an important issue of discussion for the G7, including at the G7 Foreign Ministers' Meeting in Lucca, Italy in April 2017 and at the G7 Leaders' Summit in Taormina, Italy in May, 2017. The G7's approach to Ukraine includes a common recognition that a sustainable solution to the crisis requires the full implementation by all sides of their commitments under the Minsk Agreements. Further, the G7 has been unified in its condemnation of Russia's illegal annexation of the Crimean peninsula, including a common policy of non-recognition, fully supporting Ukraine's independence, territorial integrity and sovereignty. This common position is backed up with continued sanctions by all G7 members. The G7 also provides a platform for Canada to advance its position that success in Ukraine's own reform efforts offers the best route to consolidate its sovereignty and unity. G7 countries are all active participants in the G7 Ambassadors' Support group for Ukraine, which seeks to advance Ukraine's economic reform process through coordinated advice and support from G7 Ambassadors in Kyiv. As such, Canada will use its G7 Presidency as an important mechanism for working closely with partners and shaping a common response that can support Ukraine through the current crisis, supporting its ambitious reform efforts.

RECOMMENDATION 16

That the Government of Canada assist with the development of relations and open dialogue between the Ukrainian government and civil society groups and assist with capacity building for civil society groups, especially in confronting corruption.

RESPONSE

The Government supports this recommendation, as support to civil society organizations (CSOs) is a key area of engagement for Canada's international development assistance to Ukraine. For example, continuing with the spirit of the Revolution of Dignity, Canada is a leading supporter of grassroots and regional level CSOs, and of unregistered or emerging democratic groups and actors, including individuals who promote civic and political activism. Canada continues to support building on the current unprecedented level of civic activism and channelling it into strengthening Ukraine's democratic institutions, especially in the regions. A good example is that several local CSOs that are active in the field of anti-corruption have succeeded in introducing transparent procurement practices at the local level, or in exposing high incidences of corruption. In addition, Canada actively supports local administrations to engage in open consultations with local CSOs and other stakeholders in developing the local economy and adopting open governance practices. For example, through the European Endowment for Democracy's "Support for Grassroots Democracy" project, Canada is filling an important gap by supporting an innovative, flexible, rapid-response mechanism which supports emerging democratic CSOs to promote democracy, transparency, and the rule of law. This project has

supported CSOs to implement a system mandating that local governments disclose all contracts awarded, ensuring transparency and preventing potential corruption at the local government level.

RECOMMENDATION 17

That the Government of Canada expand Canada's sanctions, including implementing the *Justice for Victims of Corrupt Foreign Officials Act (Sergei Magnitsky Law)*, against those responsible for contributing to the armed conflict in Ukraine and work with its allies, including NATO, to maintain and enhance their sanction regimes against Russian operatives.

RESPONSE

The Government of Canada agrees that it is ready to expand Canada's sanctions measures, as necessary and in coordination with partners and allies. In coordination with partners, Canada has imposed a broad range of economic sanctions, including listing over 300 Russian and Ukrainian individuals and entities for their role in contributing to Russia's illegal annexation of Crimea and ongoing support to the insurgency in Eastern Ukraine, in regulations adopted pursuant to the *Special Economic Measures Act (SEMA)*. These measures remain in place until repealed, and their duration is clearly linked to Russia's complete implementation of its commitments under the Minsk agreements and respect for Ukraine's sovereignty and territorial integrity. The Government of Canada stands ready to impose additional sanctions, as necessary, in order to maintain pressure on Russia. Canada's decisions on sanctions are made in close coordination with our international partners and allies, including the G7, NATO Allies, and the EU.

The new *Justice for Victims of Corrupt Foreign Officials Act (JVCFOA)* and amendments to the SEMA provide Canada with a tool to respond to cases of gross violations of human rights and acts of significant corruption anywhere in the world. At this time, the *Justice for Victims of Corrupt Foreign Officials Regulations* impose sanctions on 52 foreign nationals that the Governor in Council has deemed are responsible for or complicit in gross violations of internationally-recognized human rights or are foreign public officials, or their associates, who are responsible for or complicit in acts of significant corruption. The list includes 30 Russian nationals for their involvement in the Sergei Magnitsky case.

Although it is not a sanctions measure, at the request of the Ukrainian government, Canada maintains asset freezes against 18 Ukrainian nationals associated with the former President Yanukovich's regime under the *Freezing Assets of Corrupt Foreign Officials Act (FACFOA)*. This legislation provides a tool for Canada to support a foreign state in political turmoil in its efforts to combat corruption by providing for a temporary asset freeze against allegedly corrupt officials. FACFOA allows Canada to temporarily preserve the potential proceeds of corruption crime. This allows the foreign state time to conduct investigations and prosecute allegedly corrupt officials, and then to submit a formal request for mutual legal assistance to Canada for the forfeiture or recovery of the proceeds of corruption.