

I met this morning in Ottawa with Russian Minister of Economy Andrei Nechayev. Mr. Nechayev is en-route to Washington today for meetings following the formal entry of Russia into the International Monetary Fund (IMF) and the World Bank -- a true watershed. Canada, through my colleague, Don Mazankowski, has been a strong supportive participant in this process. Minister Nechayev was able, however, to accept my invitation to meet in Canada. Our wide-ranging discussion touched on the reform agenda and the rouble stabilization and balance of payments funds recently announced.

I notified the Minister that tomorrow we shall table a draft text of a new bilateral trade agreement we are proposing between Canada and Russia. We are well on our way to negotiating a new trade accord that will reinforce the present most favoured nations (MFN) and build on and improve the existing 1956 trade agreement.

This agreement, when signed this summer, will reflect new realities and help business communities in both countries. For example, it will reaffirm the earlier double taxation avoidance and foreign investment protection treaties. We also discussed a possible economic co-operation agreement designed to modernize our bilateral framework in the 1990s.

I am also delighted to announce that at the conclusion of our meeting we signed documents bringing into effect two lines of credit administered by the Export Development Corporation (EDC) and Vnesheconombank. These are for a \$100-million capital goods and services facility and a \$62-million balance in the non-wheat food loan to Russia.

You will recall that EDC concluded a \$50-million line of credit with Ukraine in February of this year. Earlier this month EDC made its first allocation under the loan facility. The Canadian Banknote Company of Ottawa will receive \$32 million in financing to produce the new Ukrainian currency, the hryvna, for the Government of Ukraine. We anticipate additional export transactions under this new line of credit.

To follow up this month's European Bank for Reconstruction and Development (EBRD) board meeting in Budapest -- and prior to this July's G-7 Summit in Munich -- I will be representing Canada at the Muenster conference in early May. This East-West economic conference will look at ways to stimulate involvement by the West's business community in the East's restructuring, by creating favourable frameworks for trade and investment, including the establishment of effective administrative and legal systems.

It also gives me great pleasure today to announce that I will lead a business delegation to Moscow, Kiev and Alma Ata at the