

Declaration of the Conference and the Comprehensive Multi-disciplinary Outline. Canada continued to be active at the UN General Assembly and at the 10th Special Session of the Commission on Narcotic Drugs, which dealt with the preparation of the follow-up to the 1987 Conference. In addition, Canada acceded to the UN Convention on Psychotropic Substances.

Canada also participated in the drafting of a convention against illicit trafficking, which could be very useful for Canada's law enforcement agencies. It concerns trafficking, extradition and mutual legal assistance. As a result of a Canadian initiative, the document should be ready for signature in late 1988 or early 1989.

Canada increased its contribution to the United Nations Fund for Drug Abuse Control, which assists recipient developing countries to plan, organize and finance projects to reduce the production, trafficking and consumption of drugs. The Department has expanded its Consular Awareness Program, which is intended to warn Canadian travellers about the consequences of possession of drugs abroad.

## Energy

Despite continuing political instabilities in the Gulf area, oil prices remained relatively stable in 1987/88. A meeting of International Energy Agency (IEA) ministers, held in May 1987, concluded that continuing attention should be given to energy security and emergency preparedness. Bilaterally, Canada pursued its energy relations with, amongst others, the U.S., Colombia, Venezuela, Nigeria and Norway. Among domestic energy policy events with foreign policy implications were the Energy Options Process, which included a seminar called "Energy: the International Dimension," and two meetings of Canadian energy ministers who concluded that energy security in Canada must be viewed in an international context.

Oil prices recovered from very low levels in 1986 to trade in the \$16-18 (US) range for most of the year. However, there continued to be uncertainty as to the longer term prospects for stability in the oil market, with no end in sight for the Iran-Iraq war, intensified military actions involving oil facilities in and around the Gulf, and OPEC overproduction, which contributed to a worldwide oil supply that considerably exceeded demand throughout the period. With the modest recovery of world oil prices in the last year the Canadian petroleum industry increased its exploration and development activity in the Western Sedimentary Basin, although offshore and frontier development remained limited.

Several energy policy developments occurred in Canada, partly in response to the international situation. In April 1987, the Canadian Exploration and Development Incentive Program commenced. The Energy Options process, launched by the Minister of Energy, Mines and Resources, held its workshop called "Energy: the International Dimension" in Halifax in November 1987. In addition, the broad theme of Canadian energy security was discussed at two meetings of energy ministers (the Minister of Energy, Mines and Resources (EMR) and his provincial and territorial counterparts) who recognized the importance of the international dimension for energy security and acknowledged the importance of Canada's membership in

the International Energy Agency. The Canada-U.S. Free Trade Agreement contains an energy chapter with provisions for bilateral energy trade. The Sectoral Advisory Group on International Trade in Energy met six times during the past fiscal year.

Canada continued active involvement in the International Energy Agency. The main event in 1987 was the meeting of the IEA Governing Board at the ministerial level in May, chaired by the Minister of EMR. IEA ministers concluded that energy policies in the 1990s should:

- "maintain energy security through continued development of indigenous energy resources and technologies and improvements in the efficiency of energy use;
- secure the benefit for IEA countries as a whole of lower energy prices;
- promote free and open trade in energy; and
- further improve preparedness to deal with a disruption in energy supplies."

IEA ministers reaffirmed their commitment actively to promote the objectives of both energy and environmental policy, adding that "solutions to the environmental problems associated with energy are fundamental to the maintenance of adequate economic and security supplies." As part of the follow-up to the ministerial meeting, the IEA Governing Board met informally in March 1988 to discuss long-term energy issues. The IEA Executive Director visited Canada in December to attend the final Energy Options Conference in Montreal.

The Minister of Energy, Mines and Resources visited Colombia in April and France in December. Bilateral energy consultations at the official level were conducted with Venezuela in January and in November with the United States (the Energy Consultative Mechanism and the Review of Hydrocarbon Developments in the Beaufort Sea). In addition, a number of senior foreign government energy representatives visited Canada, including the energy ministers of Venezuela, Ghana, Burma, Nigeria, Cameroon, Czechoslovakia, Morocco and Hungary and officials from the Netherlands, Japan, China, Thailand, Jordan, Norway and Gabon.

Petro-Canada International Assistance Corporation (PCIAC) continued its program of hydrocarbon exploration and technical assistance projects in a number of countries including Costa Rica, Madagascar, Morocco, Senegal, Jordan, Nepal and Botswana. In addition, it supported a program developed by l'École des hautes études commerciales in Montreal to upgrade the expertise of petroleum managers in Francophone developing countries, as well as a similar program for Anglophone developing countries organized by the Alberta Summer Institute for Petroleum Industry Development.

## The environment and environmental law

Environmental problems such as global climate change and transboundary pollution, together with the publication of the Report of the World Commission on Environment and Development (WCED), have underscored the urgency of collective action to reduce global pollution and the need to integrate environmental considerations into economic decisions. Canada continued participation in international