

- The concept of a common fund for financing such stocks is certainly worth examination. We are prepared to consider the concept sympathetically along with other potential donors, including both producers and consumers;
- We recognize that commodity prices have to reflect market forces. At the same time, we are well aware that no one's interest is served by commodity prices which are so low as to discourage production;
- We believe new features in commodity agreements to take account of international inflation and exchange rate changes should be explored;
- We shall wish to pursue these issues in the context of UNCTAD's Integrated Approach.

#### Trade Liberalization

On trade liberalization we believe that improved access to markets can yield significant benefits to developing countries.

- At present 75% of Canada's imports from developing countries enter duty free and we have proposed in the trade negotiations the removal of all duties on tropical products by industrialized countries;
- We are prepared to consider deeper tariff cuts and advance implementation on an MFN basis of other tariff cuts of interest to developing countries;
- We are also reviewing our generalized system of tariff preferences for developing countries in light of their suggestions for improvements;
- We recognize the importance that developing countries attach to the further processing of their commodities prior to export. We share with developing countries a common interest in the removal of tariff escalation and non-tariff