

Trade liberalization

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

- (1) At present, 75 per cent 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.
- (2) We are prepared to consider deeper tariff cuts and advance implementation on an MFN basis of other tariff cuts of particular interest to developing countries in the trade negotiations now taking place in Geneva.
- (3) We are also reviewing our generalized system of tariff preferences for developing countries in light of their suggestions for improvements.
- (4) We recognize the importance that developing countries attach to the further processing of their commodities prior to export. Indeed, we share with them a common interest in the removal of tariff escalation and non-tariff barriers that impede the establishment of efficient processing facilities in the resource-exporting countries. In our view, the "sector" approach is the most effective technique for achieving this goal in the multi-lateral trade negotiations.

Industrial co-operation

The further industrialization of developing countries is an essential element in any concerted attack on the disparities between rich and poor. In shaping the world of the 1980s, we must aim to bring about faster and more balanced industrialized growth in the developing countries. We recognize that developed countries must contribute to this process.

Two of the elements essential to more rapid industrial growth -- investment and technology -- are primarily available from the private sector in industrialized countries; accordingly, we believe there is an urgent need to reconcile the legitimate interests of developing countries -- their need for capital, their right to sovereignty over their natural resources, their control over their own economic destinies -- with the role of the private sector in providing capital and technology.

Industrial co-operation on a bilateral basis may be an effective