

The Fisheries Committee continued to provide comprehensive monitoring reports on the fisheries, and, with the encouragement of the Canadian delegation, has been informally reviewing major developments in the fisheries' policies of OECD member states.

THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

The European Bank for Reconstruction and Development (EBRD), headquartered in London, was formally inaugurated April 15-17, 1991,

following a year of preparations in which Canada actively participated. The purpose of the EBRD is to foster the transition of Central and Eastern European countries to market-oriented economies and democracies. Canada's share of the Bank is 3.4 percent, which ensures Canada a seat on the Board of Directors. The Minister of Finance serves as a governor of the Bank, and the alternate is the Under-Secretary of State for External Affairs. Issues of particular interest to the Department include trade and investment opportunities for Canadian businesses, as well as the EBRD's environmental and human rights policies.

INTERNATIONAL FINANCIAL AND INVESTMENT AFFAIRS

ANNUAL ECONOMIC SUMMIT

The Houston Economic Summit in July 1990 focused on three principal issues: the U.S.S.R., trade, and the environment. Other issues included securing democracy, relations with developing countries, debt, and narcotics.

Summit leaders responded to a letter from President Mikhail Gorbachev seeking dialogue. They requested that, by the end of 1990, the International Monetary Fund (IMF), the World Bank, the OECD and the designated President of the EBRD, in consultation with the Commission of the European Community, undertake a detailed study of the Soviet economy to make recommendations for its reform. The study must also establish the criteria under which Western economic assistance could effectively support these reforms.

The Uruguay Round of Multilateral Trade Negotiations was recognized as the highest priority on the international economic agenda. The Summit leaders sent a clear signal that progress on world agricultural issues is critical and that they would take the difficult political decisions necessary to achieve far-reaching, substantial results in all areas of negotiation. The leaders further agreed that the concept of an international trade organization should be addressed at the conclusion of the Round.

The leaders supported the Second World Climate Conference and the conclusion of a framework climate change convention by 1992. They also agreed to negotiate a global forest convention. Canadian initiatives on environmental indicators, land-based sources of coastal pollution, overfishing, and eco-labelling (the voluntary inclusion of environmental

information on consumer goods) were recognized and included in the communiqué.

The Summit leaders celebrated the renaissance of democracy in Central and Eastern Europe and throughout much of the world and expressed their determination to assist other peoples to achieve and sustain economic prosperity and political freedom. The leaders noted that prospects for closer cooperation with China would be enhanced by renewed political and economic reform, particularly in the field of human rights.

The Statement on Transnational Issues reaffirmed the condemnation of terrorism in all its forms and expressed concern over the threat to international security posed by the proliferation of nuclear, chemical and biological weapons, and of ballistic missile weapons delivery systems.

ENERGY AND THE ENVIRONMENT

The Energy and Environment Division was actively involved in a wide range of intergovernmental conferences and negotiations. The most significant ones were the Montreal Ozone Protocol Review Meeting (London, June 1990); the Intergovernmental Panel on Climate Change (IPCC) meeting (Sweden, August 1990); and the Second World Climate Conference (Geneva, October 1990).

The Montreal Protocol Multilateral Fund Secretariat was established in Montreal. The Secretariat dispenses money and technology to enable countries to replace outdated equipment.

The Division developed Canadian positions for the negotiations for both a Climate Change Convention and a Biodiversity Convention, which