

concerns to the forefront. The Prime Minister's proposal to create a system of environmental indicators has led to effective work on this topic by the OECD. The Energy and Environment Division continues to be actively involved in this issue and other environment/economy linkages such as trade and environmentally sound technology.

Support for climate change negotiations was provided to Canadian delegations attending a number of global meetings: the Intergovernmental Panel on Climate Change (IPCC), the Hague Environmental Summit, Noordwijk Meeting, and the Conference on Security and Cooperation in Europe, among others.

#### *Economic Relations with Developing Countries*

Canada's relations with the developing world are undergoing a rapid change — a reflection of the growing diversity among many developing countries and the greater interdependence of all nations.

The primary aim of Canadian development aid is to reduce poverty, to support sustainable development, and to promote broad-based growth in the Third World. Canada remains committed to helping the poorest countries,

and support for reform in Eastern Europe does not in any way detract from this commitment. Despite the climate of budgetary restraint, Canada is one of the leading donors of aid, in terms of both volume and quality.

In March, the Prime Minister announced that legislation would be introduced in the House of Commons to forgive the Official Development Assistance debt of the Commonwealth Caribbean, valued at \$182 million. This will assist those countries to continue their programs of adjustment and economic reform.

The historic events that have taken place in Eastern Europe and the desire of these countries to adopt democratic institutions and undertake economic reforms have led Canada to become involved in establishing the European Bank for Reconstruction and Development. This will stand as one of the pillars of European reconstruction in the post-cold-war era.

The annual meeting of the Inter-American Development Bank was held in Montreal from March 30 to April 4, 1990. This international meeting enabled Canada to reiterate its objectives, which reinforce structural adjustment and the issues of poverty reduction, environment and debt.