

This includes an immediate grant of \$12 million in emergency food supplies for Poland. We expect most of this to be delivered this month.

A \$10 million economic development fund was established to support private-sector development in both countries through the provision of technical and managerial assistance.

We have also told the Polish authorities that we are ready to open a \$20 million revolving credit insurance facility subject to an agreement on an IMF programme. This facility will provide short term financing to help Poland meet urgent import requirements.

Our support goes beyond funding. With respect to market access, the Canadian government has extended, as of December 1, 1989, the benefits of the general preferential tariff to both Poland and Hungary.

The framework for the operations of the stabilization fund requested by Poland is now being finalized. The fund will bolster the confidence of the Polish people and the international community in the convertibility of the zloty as part of the reform measures which the Polish authorities will begin implementing early next year, in line with their IMF programme.

I am pleased to announce that Canada is prepared to contribute its share of Canadian \$30 million to this fund.

We are also actively working to intensify our trade and investment ties with Poland. A series of investment seminars in mid-January is being organized in three major cities in Canada. In late January, we will be holding the second session of the Canada/Poland mixed economic commission. In the spring, my colleague the Deputy Prime Minister and Minister of Agriculture, Mr. Mazankowski, will be leading a delegation of business leaders to Poland to encourage Canadian investment in that country.

For Hungary, trade access and foreign investment remain the key to economic success. In addition to granting GSP, Canadian companies are currently discussing investments and joint ventures in Hungary worth Canadian \$50 million. We know that others will follow. Canadian business played a key role in the first Hungary investment fund, which has already mobilized over Canadian \$100 million. Our technical cooperation efforts are focussed on building and sustaining a viable private sector.

We expect to conclude agreements on investments with both Hungary and Poland. We are now concluding a double taxation agreement with Hungary. We have already concluded one with Poland.