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THE TORONTO ECONOMIC SUMMIT
5. DEVELOPING COUNTRIES AND THE
SPECIAL PROBLEMS OF AFRICA

A continuing difficult global economic environment highlights both the realities and the challenges of interdependence between developed and developing countries. The extent and complexity of these relationships have been discussed in past Summits.

Canada continues to see a substantial and increased flow of external resources to developing countries as key to their growth and development. Canada's own development assistance program is considerable and, as indicated in the Government's new aid strategy, will grow in the future, to reach 0.6 per cent of GNP by 1995/96 and 0.7 per cent by the year 2000. Canada supports a strong role for the international financial institutions, particularly the IMF and the World Bank Group in facilitating resource flows to developing countries. It encourages greater cooperation and coordination among the Bretton Woods institutions as well as between these and bilateral donors in order to ensure the most effective and efficient flow of resources and policy advice to developing countries.

Canada's stance is a reflection of the long-standing commitment of Canadians to international development assistance and cooperation. It reflects as well the belief that multilateral cooperation on economic issues is essential for economic growth in both developed and developing countries. In particular, the Canadian Government is of the view that the new round of multilateral trade negotiations provides a means to ensure further global growth through liberalized trade, and that all countries, including developing countries, will benefit.

Development in the poorest countries, particularly those in Sub-Saharan Africa, remains a particularly difficult, long-term process. There is common agreement that patience, energy and imagination are necessary to put in place and sustain an acceptable level of development infrastructure. In many cases, substantial reform of economic policies is needed for adjustment to take place, establishing a basis for growth. A number of African governments have taken painful and courageous steps along the path of reform. Donor governments have agreed to assist Africa in this process through increased resource flows and other measures.