

he said, would be to co-operate with the governments of developing countries to create "technologically sound energy policies which are directly relevant to the host country's needs". The program would increase the use of indigenous resources in solving local energy problems.

The Canadian government is also establishing a program with an initial capital of \$5 million to encourage private companies to adapt new energy technologies to developmental needs, said Mr. Trudeau.

The Prime Minister also announced that Canada would contribute \$25 million to African countries in the Sahel region to help increase agricultural production. The constant spread of the desert in areas of the Sahel, which were previously arable, has led to a decrease in food production and an increase in the level of imported food which has diminished the financial capacity of these countries to import needed energy, said Mr. Trudeau. "Canada's contribution is designed to help those countries develop their energy resources, to grow more food, to retard the depletion of scarce forest resources being used for fuel, and to hold back... 'the deathly march of the desert'," he said.

Canada believes that without proper planning any investment by a country in energy projects in developing countries cannot achieve its full potential, said the Prime Minister. The Canadian government, as in the past, will continue to provide funds and expertise to developing countries to help prepare national energy programs, he added. Canada has joined with other countries in calling for the creation of an energy affiliate to the World Bank which would provide greater access to funds for developing countries for energy development.

Energy company set up

On the bilateral level, the Canadian government recently established Petro-Canada International, a subsidiary of Petro-Canada, Canada's national oil company. The objective of the new company is to offer Canadian technology and expertise to assist developing countries become more energy self-reliant by reducing or eliminating their dependence on imported oil.

The subsidiary will act as a delivery mechanism for Canadian development assistance by: participating in exploration for hydrocarbon resources; conducting pre-exploration and related studies; and providing exploration development and

Canada was among the co-sponsors of the resolution by which the United States General Assembly decided in 1978 to hold the energy conference. The Canadian government also helped in the organization of the conference, providing expertise for several preparatory study groups and making \$100,000 available from CIDA funds for conference preparations. At the conference exhibition, the Canadian pavilion featured displays illustrating a range of technological capabilities related to alternative and renewable energy resources including: biomass energy and biotechnology; the assessment, engineering and installation of conventional small- and large-scale hydro-power installation; new approaches to designing low energy and passive solar buildings from both residential and commercial purposes; applications of solar energy to water heating and photovoltaics technology; and the development of wind energy.

production. It will also act as an executing agent for other development assistance institutions such as CIDA and the International Bank for Reconstruction and Development.

Petro-Canada International will operate within the over-all framework of the federal government's international development assistance program and will be consistent with Canadian foreign aid objectives. The Canadian government has allocated \$250 million to the new company for the four-year period ending 1984-85.

National efforts needed

During his address to the conference, Energy Minister Marc Lalonde said that there is "a pre-eminent need for strong national efforts as the only sound basis on which increased international co-operation can be built. This approach reflects our assessment that it would be a mistake to focus too narrowly on the technological aspects of particular energy sources. Rather the focus should be on the selection and application of energy systems appropriate to the specific needs of individual countries, with their widely varying social, economic and environmental circumstances".

Mr. Lalonde told the conference that Canadian bilateral assistance in the energy sector is expected to total \$1 billion over the next five years or about 25 per cent of Canada's bilateral program and is part of a major effort to substantially increase its official development assistance.

In the past, he said, Canada's energy-related development assistance has focused on energy resource evaluation; policy development and sector management; and energy production and transmission.

In terms of expenditures, Canada's main efforts have been directed to assistance in the area of hydro-electric generation and transmission. "We recognize, however, that the increasingly large scale and cost of hydro-electric projects pose

potential problems. Often regional in impact and benefit, and frequently beyond the capacity of any single donor to finance, such projects will require closer co-operation among donors and recipients, particularly through increased multi-source financing arrangements," said Mr. Lalonde.

Private sector incentives

Canada intends to increase its efforts, he said, to support smaller-scale projects, which will help promote the development and application of new energy technology in developing countries.

The Canadian government will also allocate increased resources to CIDA to promote the involvement of the Canadian private sector, particularly small- and medium-sized firms in the economic development of developing countries. "These new and renewable energy industries require special assistance to overcome the limits of their size in order to broaden their collaboration with their counterparts in developing countries," said Mr. Lalonde.

"Outside the aid field we are already actively seeking arrangements with other nations particularly newly industrialized countries to promote a mutually beneficial reciprocal exchange of expertise and technologies in the fields of new and renewable energy. We expect that each situation will be unique, with many new arrangements for co-operative international development being formed," he said.

"It is Canada's firm view that the most essential key to progress, to open the way to more effective action at the national level is careful energy planning and effective policy implementation. Only through effective national planning approaches can the specific energy needs of different countries as well as their unique social, economic and institutional context be adequately taken into account," said Mr. Lalonde.