

A program to assist Canadian companies to increase their trade and investment links with the regions, including:

- participation in an expanded trade fairs and missions program;
- venture-specific pre-investment studies undertaken by and on behalf of Canadian firms;
- enterprise-specific management training;
- program support over three years on a declining basis for newly established bilateral business councils; and
- business information programs supporting investment/joint venture promotion in Central and Eastern Europe and the Soviet Union.

SECURING DEMOCRACY

The Political Co-operation Fund provides grants and contributions to foster dialogue and engagement with Central and Eastern Europe and the Soviet Union to encourage democracy, political pluralism, the rule of law, and respect for human rights. The Fund is designed to promote democratization of political, social, legal, and economic institutions and foster links with Canada. Funds are available for:

- developing expertise, institutions and processes for the holding of free and fair elections;
- providing guidance and training in altering the political process to conform with democratic norms;
- reform of the constitutional process, criminal and civil law, related governmental, academic and private institutions, so as to help ensure the primacy of law, justice and human rights;
- training and exchanges aimed at modernizing teaching institutions, upgrading training programs, and developing free and effective media; and

- developing professional public services.

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD)

International agreement has been reached on the establishment of a regional bank to foster the transition toward market-oriented economies in Central and Eastern Europe.

The EBRD will be a distinctive financial institution based on a fundamental commitment by all participating members to democracy, respect for human rights and the rule of law. The main objective of the EBRD will be to promote the development of the private sector. It will finance projects to promote investment, provide technical assistance and mobilize domestic and foreign capital. The bank's

"The task of simultaneously constructing democracy and an open market economy, and doing it from the ground up, is unprecedented."

Hon. John C. Crosbie

initial capital base will be 10 billion ECUs (Cdn\$14 billion).

Canada will be contributing Cdn\$30 million each year for the next five years to the Bank's Capitalization Fund. The total fund is expected to reach 10 billion ECUs (Cdn\$14 billion). We will have a seat on the Bank's board of directors and will be appointing an executive-director sometime in the next year.