

foreign aid, particularly its official development assistance, was continuing to expand and that following their recent foreign policy review some improvements, including a measure of untying and an increasingly large proportion of multilateral assistance, would make it more effective. United States members described the results of the review of United States foreign policy, particularly with respect to future American contributions through multilateral institutions for economic assistance. Views were exchanged on the advantages which might be achieved by untying foreign aid procurement on a multilateral basis. In the field of trade, both countries expressed their intention to put into effect, subject to legislative approval, a regime of tariff preferences for developing countries with a view to providing expanding trade opportunities for these countries.

### **East-West Trade**

"The Committee reviewed current developments in the field of East-West trade. United States members referred to the general desirability of expanding trade in non-strategic goods and to recent measures taken by the United States to ease export controls and other existing restrictions on such trade. In welcoming these measures, Canadian members referred to the extraterritorial application of these controls and expressed the hope that further steps might be taken in the near future to avoid any problems in this area. It was agreed that this matter should be pursued.

"Turning to matters of bilateral concern, members discussed in depth questions relating to protection of the environment and trade in energy materials.

"The members of the Committee recognized the high importance which both countries attach to the need to make a concerted attack on the urgent problem of pollution along the common frontier, and especially in the Great Lakes. They noted that proposals designed to provide a more effective framework for co-operative action to protect the Great Lakes, in keeping with the recommendations of the International Joint Commission, would be considered by appropriate ministers from both countries at a meeting to be held early next year. Members reaffirmed the commitments of their respective governments to move forward as quickly as possible to constructive consideration of these recommendations for better water-quality objectives in the Great Lakes.

### **Continental Energy Needs**

"Members of the Committee reviewed the sharply growing energy requirements of North America and both the present availability and probable location of future sources of supply. They agreed that discussions should be continued to work out mutually acceptable arrangements, consistent with the responsibilities of the regulatory bodies concerned, for an increasing trade in crude oil, petroleum products and other fuels between the United States and Canada.

"Referring to earlier representations, Canadian ministers strongly urged the early removal of the effective embargo that the United States applies to