

European Union - Alberta Relations



This map is a generalized illustration only and is not intended to be used for reference purposes. The representation of political boundaries does not necessarily reflect the position of the Government of Alberta on international issues of recognition, sovereignty or jurisdiction.

- o Croatia, Iceland, the Former Yugoslav Republic of Macedonia, Montenegro, Serbia, and Turkey are official candidate countries to join the EU.

TRADE AND INVESTMENT

- Alberta is an active participant in the ongoing Canada-European Union Comprehensive Economic and Trade Agreement negotiations and expects that a successful outcome of these negotiations will be beneficial to Alberta. Negotiations are expected to be completed in 2012.
- Alberta opened an office in Munich in 2002 and an office in London in 2003.
- The EU was Canada's second largest and Alberta's fourth largest export destination in 2011.
- In 2011, Alberta's leading EU-member-state export-markets were (overall global ranking): the Netherlands (6th), Italy (11th) and Germany (17th).
- From 2007 to 2011, Alberta's exports to the EU27 averaged CAD\$1.33 billion per year. Top exports included nickel, machinery and wheat.
- From 2007 to 2011, Alberta's direct imports from EU27 averaged CAD\$1.97 billion per year, including machinery, optical and medical instruments, and alcoholic beverages. This figure does not include goods sold in Alberta that arrived via distribution hubs in other provinces.
- The EU represents Canada's second largest trade and investment partner.
- In 2011, EU direct investment in Canada amounted to CAD\$161 million. In the same year, Canadian investment in the EU totalled CAD\$173 million.
- Each year, Alberta receives many tourists from the EU, especially from the UK, Germany and the Netherlands. In 2010, UK visitors spent almost \$165 million in the province, German visitors \$81 million and Dutch visitors \$28 million.

PROFILE

Capitals: Brussels (Administrative)
Strasbourg (Legislative)
Luxembourg (Judicial)

Population: 500 million (2011)

Official Languages: Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish, Swedish

Council Presidency: Cyprus (July 1 – December 31, 2012). The Council Presidency rotates every six months, and Ireland will assume office on January 1, 2013.

Parliament Elections: Elections were held in June 2009, with the European People's Party (Christians Democrats) winning the largest number of seats (currently 270 out of 748). The next elections will be held in June 2014.

President of the European Council: Herman van Rompuy (Belgium, elected for a second two-and-a-half-year term in March 2012)

President of Parliament: Martin Schulz (Germany, elected in January 2012 for a two-and-a-half-year term)

President of Commission: José Manuel Durão Barroso (Portugal, re-elected for a second five-year term in September 2009)

High Representative of the Union for Foreign Affairs and Security Policy: Catherine Ashton (United Kingdom, in office since December 2009)

Currency: Euro, CAD\$1.00 = €0.77, €1.00 = CAD\$1.29 (June 2012)

GDP (EU27): US\$17,865 billion (2011)

GDP Growth Rate (EU27): 1.6% (2011)

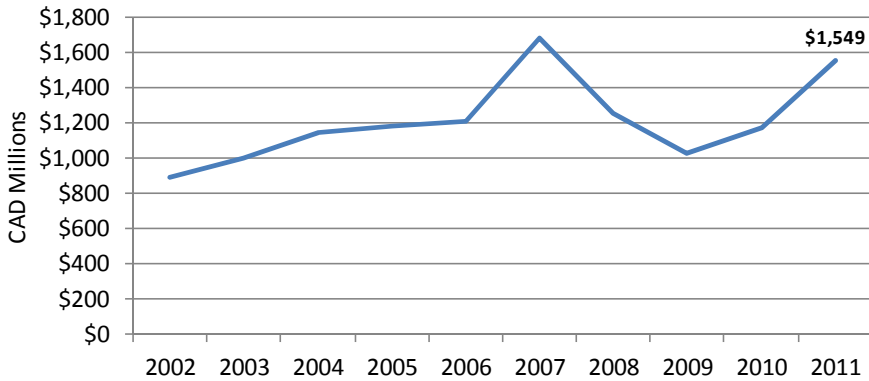
Inflation (EU27): 3.0% (2011 est.)

Unemployment (EU27): 9.7% (2011 est.)

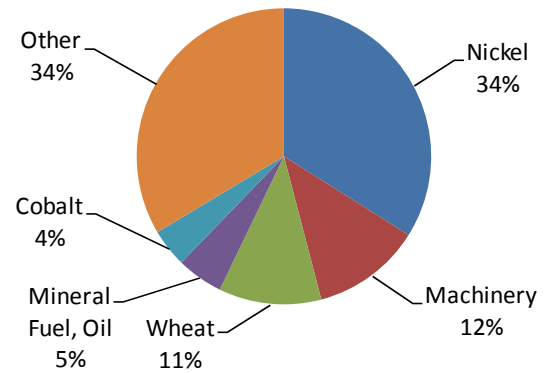
EU OVERVIEW

- The EU is an association of 27 sovereign member-states:
 - o Belgium, France, Germany, Italy, Luxembourg and the Netherlands founded the EU in 1951;
 - o Denmark, Ireland, the United Kingdom joined the EU in 1973
 - o Greece, Portugal, Spain, Austria, Finland and Sweden joined from the early 1980s to the mid-1990s;
 - o Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia became members of the EU in 2004;
 - o Bulgaria and Romania joined the EU in January 2007;

Alberta's Exports to the EU27 2002-2011



Alberta's Merchandise Exports to the EU27 2007-2011 (Total Average CAD\$1.33 Billion)



EURO (€) OVERVIEW

- The Euro was introduced in January 1999 for financial transactions, and in January 2002, Euro bills and coins became the legal tender for the Eurozone, which at the time consisted of twelve of the original EU members.
- 17 out of 27, Member States of the European Union use the euro as their currency. Denmark, Sweden and the UK chose to remain outside the eurozone, while other recently-admitted EU members must fulfill certain economic criteria before they can adopt the single European currency.
- The Euro officially became legal tender in Slovenia in 2007, in Cyprus and Malta in 2008, in Slovakia in 2009, and in Estonia in 2011.

ENERGY

- Many European-based companies have investments in Alberta's oil sands including Britain's British Petroleum, France's Total SA, Norway's Statoil ASA and Netherlands' Royal Dutch Shell.
- The earliest documented oil sands mining operation was set up in 1745 in northeastern France, with refining capabilities added in 1857.
- In November 2010, the European Commission implemented an integrated energy and climate change policy with the following three key targets for 2020: reduce energy consumption by 20%; cut greenhouse gases by 20%; and provide 20% of energy from renewable sources.
- The European Commission's 2010 energy infrastructure plan sets Europe's priority utility corridors. One of these is from an offshore wind parks in the North Sea to cities in northern and central Europe.
- In October 2011, the Commission approved C\$11.1 billion in funding to fast-track the construction of European electricity and energy pipeline infrastructure deemed in the "common interest."

- In 2009, the largest energy producer in the EU was the United Kingdom, followed by France, Germany, Poland and the Netherlands.
- As of June 2009, the EU imports about 53.9% of its energy needs. The continent's fossil fuel use is increasingly relying on imported sources as local resources become depleted or uneconomical to develop.
- Russia is Europe's main oil supplier. In 2009, 33.1% of the oil which EU members imported was from Russia.
- Many EU members also rely on North Sea oil and natural gas production, but some industry analysts believe this energy supply has passed its peak.
- Norway is a major supplier of oil and gas to EU members with an economy highly dependent on its offshore production. According to Norway's Statoil ASA, the Aldous Major South prospect is estimated to have between 200 million and 400 million barrels of oil.
- There have been recent efforts to build natural gas pipelines between Europe and its eastern and southern neighbors. The Nord Stream between the EU and Russia via the Baltic Sea started operations in November 2011. Another gas pipeline from Russia to Europe via the Black Sea (South Stream) is planned, as well as a pipeline from the Caspian region and Middle East to Europe (Nabucco).
- Shale gas deposits are known to exist in France, Poland, Bulgaria and Romania, although only Poland is currently seeking to develop these.
- The EU is the world leader in wind energy capacity and one of the strongest regions for new development. In July 2011, the European Wind Energy Association estimated that Europe's wind energy output will triple by 2020.
- The European Wind Energy Association listed Germany, Spain, Italy, France and the UK as having the largest installed capacities for wind energy in Europe for 2010.

- The EU's European Energy Programme for Recovery is providing funds for six carbon capture and storage (CCS) facilities across Europe.

EDUCATION

- *The Canada - European Community Programme for Cooperation in Higher Education and Training* has been in place since 1995. The University of Calgary is a partner in the project entitled, "Collaborative Student Training in Quantum Information Processing" (2008-2011), together with the University of Waterloo and institutions in Germany (Friedrich-Alexander Universität Erlangen-Nurnberg and Max-Planck-Forschungsgruppe, Institut für Optik) and France (L'Université Paris-Sud and L'École Polytechnique).
 - Through internships and appropriate course work provided by consortia-member institutions, participating students will expand the pool of graduates with expertise in the rapidly developing field of quantum information processing on both sides of the Atlantic.

EMERGING OPPORTUNITIES

- Europe has expertise in many areas associated with food production, processing and packaging. Opportunities exist for Alberta in building stronger strategic alliances for the development of joint ventures, investments and partnerships for licensing of products with European counterparts.
- The implementation of EU directives dealing with environmental issues such as air pollution, waste incineration and water management will provide opportunities in the environmental technologies and service sectors.
- The mobile market continues to be the driving force in the ICT sector with the next generation networks and mobile data and edutainment as the fastest growing fields. The enterprise ICT market is also expected to grow as companies are

looking to increase efficiency and reduce cost. Opportunities exist in areas such as mobile communications, wireless networks, business solutions software, eHealth, eLearning, and gaming.

- The aging population and escalating cost for healthcare will provide opportunities for new innovative products and services in healthcare delivery, including products for diagnostics, remote monitoring, wellness, homecare, and rehabilitation.
- Implemented in December 2010, the EU's renewable energy directive provides opportunities for Alberta's agricultural sector. Exports of canola seed and crude canola oil to the EU rose to \$147 million in 2011, an increase of nearly 750 per cent from 2010.

AGRICULTURE

- In 2011, Alberta agri-food exports to the EU totalled CAD\$370 million, consisting mostly of wheat (\$133 million), canola oil (\$74.7 million), canola seed (\$71.9 million), pet food (\$25.2 million), and horse meat (\$16.3 million).
- The EU is Alberta's top market for exports of horse meat.
- The EU agreed to raise its duty-free quota on high quality beef imports from North America from 20,000 tonnes to 48,200 tonnes beginning August 2012. Alberta beef producers are expected to benefit from this agreement.
- Alberta attaches great importance to the reform of the EU's Common Agricultural Policy (CAP), and encourages agricultural trade liberalization. CAP subsidies distort world markets and depress world prices.

AGREEMENTS

- The 1976 Canada-EU Framework Agreement for Commercial and Economic Cooperation facilitates trade and investment and encourages industrial, research, and technical cooperation.
- The Joint Political Declaration and Action Plan of 1996, outlines commitments to work together in areas ranging from strengthening trade to coordinating policies in development assistance, human rights, disarmament, migration, asylum, the fight against organized crime and increased exchange among our citizens.
- A 1996 Agreement for Scientific and Technological Cooperation between Canada and the European Community

supports cooperation in scientific and technological research and encourages the application of the results of such cooperation to the economic and social benefit.

- Canada agreed in 1999, through the Joint Statement on Northern Cooperation, to work together with the EU on northern issues. Areas of cooperation include: environment, e-health, science and technology, and education.
- The Canada-Europe Round Table for Business (CERT), established in 1999, is a transatlantic business forum for companies with business interests on both sides of the Atlantic. CERT promotes greater Canada-EU trade liberalization.
- The Canada-EU Partnership Agenda of 2004 acknowledges the significant evolution of EU-Canada relations.
- A number of bilateral agreements designed to facilitate closer trade have been signed over the years, including agreements on cooperation between EU and Canadian customs administrators (1997); a Veterinary Agreement (1999), aiming to improve bilateral trade in live animals and animal products; a Wine and Spirits Agreement (2003); a Civil Aviation Safety Agreement (2009) and a Comprehensive Air Transport Agreement (2009).

COMMUNITY

- Alberta has a proud European heritage, the majority of the population originating from Europe. The five largest ethnic groups in Alberta are British or Irish (2.2 million), Germans (680,000), French (388,000), Ukrainians (332,000), and Dutch (173,000).

RECENT VISITS

- September 2011: Four Members of the European Parliament (from Hungary, Luxembourg, Ireland and Poland) toured the Athabasca oil sands region, learned about carbon capture and storage (CCS) and observed Alberta's reclamation efforts.
- June 2011: A 12-member delegation of pan-European policy makers visited and toured the oilsands and a CCS facility.
- January 2011: The Hon. Ron Liepert, Minister of Energy, led a mission to Brussels to promote Alberta's responsible development of the oil sands and the energy sector to the European Commission and EU parliamentarians.

- November 2010: A 12-member delegation of EU parliamentarians visited Alberta and toured the oilsands.
- May 2010: The Hon. Rob Renner, Minister of Environment, led a mission to Brussels and to Strasbourg to discuss Alberta's environmental management practices and how the province is transitioning to a cleaner energy future.
- April 2010: The Hon. Iris Evans, Minister of International and Intergovernmental Relations, led a mission to Brussels to meet with key EU officials regarding Alberta's oilsands.
- March 2010: Official visit to Alberta of His Excellency Matthias Brinkmann, EU Ambassador to Canada.
- May 2009: Premier Stelmach traveled to Switzerland and Austria to promote Alberta as an environmentally responsible, global energy centre offering excellent opportunities for investment and trade.
- November 2008: Premier Stelmach embarked on his first international mission to the UK, the Netherlands and Germany to meet with European government and business leaders. The Premier's mission emphasized the province's stable and transparent investment climate, as well as its responsible and balanced approach to energy and the environment.

DIPLOMATIC REPRESENTATION

- The European Union's Ambassador to Canada is His Excellency Bernhard Matthias Brinkmann.
- The Canadian Ambassador to the European Union in Brussels is Mr. H. David Plunkett.

NOTE: International and Intergovernmental Relations has more detailed relations papers for European Union Member countries. We encourage you to consult our website at: www.international.alberta.ca



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