

6. Technical co-operation to the national telecommunication corporation (ENTELPERU) -- Phase II -- Canadian \$725,000. Phase III -- Canadian \$820,000.

After a first project that established the basic plan for the installation of telephone lines in 71 cities along the South Coast of Peru, these two projects provide the services of advisers who at present are preparing similar plans for installing a microwave system in the East of the country, which is considered a zone with great economic potential in the not too distant future.

The above-mentioned projects will be implemented immediately, some of them already being in the initial stages of execution.

At the present time the Canadian Government, through the Canadian International Development Agency (CIDA), is also involved in technical co-operation projects together with official Peruvian entities for an overall sum of approximately Canadian \$20,000,000.

In the financial sector, the Secretary of State for External Affairs is also pleased to announce that the Government of Canada has granted to the Government of Peru two lines of credit totalling Canadian \$8,000,000 for the following projects:

1. Line of credit for feasibility studies -- Canadian \$3,000,000.

This CIDA loan granted to the Government of Peru through COFIDE* will allow Peru to plan its investment programmes, which ought to give rise to a positive social impact in the long term.

2. Line of credit for institution support -- Canadian \$5,000,000.

This CIDA long term loan without interest is also granted through COFIDE and will allow Peruvian industrial enterprises, be they public or private, to obtain the necessary funds for the purchase of Canadian machinery and equipment which are necessary for their development.

The interest which COFIDE receives through re-lending to the industrial enterprises will form a special fund that will be used in support of the socio-economic development agencies of Peru.

In both these instances, the first repayment date on the loans is in 1983.