

C O N F I D E N T I A L OTTAWA 001532

SIPDIS

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TAGS: PREL, KN, CA

SUBJECT: FM CANNON LOOKING FOR WAYS TO HELP ON DPRK FUEL OIL

REF: A. OTTAWA 1523

B. STATE 127557

Classified By: PolMinCouns Scott Bellard, reasons 1.4 (b) and (d)

1. (U) This is an action request -- see para 4.

2. . (C) Department of Foreign Affairs and International Trade (DFAIT) Assistant Deputy Minister for Asia and Africa Ken Sundquist confirmed to DCM on December 8 that he had briefed Foreign Minister Lawrence Cannon on a possible Canadian contribution for heavy fuel oil for North Korea and its importance to the Six Party Talks (reftels). According to Sundquist, FM Cannon "wants to be helpful" and hopes to have an answer for Secretary Rice at their meeting in Washington on December 12. Sundquist promised that DFAIT staff would continue to work on securing funding.

3. (C) Comment: Despite Sundquist's signal that the foreign minister was intent on finding a way to be helpful, the nature of Canada's cabinet government may limit Cannon's response to saying he is "actively exploring" options for a contribution for HFO purchases. If, somehow, he is able to fast-track his request through the Treasury Board, he may tell the Secretary that he is "actively consulting" with cabinet, which would indicate that he has been bureaucratically more successful in finding money for HFO. Canada's current obsession with domestic political maneuvering (which led to a temporary suspension of Parliament on December 4) and the government's hesitation about posting Canada's first budget deficit in over a decade will make it more difficult than usual for the government to launch a new program like this. End Summary.

4. (C) Action request: to underscore the importance of this issue to the USG, Embassy recommends that a Canadian HFO contribution definitely be part of the Secretary's December 12 meeting agenda with FM Cannon.

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