The role of the CSCE must now be expanded so that it becomes the drawing board for the new European architecture. As a complement to NATO, the CSCE can become a true instrument of co-operative security, one which would supplement deterrence with re-assurance.

Until now, the CSCE has lacked the institutional framework now required for effective and ongoing co-operation and confidence-building.

Canada believes that continuing political direction from the highest level is required. Canada proposes that the CSCE should meet annually at the level of Foreign Ministers and biannually at the level of Heads of Government. This political body could serve as the beginnings of a Council for European Co-operation, a future, permanent forum for dialogue on pan-European issues.

The CSCE should develop a forum to reflect the increasingly democratic character of its membership. Therefore, we also propose the establishment of a <u>CSCE Assembly</u> where parliamentary delegations from member states would meet on a regular basis to discuss issues of common concern.

In the security area, the CSCE will have a role in mandating a further round of conventional forces reduction talks. These talks should be conducted among all 35 members of the CSCE, rather than solely the members of NATO and the Warsaw Pact.

The CSCE should also increase its role in verification and confidence-building, and in crisis prevention and conflict resolution. This could involve the creation of a mechanism to facilitate dialogue, to conduct fact-finding investigations if required and to recommend a strategy to resolve crises - whether it be mediation, arbitration or even peacekeeping. If the crisis develops into conflict, the CSCE could initiate mediation activities. These activities could be supported by a permanent Institute for the Peaceful Settlement of Disputes which would provide valuable expertise.

Beyond the security field, the CSCE should build upon the other principles contained in the Helsinki agreements. The essential structures of democracy should become a common commitment of CSCE members, including the right to free elections and the rule of law. Pluralism should also be legitimized through the CSCE process, as should the rights of minorities, freedom of religion and a prohibition on hate propaganda.

In the economic dimension, the CSCE may also have a valuable role in the future, building on the tremendous success of the recent Bonn Economic Conference. It should not duplicate existing and effective economic institutions. But there is room for growth in encouraging co-operation and dialogue. I believe a permanent CSCE forum for economic dialogue, supplementing the emerging OECD work, is worth serious consideration.