

THE DEEPENING CRISIS IN VENEZUELA: CANADIAN AND REGIONAL STAKES

REPORT OF THE STANDING SENATE COMMITTEE
ON FOREIGN AFFAIRS AND INTERNATIONAL TRADE

July 2017



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ORDER OF REFERENCE

Extract from the *Journals of the Senate*, Wednesday, January 27, 2016:

The Honourable Senator Andreychuk moved, seconded by the Honourable Senator Tkachuk:

That the Standing Senate Committee on Foreign Affairs and International Trade, in accordance with rule 12-7(4), be authorized to examine such issues as may arise from time to time relating to foreign relations and international trade generally; and

That the committee report to the Senate no later than June 30, 2017.

After debate,

The question being put on the motion, it was adopted.

Clerk of the Senate

Charles Robert

Extract from the *Journals of the Senate*, Wednesday, June 21, 2017:

With leave of the Senate,

The Honourable Senator Andreychuk moved, seconded by the Honourable Senator Patterson:

That, notwithstanding the order of the Senate adopted on Wednesday, January 27, 2016, the date for the final report of the Standing Senate Committee on Foreign Affairs and International Trade in relation to its study on such issues as may arise from time to time relating to foreign relations and international trade generally be extended from June 30, 2017 to June 30, 2018.

The question being put on the motion, it was adopted.

Clerk of the Senate

Charles Robert



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THE COMMITTEE



The Honourable
Raynell Andreychuk
Chair*



The Honourable
Percy E. Downe
Deputy Chair*

The Honourable Senators:



Salma
Ataullahjan



Patricia Bovey



Anne Cools



Jane Cordy



Dennis Dawson



Nicole Eaton



Marc Gold



Leo Housakos



Sarabjit
Marwah



Thanh Hai Ngo



Victor Oh



Raymonde
Saint-Germain



Yuen Pau
Woo

Ex-officio members of the committee:

The Honourable Senator Peter Harder, P.C., (or Diane Bellemare)
The Honourable Senator Claude Carignan, P.C., (or Yonah Martin)



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Parliamentary Information and Research Service, Library of Parliament:

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The Standing Senate Committee on Foreign Affairs and International Trade (the Committee) held hearings in late May and early June 2017 on the deepening political, economic and humanitarian crisis in Venezuela. The purpose of these meetings was to provide Committee members with timely information on the escalating situation as well as updates on recent regional dynamics since the Committee tabled its 2016 [report](#) on Venezuela. Witnesses included a member of Venezuela's National Assembly, members of the Venezuelan community in Canada, Canadian and international experts on Venezuela, and officials from Global Affairs Canada.

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The Committee heard about the worrisome initiatives that the Venezuelan government of President Nicolás Maduro has undertaken to entrench its tenure at the expense of the country's democratic processes and constitutional structure. Witnesses testified that the regime in effect has negated the role of the opposition-dominated National Assembly, Venezuela's legislative body, and is controlling the country's political process through its influence over key institutions such as the Supreme Court. In addition, the government suspended the campaign that would have resulted in a recall election for the office of the president and declared a state of emergency in 2016. More recently, in May 2017, President Maduro announced that a constituent assembly would be convened in July 2017, with the aim of rewriting the constitution. Witnesses expressed concerns that the constitutional provisions for convening such an assembly are being circumvented in order to ensure that its membership would be nominated from among Maduro's supporters. Some suggested that the results of such an unconstitutional process would, in effect, confirm Venezuela as a "full dictatorship."

Witnesses testified that Venezuela's political crisis has aggravated the severe decline of the country's economy. Past populist reforms and redistribution priorities under Maduro's predecessor, President Hugo Chávez, promoted a state-controlled economy that is heavily reliant on the country's lucrative oil industry at the expense of other sectors. Such a system left Venezuela politically and economically vulnerable to the global collapse of the oil commodity market. Accordingly, the economy continues to contract and suffer from triple-digit inflation, currently the highest in the world. Currency controls and low levels of international reserves also have had a negative effect. Salaries, if paid, are inadequate to support basic living conditions of workers. In other respects, the government has become increasingly dependent on financial support from Russia and China in order to sustain the oil industry, giving these two countries an important stake in the future of the Maduro regime.

In outlining these political and economic developments, witnesses underscored their dire consequences for the welfare of the Venezuelan people. In effect, the Committee was told that the Maduro regime's entrenched control over the country's economy has precipitated a large-scale humanitarian crisis in Venezuela. In particular, basic goods that are not produced by the oil-focused economy, such as food and medicine, are no longer imported at previous levels. As a result, Venezuelans are currently facing increases in food insecurity and malnourishment. Lack of basic medicines and medical supplies, as well as collapsing health services, are having



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significant impact on Venezuela's health indicators, such as infant and maternal mortality rates. The country is also experiencing the resurgence of some diseases that had been previously eradicated, such as diphtheria and malaria. Poverty, including extreme poverty, has become more prevalent among the Venezuelan population.

Witnesses also testified about how human rights conditions in Venezuela have deteriorated further in recent months. More specifically, the Committee heard that the government has used force to repress the large-scale protests that have been taking place to oppose the government's initiatives and to raise awareness about the humanitarian crisis in Venezuela. The Committee was told that the government has detained thousands of protestors, including anti-government leaders, human rights advocates, and Venezuelans of all ages, and is subjecting them to a military judicial process rather than civilian trials. According to witness testimonies, the government's measures have resulted in over 60 deaths, 3000 casualties and over 2000 arrests since early April 2017. Recent statements and reports by the Secretary General of the Organization of American States (OAS) as well as by international monitoring groups, such as Amnesty International and Human Rights Watch, substantiate the witnesses' testimonies about these human rights abuses.¹

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The Committee heard about the challenges that countries like Canada and the international community more generally are facing in order to provide much-needed humanitarian assistance and to promote a peaceful resolution to Venezuela's crisis.

In particular, the Maduro government denies that a humanitarian crisis exists and, despite repeated offers of humanitarian assistance, has refused access into the country for any credible international group in order to determine the specific food and medical needs of the Venezuelan population. The Committee was informed that the Venezuelan Minister of Health recently paid the price of being dismissed from office for releasing statistics that contradict the government's official position on the country's humanitarian situation. The Committee was also told that the Venezuelan military has assumed control of all food or medical provisions imported into the country. In this respect, the military allegedly distributes these goods for its own purposes, or prices them out of reach of those who need them.

Witnesses testified that international efforts to advance a viable solution to Venezuela's crisis thus far have had little effect. For instance, witnesses discussed the dilemma on the part of the United States in considering whether or not to expand its sanctions against individual Venezuelan

¹ See: OAS, "[Venezuela: OAS Secretary General Calls for Respect for Right to Peaceful Protest](#)," Press Release, 18 April 2017; OAS, "[Luis Almagro calls on the Government of Venezuela to respect the voice of the people and settle differences through elections](#)," Press Release, 9 April 2017; OAS, "[OAS Secretary General Calls on Venezuelan Regime to Immediately Halt Repression](#)," Press Release, 7 April 2017; Secretary General of the OAS, [Updated Report on Venezuela to the Permanent Council](#), 14 March 2017; Amnesty International, "[Venezuela](#);" Human Rights Watch, "[Live Updates: Venezuela's Crisis](#)."



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officials to also target the country's oil industry, its last remaining economic lifeline. Such expanded sanctions would likely have the unintended consequence of propelling the population further towards a catastrophe. Other witnesses discussed multilateral efforts at the United Nations and in regional organizations such as the Organization of American States (OAS) that have failed to generate a strong enough consensus on the situation in Venezuela. Indeed, the Committee heard that this lack of consensus is due to numerous allegiances to the Maduro regime on the part of key countries and groupings. These include Russia and China within the United Nations Security Council, as well as Cuba and countries comprising the Caribbean Community (CariCom) at the OAS, of which many are dependent on subsidized Venezuelan oil supplied under the Petrocaribe initiative.

CANADA'S RECENT INTERVENTIONS

Officials from Global Affairs Canada provided current information about recent bilateral and multilateral initiatives undertaken or supported by the Government of Canada that aim to resolve the crisis in Venezuela. The Committee was informed that these initiatives in particular focus on Canada's readiness to alleviate the country's humanitarian crisis. In this respect, the Committee heard that Canada remains in regular contact with humanitarian organizations in Venezuela or in neighbouring countries in order to obtain as much credible information as possible regarding the humanitarian crisis. In addition, the Committee was told that Canada continues to urge the Venezuelan government to invite experienced international humanitarian organizations into the country to conduct an objective needs assessment and that would enable the provision of international humanitarian assistance, including from Canada.

The Committee also heard that the Government of Canada has made statements at the highest levels and at various fora, including by the Prime Minister and, at the OAS, by the Minister of Foreign Affairs. These statements have urged the Venezuelan government to fulfill its international obligations regarding the civil and political rights of Venezuelans, to release all political prisoners, set an electoral calendar without delay, as well as to carry out economic policies that respond to the needs of its citizens.

In addition, Canada has coordinated with like-minded countries at the OAS in applying pressure on Venezuela in that forum and in stressing the importance of Venezuela's return to a constitutional democracy for the sake of regional stability, democratic consolidation, and the protection of human rights.



COMMITTEE RECOMMENDATIONS

As it has highlighted in its other reports on Canada's engagement with Western Hemispheric countries, the **Committee believes that Canada, as "a country of the Americas" has tremendous stakes in a favourable outcome to the Venezuelan crisis. Moreover, its deepening network of ties with key countries in the region, its profile in the OAS and its commitment to the promotion of democratic values, the rule of law and human rights offer a number of opportunities for Canada to play a leadership role in the Hemisphere.**

In particular, the Committee underscores the importance of the Government of Canada undertaking a leadership role in addressing Venezuela's humanitarian crisis and ensuring that humanitarian assistance is delivered to those most in need. More specifically, it urges the Government of Canada to continue supporting projects from the Canadian embassy's Canadian Fund for Local Initiatives (CFLI) that focus on capacity-building of Venezuelan non-governmental organizations engaged in health and social welfare. In addition, the Committee calls on the Government of Canada to prioritize regional efforts to engage with President Maduro with the aim of allowing in the near future a humanitarian needs assessment mission to be carried out by recognized international humanitarian groups, as well as to ensure the full, safe and unhindered access of humanitarian personnel and humanitarian assistance in accordance with international standards. The Committee also urges the Canadian government to strengthen its support of international organizations, such as the International Committee of the Red Cross and the relevant United Nations specialized agencies, that are prepared to offer humanitarian assistance to Venezuela on the invitation of its government.

With a view to Venezuela's return to democracy, rule of law, stability and prosperity, **the Committee reiterates its encouragement of Venezuela's government and opposition leaders, as well as all regional and international stakeholders, to undertake meaningful and constructive measures that fundamentally improve the political, economic and humanitarian conditions in the country.** It calls on President Maduro to exercise the full authority of his office in a positive manner that respects the rights and responsibilities of Venezuela's citizens, in particular its elected representatives and judicial officers. The key elements of the measures required include the provision of humanitarian assistance based on the findings of needs assessment missions that are undertaken by recognized humanitarian organizations; the release of political prisoners; as well as a mutually-agreed electoral calendar and the restoration of Venezuela's constitutional order that reflect the country's international obligations to uphold democratic principles. It urges all parties in the crisis to respect Venezuela's political institutions and fulfill the country's international commitments related to democratic processes, the rule of law, and respect for human rights. It also calls on them to refrain from using violence and politicizing democratic and legal processes. The Committee underscores the urgency of these efforts given the deepening political, economic and humanitarian crisis facing the Venezuelan people.



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The Committee believes that, as the positions of key states in the region continue to evolve, **Canada can play an important leadership role in sustaining the momentum of recent initiatives that aim to benefit the Venezuelan people.** In particular, it encourages the Government of Canada to leverage its network of bilateral and regional ties within the framework of the OAS and other institutions. These include partnerships with like-minded countries such as Mexico and Argentina, whose recent regional initiatives align with Canada's priorities to strengthen engagement with both of them on various platforms, including within the OAS. They also include countries of the CariCom, many of whom share with Canada a democratic tradition sustained through the values of the Commonwealth. To this end, the Committee also encourages the Government of Canada to consider lessons learned from other political crises in the Americas or elsewhere, and the value of finding creative incentives in order to generate a positive outcome in the case of Venezuela.

Lastly, in view of the consequences of the executive's actions for Venezuela's National Assembly, including its disempowerment as a duly-elected legislative body, the Committee commits to continue its engagement with its Venezuelan colleagues and to profile their plight at the appropriate inter-parliamentary fora. In this respect, the Committee urges parliamentarians in the Senate of Canada and the House of Commons to consider a joint initiative that promotes confidence-building and mediation among the key stakeholders in the Venezuelan crisis.

This Committee will continue to remain seized of the evolving situation in Venezuela as well as Canadian and international efforts to advance a negotiated outcome to the crisis, and one that focuses especially on the health and welfare of the Venezuelan people. It reiterates the importance of advancing Canadian regional priorities and hemispheric stability by supporting Venezuela's course towards a peaceful and lasting solution to the crisis. It encourages Venezuelans to commit to returning the country to the level of prosperity and hope that was once shared by all its citizens.



APPENDIX A – List of Witnesses

May 31, 2017

Council of the Americas/Americas Society:

Eric Farnsworth, Vice President (by video conference).

Canadian-Venezuelan Engagement Foundation:

Maria Margarita Torres, Honorary Member;

Orlando Viera-Blanco, President.

June 1, 2017

National Assembly of Venezuela:

Eudoro Antonio González Dellán, Member of Parliament and Head of the Venezuelan delegation to the Parliament of Mercosur "Parlasur" (by video conference).

June 7, 2017

As an individual:

Pablo Heidrich, Assistant Professor, The Bachelor of Global and International Studies, Carleton University.

June 8, 2017

Global Affairs Canada:

Sylvia Cesaratto, Director, South America;

Andrew Shore, Director, Hemispheric Relations Directorate;

Sean Sunderland, Deputy Director, South America.