



Parliamentary Centre

BULLETIN

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Arab States Undeterred by WTO Crisis

Did the fractious Cancun meeting of trade ministers in late September signal a shipwreck of the World Trade Organization structure? Several commentators have concluded it will take years to negotiate anything worthwhile out of the Doha Round. However, there are a number of Arab states that are keen to climb on board the floundering vessel. Parliamentarians from ten of them came together in June at a workshop in Beirut, under the auspices of the United Nations Development Programme and the Parliamentary Centre, to discuss the role of their parliaments in the exercise of accession to the WTO, and also in the post-accession period in terms of social development and poverty reduction.

The workshop took place three months before the Cancun bust-up. But indications are that these Arab states are determined to keep their applications on track. The lesson they learnt from Cancun, says Mazen Chouaib, Middle East program director for the Centre, is how politicized the WTO arena is, how some Western states were forcefully imposing their own agenda – and consequently how important it is to gather the knowledge and the capacity to negotiate effectively.

Egypt and Jordan are already WTO members by virtue of having belonged to GATT, but Lebanon missed the deadline for resubmitting its application. It and Saudi Arabia are now deep into the accession process. The other countries represented at the

workshop – Morocco, Algeria, Tunisia, Syria, Oman and the UAE – are further back.



Shoji Nishimoto, Mazen Chouaib, Yassin Jaber, Elissar Sarrouh and Robert Miller

So the workshop broke new ground for the 30 participants, who included Mr. Yassin Jaber, the former finance minister of Lebanon, and Mrs. Tamam El-Ghoul, former foreign minister of Jordan. A number of the parliamentarians were also business-men, bringing expertise on trade matters, while two NGO speakers – Ziad Abdel Samad, who heads the Arab NGO Network for Development, and Mrs Nuha Ma'aytah, president of the General Federation of Jordanian Women – gave passionate statements on the need for the participation of civil society and women organizations in the negotiations.

A strong Canadian delegation included John Williams, the Alliance MP and Scottish-born accountant who chairs the Public Accounts Committee; Liberal MP Tony Valeri; David Usher, first secretary at the Canadian Mission to the WTO; Chantal Blouin, researcher with the North-South Institute; Robert Miller, executive director of the Parliamentary Centre; and Mazen

Chouaib who is also executive director of the National Council on Canada-Arab Relations.

Mr. Chouaib says the workshop participants are keen to follow up by forming an Arab inter-parliamentary forum with other colleagues to discuss WTO accession and related issues on a regional level, and want to work to make the process more transparent. They called on the Canadian government to press for a process that was less chaotic and more “rules-based”. In turn, the Parliamentary Centre plans to work with the Arab Inter-Parliamentary Union on follow-up moves. Mr. Nouredine Boshkoje, secretary-general of this Syria-based body, spoke to the workshop.

On the final day a Memorandum of Understanding was signed between the Parliamentary Centre and the UNDP on joint support for parliamentary development. Significantly, the UNDP Assistant Administrator, Shoji Nishimoto, had traveled to Beirut and signed the MoU with Bob Miller. As a first move, the UNDP is publishing in Arabic, French and English the full proceedings of this workshop. This is one of many activities the Parliamentary Centre is planning in the Arab region to assist in parliamentary development.

INSIDE

Russians Take to a	2
Pilot Project	
Serb MP Sees Budgeting ..	3
as Way to Unify	
Sonja Vojnovic: A	3
Bridge to the Balkans	
Publications	4

Russians Take to a Pilot Project

Success Stories #2

It's a straight-forward phrase that appeals to everyone, from a householder shopping for groceries to the country's president: Value for Money (or VFM). It is also the phrase at the centre of the lengthy title of a pilot project that the Parliamentary Centre has been managing on parliamentary oversight in Russia. This recent initiative of the Canada-Russia Parliamentary Program (CRPP) offers further precision in its full title: "Transition from Financial Auditing to Value for Money Auditing of the Russian Federation's Federal Budget Expenditure."

Its success can be measured by the enthusiasm shown for implementation by leaders of the Russian State Duma and the Federation Council (the upper house), and by Sergei Stepashin, a former prime minister who is now chair of the Accounting Chamber (AC), Russia's equivalent of the Office of the Auditor-General (OAG) in Canada.



Sergey Stepashin

Governments commonly use two other forms of auditing. The OAG carries out *attest audits* of the annual financial reports of departments and crown corporations mainly to see how much reliance can be placed on these statements. There is also *compliance auditing* to check if

departments have conformed to laws and regulations. But VFM auditing, which asks whether programs were run economically and effectively, is the most attractive to parliamentarians.



Geoff Dubrow

Geoff Dubrow, program director of CRPP since 1999, launched this pilot project with CIDA funds by bringing to Canada early in 2002 two Russian delegations. One consisted of senior auditors (including a former finance minister) and the other was led by the chairmen of the Duma and Federal Council's subcommittees on financial control. Top of the agenda was the strengthening of linkages between the Accounting Chamber and the Russian parliament.

One weakness has been that the Russian auditors – who gained appointment by political influence – are given to writing turgid reports that parliamentarians find indigestible. They pass on to the Prosecutor-General their findings on massive corruption, but cases become buried in his office. Another is that the Duma and Federal Council have only recently formed these subcommittees, and lack both basic awareness of parliamentary oversight, and also the capacity and

experience in holding hearings on audited projects.

The Parliamentary Centre worked to build the link from both sides. In October 2002 a Canadian group - CRPP staff together with senior auditors from the federal and Ontario offices and Marlene Jennings MP, former vice-chair of the Public Accounts Committee – held seminars in Moscow to explain the importance of more relevant auditing and of parliamentary oversight.

These seminars brought out the need of committee members to learn standard rules of procedure and of auditors to compile readable reports on which parliamentarians might act. A move to VFM auditing, with its emphasis on the three Es (economy, efficiency, effectiveness – or spending less, spending well, spending wisely), promises to meet the wishes of all parties, including President Vladimir Putin. Another seminar, to improve the capacity of committees, will take place in December.

The AC picked two audits on which to test VFM methodology. One was the "Children of the North" program, which included a telemedicine network to provide diagnostic and consulting services, and provision on the ground of various services from dental care to water sanitation. The other is a four-year program of social support to the handicapped, to raise the efficiency level of medico-social services and strengthen state support to the disabled.

Serb MP Sees Budgeting as Way to Unify



Gordana Comic

Gordana Comic, deputy speaker of the National Assembly of the Republic of Serbia, is a powerfully persuasive politician. She led a delegation of Serbian parliamentarians – from the governing coalition and from two opposition parties – to Ottawa in June and in extremely frank talks laid out a proposal for Canadian cooperation in building up the human resources of the parliamentary staff and strengthening the financial management of the National Assembly.

The visit of her seven-person delegation followed soon after the assassination of the reformist Prime Minister, Zoran Djindjic. Mrs. Comic made clear her view that his killing had actually increased public support for democratic reforms and argued that the momentum should be used to implement reforms as quickly as possible. As a result, a Canadian mission spent two weeks in Belgrade during September fleshing out the plans for cooperation.

From her own words and from earlier study visits by Parliamentary Centre staff, the needs are only too evident. Serbian MPs face heavy workloads with minimal staff, and committee members cannot turn to parliamentary staff (as Canadian MPs can to researchers in the Library of Parliament) for knowledgeable and non-partisan assistance. Consequently, they rely on highly political staff from their various caucuses, and the political process has historically consisted in personal attacks rather than policy debates. This is where the Parliamentary Centre and its Southeast

Europe Parliamentary Program (SEPP) has come in. For, it was agreed, before the assembly can hire fresh staff and allocate new resources, its officers need to set down a strategy and sort priorities, and not simply make *ad hoc* decisions.

The deputy speaker included in her delegation Mrs Dragana Petrovic Baletic, the human resource advisor engaged by the OSCE, who was equally frank. Among the 150 staff working in parliament, there are no trained researchers with analytical skills useful for, say, the finance committee. As well, most of them served under the old Milosevic regime and resist change. During the September visit, Jacques Sabourin of the Centre worked with Mrs Baletic

to compile a baseline study of the human resource capacity of assembly staff and to decide on training plans.

Among other influential delegates to Ottawa were Bosko Ristic, chairman of the powerful Administrative Committee (AC), and Marko Durisic a member of the finance committee, whose job it now is to consider the parliament's draft budget and introduce amendments. But there is no experience of drafting a budget and efficiently allocating the meagre resources available to the National Assembly (about C\$5 million out of the C\$7.5 billion state budget). In any case, committees are generally weak, as most of the political process goes on behind closed doors in party caucuses.

(cont'd on page 4)

Sonja Vojnovic:: The Bridge to the Balkans



Sonja Vojnovic

Sonja Vojnovic is an invaluable asset as program manager of the Centre's South-eastern Europe Parliamentary Program, which is now focused on Serbia. Although she was born in Canada, she has traveled back several times and speaks Serbo-Croatian fluently. Her family comes from Novi Sad, which she calls "a big cosmopolitan city on the Danube, with a large Hungarian minority – an interesting area to be from."

She studied history and Russian for a BA at McGill University and European and Russian studies for an MA at Carleton, and, before joining

the Parliamentary Centre in 2001, did an internship in Croatia with the Washington-based National Democratic Institute.

But both in Croatia and in Serbia she sees a sad dilemma for proud people. "They are in a difficult position. There is a desperate need of money to raise standards of living lost during the past decade. The middle class was wiped out. People are struggling to survive and the international community comes in, saying 'Do this, that and the other. These are our conditions for funding you.' It's very difficult."

Then Sonja brightens. "This is the beauty of Canada: we are too humble to go about telling people what to do." And she goes on to praise Deputy Speaker Gordana Comic again for her decisiveness.

Mrs. Comic, being a person who sees opportunities in such problems, argued that strengthening the committees and building a consensus among parties by sharing the responsibility of creating a parliamentary budget will be the best way to bring the whole parliament together as a working body.

The finance committee has drafted a law to create a state audit institution (SAI) and a public accounts committee (PAC), with the aim of controlling public finance and building public confidence in parliament. The delegation brought the draft law to Ottawa for review by senior staff in the Auditor-General's office, who recommended some changes. The Serbian hope is to have both bodies in place shortly, and the Canadian team plans to provide a comparative paper on the various mechanisms of parliamentary oversight, which will help in the training of PAC members. In this, the Parliamentary Centre team can bring the added value of regional experience of similar work in Russia, the Ukraine, Bosnia-Herzegovina and Bulgaria.

For the Centre has done earlier work in the core area of parliamentary oversight in other Balkan countries. For example, in 1999-2000 it helped the Bulgarian National Assembly and an anti-corruption group, Coalition 2000, in developing an Ombudsman's office, and a Bulgarian delegation visited several Canadian provinces to study their institutions. And Geoff Dubrow, then program manager for Eastern Europe, made three assessment mission to Bosnia-Herzegovina in 2001 in preparation for a substantial program of technical support. But a CIDA review of program funding led to focusing Canadian resources on Serbia. The program there may broaden considerably, with the establishing of a field office.

Publications

An issue of *Parliamentary Government*, number 19, was published in October. It is entitled **Parliamentary Reform: a Window of Opportunity**, the title referring to the time of transition when party leaders change and it seems propitious to consider, even swiftly implement, other changes in parliamentary practice and relationships. This paper grew out of the work of a Parliamentary Centre expert group and a Forum on Parliament Hill last May that was led by six former and serving MPs. It also involved a questionnaire posted on the House of Commons web-site and a series of interviews with MPs. The paper summarizes the rationale for proposed action in three areas of change that does not requiring alteration to Standing Orders and which carried wide support from the MPs and experts engaged in these consultations.

The three areas are:

- ◆ Greater latitude for MPs to express their own views through a multi-level approach to voting discipline, as adopted in Britain.
- ◆ Improved effectiveness and significance of committees through longer appointments, consideration of bills before Second Reading and debate in the House of consensus reports.
- ◆ Better engagement of MPs with constituents, through a resource centre offering learning and training in new information technology and Internet communications.

The full paper and text of the May 7 Forum may be downloaded from our website at www.parlcent.ca



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- **courses for parliamentarians and training for parliamentary staff;**
- **study visits and attachments in Canada;**
- **program management;**
- **parliamentary assessments and strategic planning; and**
- **applied research in parliamentary development**