7.3 The Committee recommends that the government set policy and program priorities on the basis of objectives that reflect Canadian interests, values, and comparative advantages. Within regions, we should seek strategic bilateral partnerships, based on a combination of a country's regional importance, its political or cultural ties with Canada, and its potential contribution to the achievement of Canada's objectives.

<u>Response</u>

The Government agrees with the approach of the Committee and will establish its program priorities to serve the global objectives of foreign policy. Bilateral relations and multilateral associations will serve as means for the achievement of objectives, and will receive priority according to the degree to which these objectives are furthered.

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