

limited to official development assistance, economic ties with developing countries increasingly encompass trade, investment and dialogue through a variety of multilateral political and economic institutions. Leaders may discuss ways to continue to build on these ties. The importance of good governance, respect for human rights, democratic development, and implementation of sound economic policies are also expected to be emphasized.

Another important area of discussion will be assessment of progress on the agenda that emerged from the United Nations Conference on Environment and Development, held in Rio de Janeiro last year.

A number of issues on the political agenda will receive considerable attention from leaders and foreign ministers. There is wide agreement that the United Nations needs to reform its operations to improve efficiency and cost-effectiveness.

Leaders are likely to discuss institutional reform within the UN system and may call on the UN to re-evaluate its operations.

Nuclear proliferation continues to be a major international security concern as a result of the political and economic situation in much of the former Soviet Union. Attempts by Iraq and North Korea to develop nuclear weapons capabilities have created additional concern.

The continuing conflict in the former Yugoslavia continues to be an important issue for the G-7 leaders. With the enormous expansion of international peacekeeping, the leaders are expected to review peacekeeping practices and discuss ways to make better use of resources to meet demands in the former Yugoslavia and elsewhere. This issue is of particular interest to Canada since the Canadian Forces are involved in all of the United Nations' current peacekeeping efforts.