

Canada and Europe: Strategic Partners beyond the Trump Years

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Alumni Association

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Dear ambassadors, dear colleagues,

At the invitation of Alex Bugailiskis, to whom, as you know, it is impossible to say no, I am happy to find myself in front of Canada's most experienced diplomats to discuss the state of relations between Canada and Europe.

I'm speaking to you as tomorrow our prime minister will be nothing less than the first non-European leader to ever attend, as a guest of honor, the EU's State of the Union, the most high-profile political moment in the EU's calendar. And the day after, Prime Minister Carney will deliver a speech to the EU Parliament. Next up, in Canada on October 29-30, will be the annual Canada-European Union Summit.

Following this process, it's quite possible that Canada could move closer to a formally recognized status as the most European of the non-European countries, a unique kind of alliance, to use Prime Minister Carney's expression. Already, the Strategic Partnership signed in June 2025 between Canada and the EU, which also includes a security and defense partnership, is the most comprehensive partnership the EU has ever concluded with a non-member country. We're already starting from the most comprehensive strategic partnership ever established. So, it's about building the best on top of the best, to make progress in all key areas: trade, investment, scientific and academic cooperation, worker mobility, diploma recognition, the Arctic, etc.

We are at a time in history when Europeans and Canadians feel an exceptional need to come closer to each other. This need for rapprochement is largely due, as we well know, to our disapproval of the erratic and unfriendly behavior, not to say more, of the Trump administration. Then Europe appears to us as a vital political and economic ally at a time when we really need it. And Canada stands out, for many Europeans, as the 'good' country in North America, the one you can rely on, that believes in win-win agreements, that keeps its word, the most European of non-European countries.

The increase in exchanges between Europe and Canada is being felt in concrete ways. French companies (SNCF, Keolis, and Systra) are involved in developing Canada's first High-Speed Train. A German-Norwegian consortium (TKMS) is building Canada's new fleet of twelve submarines. The French company Alstom will manufacture 313 train cars to replace VIA Rail's fleet. The Canadian mining company Lumina Metals is engaged in a major copper and silver project in western Poland. The momentum is undeniable; we need to speed it up, widen it, and make it last for the long term.

At this crucial stage of our relationship with Europe, I feel the need to emphasize two points.

First, our need to get closer to Europe goes far beyond the Trump era. We need to learn, in a lasting way, to be less dependent on the United States, both in terms of military and security matters, and economically and commercially.

Second, it is now, while our rapport with Europe is so strong and our Prime Minister enjoys such an exceptional reputation there, that we Canadians need to develop effective working habits with this continent, with the 27 countries of the European Union, and beyond. To do this, we need to get better organized, in a methodical and planned way which we have already started. I'm going to list my suggestions on how to achieve this.

1. Beyond the Trump Era

Let's suppose that in two years the American people elect a more normal president, as friendly toward Canada as all of Donald Trump's predecessors have been since at least the early 20th century. Then the insults against our country, the blatant extortion, the threats of annexation, and the trade war will end. But customs barriers and trade disputes will remain, and protectionist pressures will continue in the United States. Surely, the unhealthy sympathies for hostile dictators, the threats to withdraw from NATO, the refusal to help Ukraine—all these aberrations will stop—but the United States will still want to pivot toward the Asian front and ask Europe and Canada to take more responsibility for their own defence. We'll still have a stake in not putting all our eggs in one basket.

The famous Davos speech by Prime Minister Carney was addressed to the whole world, but our Prime Minister also sent a clear message to us Canadians: we need to take our economic and geostrategic diversification goals seriously. We've been talking about it for ages – since Pierre Elliott Trudeau! This time, we must get it right.

We need to significantly strengthen our ties with Latin America, the Indo-Pacific, the Middle East, and Africa... and with Europe. There will be no successful diversification strategy for Canada without a considerable strengthening of our ties with Europe. Luckily, Europe also has an interest in reinforcing its ties with us for the long term, beyond the current difficulties caused by the hostility of the Trump Administration.

Of course, Europeans are drawn to us because of the strong dislike they feel toward Trump. That dislike is intense. One can see it in the polls, or in the fact that it took the European Parliament a whole year just to barely and reluctantly approve the 15-0 deal (the US imposes 15% tariffs on the EU with no reciprocity) negotiated by President Von der Leyen. Trump regularly threatens to break this agreement, in order to put pressure on Europe regarding Greenland, which he dreams of annexing, or to force Europeans to back him in his war against Iran.

The UK government is also tasting this medicine, as Trump threatens them, if they don't increasingly align with his views, to support his Argentine ally Milei regarding the Falkland Islands issue.

For the EU, the American market doesn't account for three-quarters of foreign trade like it does for Canada, but rather about a fifth. So, trade issues are seen as less crucial there than for us, since we're the country in the world whose economy is most closely tied to that of the United States. On the other hand, the massive U.S. military support, their steadfast presence in NATO, and their unwavering backing of Ukraine are seen in Europe as vital, existential issues, especially in the eastern part of the continent. The growing tensions with the Putin regime, its drone intrusions into NATO territory, its meddling in the political life of European countries, its blatant attempts to sabotage energy infrastructure in Germany and elsewhere—all of this makes Donald Trump's threats of military withdrawal, his support for far-right parties including German neo-Nazis, and his repeated insults toward European leaders extremely worrying, especially in contrast to his deference toward Putin.

Faced with Trump, European governments pick their battles, avoiding unnecessarily adding fuel to the fire. So we shouldn't expect European leaders to make loud declarations of support in the trade war that Trump is imposing on us. But our resilience earns their admiration and further boosts the exceptional prestige of our prime minister in Europe.

Europeans are relieved to see that we resisted an attempt at vassalization and extortion that went beyond trade issues. The United States would have taken over our resources, even granting itself a right of first refusal on our critical minerals. We would have practically violated our trade agreement with the EU, CETA, which would have abruptly halted the current momentum of our economic exchanges with Europe.

There is for Europe a long-term interest in a stable, allied democracy, strong in technology and R&D, and blessed with critical natural resources like Canada. The European Union and its Member States consider Canada as a rapidly expanding strategic market, a cutting-edge economy rich in critical resources, essential for the energy and digital transitions as well as for military rearmament, at a time where European states are seeking to get out of their dependence on Russian gas and on critical minerals from China.

Politically, Europeans see us as a stable democracy, much more reliable than the United States. They need such a stable and credible ally, while they themselves are facing huge challenges: the rise of the far-right; disputes over immigration; increasingly threatening pressures from Putin's regime while some EU countries are showing fatigue over supporting Ukraine; costly and unpopular rearmament; tough EU budget negotiations between frugal countries and those heavily in debt; an aging workforce, weak economic growth with European industry – especially German and the automotive sector – faltering against Chinese competition.

Things could get worse. In 2027, elections will be held in Estonia, Finland, France, Greece, Spain, Slovakia, Poland, and Italy. Several of these elections are expected to see a rise in populist-nationalist right-wing parties that are against the EU, immigration,

and climate policies. Some of these populist parties are against continuing aid to Ukraine and are sympathetic to Putin.

As if all these difficulties weren't enough, Europe is now being hit hard by climate change, with blistering heatwaves, devastating wildfires, and water shortages affecting public health and the entire economy. Yet, there is a backlash against climate and environmental policies, which are being attacked, delayed, or abandoned in the name of economic priorities related to the cost of living, productivity, and deregulation.

All these challenges mean that Europe is not immune to turning inward. For Canada, it follows that we need to stay vigilant to make sure we have full access to European markets. Our diplomacy is making effective efforts to prevent Canadian exporters from becoming collateral victims of the industrial and trade strategies that the European Union adopts in response to American protectionism and to curb the flow of Chinese goods. In many European countries, the electoral weight of protectionist movements is growing with the rise of radical nationalist right-wing and anti-globalization left-wing forces.

We want to keep the European market as open as possible to our products and services. Hence our interest in maintaining a coherent, functional, and liberal European Union, open to our arguments for an inclusive trade which is our country's hallmark, and not an incoherent Europe fragmented by self-centred nationalisms.

In any case, the current situation is favorable for a lasting strengthening of our relations with the European continent. As we speak, the European Union and Canada are close allies in all key areas: NATO, international security, Ukraine, the Middle East and Iran, open trade, AI, the transition to a decarbonized economy, the fight against foreign interference. For all this and more, the EU and Canada are essential strategic partners, who need to learn to act more together, more effectively, with more convincing results.

Sure, a country is tied to its geography. Europe can't replace the United States for us, but it can help us be less dependent on them. Right now, 76% of Canadian foreign trade is with the U.S., compared to 8% with EU countries. The Canadian government has announced that it plans to double Canadian exports to markets other than the U.S. over ten years. To succeed in doubling Canadian exports to Europe from 2025 to 2035, they would need to grow at an average annual rate of 7.18%. This rate is significantly higher than the average annual rate of 3.93% over the past ten years. This is a considerable challenge that will require sustained performance far beyond recent historical trends. This ambitious goal is achievable, but it will require a significant improvement in Canadian work methods.

Europe is being approached from all sides. The competition to take market shares there and attract its investors is fierce. We need to give ourselves the means to achieve our ambitions in Europe.

2. Giving ourselves the means to achieve our ambitions in Europe

Since April 2025, Prime Minister Carney and his ministers have been traveling all over the world, especially in Europe. Canada has signed many robust agreements and partnerships with numerous countries in all areas: defence, security, civil nuclear, artificial intelligence, quantum, critical minerals, cybersecurity, intelligence, crisis management, clean technologies, oceans, transport, and innovation in general.

All of that is very good. But here's the issue: these agreements and partnerships that are piling up must not remain on paper; they must be fully implemented. Signing agreements with the Europeans is not too difficult. What is more complicated is implementing them. We must “deliver the deliverables.” In Ottawa, in Brussels and in European capitals, we have work to do to ensure that commitments are translated into concrete actions.

To this end, here's a first suggestion: **the government, the prime minister, should systematically and officially appoint a senior Canadian official for each of these agreements, who, along with their European counterpart, will be responsible for implementing them. Each agreement needs a clear line of accountability, with specific deadlines and goals.**

This is what the Prime Minister did in the case of the Strategic Partnership with the EU signed in June 2025. He appointed his personal representative to the European Union, John Hannaford, in charge, along with his European counterpart, of implementing this agreement. The next Canada-EU Summit, on October 29 and 30, will have to be the time to take stock of the results actually achieved over the past year in all priority areas, in order to boost this momentum and lift our relationship to a new height, a real unique alliance.

Nothing would be more discouraging than if the Summit ended with another pompous press release, full of generalities, like: 'We will continue to continue,' that kind of document that almost no one reads once the writers have painstakingly negotiated every syllable and every semicolon.

In addition to this need for accountability and clear goals, I suggest **developing a real Team Canada approach**. That's what our competitors do. When it comes to getting a contract or an investment, all their ministers and senior officials work together, not in silos. They don't leave the work just to the Minister of Industry or the Minister of Trade. Our competitors are fast on their skates, quick to jump on the ice as soon as an opportunity arises.

A team approach would be a valuable tool for the Canadian strategy worldwide, but it is especially needed in the European context. Europe is the only truly integrated continent, thanks to the existence of the EU and the appeal it has for all the countries that want to join it. Almost all the issues our ambassadors and their teams deal with in Europe have

a strong continental dimension, even if these challenges take different forms depending on the national context. Hence the unavoidable need for a 'Team Canada' approach.

High hopes are pinned on the Strategic Export Office that the Prime Minister just created. But it will only be useful if its actions are coordinated not just with the ministers and ministries, but also with all the existing organizations: Export Development Canada, which provides trade financing; the Canadian Commercial Corporation, which helps Canadian companies sell to foreign governments; the Trade Commissioner Service, which makes connections on the ground; Invest in Canada, whose mission is to attract investments from everywhere, including Europe; and the new Defence investment Agency. If each of these entities pulls in different directions and becomes a state within the state, we're going to fail.

We need a tight-knit team, where information flows and everyone contributes to each other's efforts. I've seen too many situations where a minister or another senior Canadian government official shows up in a European country without having the slightest idea of what other government agents have done before or what visits are planned next. Golden opportunities are lost to create momentum, a cumulative effect.

The Government of Canada has finally equipped itself with an essential tool to keep information flowing and implement an effective strategy: a dashboard that shows, on one hand, the goals the Government of Canada is pursuing in Europe regarding contracts, regulations, trade agreements, academic cooperation, investments, etc., and on the other hand, the visits that the Prime Minister, ministers, and other high-ranking officials plan to make to Europe, as well as those of Europeans coming to Canada.

Thanks to this dashboard, the Government of Canada keeps the register of opportunities in European countries or regions up to date, so that every minister and senior official visiting the country is aware of these economic opportunities and can play a positive role, putting the 'Team Canada' approach into practice.

Europe really must be a priority for the government and should be integrated now, not later, into Canada's new defence, AI, and critical minerals economy currently in development. All the new structures the Prime Minister has put in place – including the Defence Investment Agency – as well as the responsible ministers – Defence, AI, Natural Resources Canada, Industry – need to have the mandate to work together with the Foreign Affairs minister, Global Affairs Canada and our ambassadors in Europe.

Once the Government of Canada positions itself as a more consistent and effective player, it's better placed to coordinate its actions with other key Canadian actors on the ground in Europe. The Federal Government will need to establish much closer cooperation with the governments of the provinces and territories. Some are already quite active in Europe, including Quebec of course, but also Ontario and Alberta. There is also a need to work better with the leaders of our big companies, mayors of our major cities, Indigenous leaders, our chambers of commerce, including Canada-European

country chambers, our universities and research centers, our main pension funds, and so on.

Another key condition for success will be to maintain our diplomatic resources in Europe as much as possible. As we significantly increase our military spending, we shouldn't neglect our diplomatic presence on the ground either. It's already insufficient for a G7 country and even compared to countries less important than us. You must be on the ground to win. The Global Affairs Canada figures published in June 2023 show that we are present in 110 countries worldwide. Australia is present in 122 countries, even though it's not a G7 member. Brazil is in 133 countries; Turkey in 136, and South Korea in 191 countries.

Global Affairs Canada needs to make cuts to help the government reduce its deficit. **I suggest that these savings be made within the department in Ottawa, but that we keep the geographic section and our field presence intact.** The number of Global Affairs employees in Ottawa is excessive compared to our overseas deployment, especially when compared to what our allies do.

In any case, the Trade Commissioners Service should be preserved as much as possible, especially since it's important to encourage Canadian companies to take a greater interest in the European market. Trade commissioners support these companies from A to Z and show them how to approach markets in Germany, France, Italy, Poland, and so on.

Ideally, the Trade Commissioners Service should be strengthened, particularly in strategic sectors: defence and security, civil nuclear, clean technologies and energy, critical minerals, and artificial intelligence. This way, Canada would be better equipped to make the most of CETA, which, until recently, was only being used at 60% of its potential, according to the Chief Economist at Global Affairs Canada.

There's another key resource that could be used much better to maximize Canada's strategic effectiveness in Europe. I'm talking about the ambassador. I'm impressed by the quality of our heads of mission. When I was a minister, I learned more about the country I was visiting by listening to the ambassador in the official car right after getting off the plane than by reading the thick briefing books prepared by Ottawa officials. During my eight years as a special envoy in Europe, I only ever met competent and dedicated heads of mission.

At the same time, I noticed how often they and their teams were kept out of essential information. Thanks to my political connections with ministers and their offices, I was able to help ambassadors get the information they needed to act effectively on time.

I suggest that the government adopt a four-rule protocol which would state that:

- During bilateral meetings held on the occasion of official visits, the ambassador is always present and even sits to the right of the Prime Minister or the minister – if there's a 1+1, the +1 is the ambassador;
- If there's silent listening to a phone conversation between heads of government or ministers, the ambassador is, of course, always part of the listening group;
- The briefing notes prepared for visits are always reviewed by the ambassador, who has the chance to make suggestions;
- No matter where bilateral meetings take place in the world, the report is sent to the ambassador.

One can't imagine how much these four simple rules could help heads of mission and their teams being better informed, be seen positively by the host country, be in a better position to open doors and build high-level networks, and ensure better follow-up on ministerial visits. Everyone should keep in mind that when the minister and their entourage leave the country, the only high-level Canadian official left on the ground to follow up is the ambassador, with their embassy team.

Following these four rules wouldn't cost the government a dime, but it would make diplomacy a lot more effective at getting its work done.

Conclusion

In short, for every agreement signed with Europe, the government needs to appoint an official in charge of follow-up, with clear lines of responsibility, deadlines, and specific goals. All ministries and agencies need to work together, following a true Team Canada approach, supported by a dashboard that tracks an overall strategy, which must be well coordinated with the provinces, the private sector, and the other key players of Canada in Europe. Cuts within Global Affairs Canada should be made in the support services in Ottawa, but should spare the geographic section and our presence on the ground. The ambassador needs to be recognized as a key link to success.

Above all, we need determination, consistency, and a long-term vision that goes well beyond the disruptions caused by Trump-style anomalies. Even when the situation with the United States improves, we'll still need to strengthen our ties with Europe.

To a large extent, our strategic security, our ability to defend democracy around the world, including at home, our ability to achieve our economic diversification goals, pursue truly sustainable development, and have a carbon-neutral economy will depend on our ability to strengthen our alliances in Europe and build increasingly strong and effective partnerships there, while achieving concrete and positive results. Putting my recommendations into action would help us make progress on all these fronts.