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CANOLA OIL SUPPLEMENTS CANADIAN FOOD AID TO BANGLADESH

DHAKA, BANGLADESH--The Secretary of State for External Affairs, the Right Honourable Joe Clark, announced here today that Canada will provide up to \$8 million worth of refined canola oil as food aid for Bangladesh in the fiscal year 1987-88.

"Bangladesh has been a recipient of Canadian food aid, chiefly wheat, since it became independent in 1971", Mr. Clark explained. "This year the Government of Bangladesh asked for additional food aid in the form of edible oil to help meet the nutritional needs of the population".

The exact quantities of canola oil procured will depend on prevailing prices, as well as on whether Bangladesh covers shipping costs or asks Canada to handle transportation.

The oil will be sold to the public through the government's fair price shops and on the open market and the money used to pay for agriculture and rural development projects in Bangladesh.

"Since 1971 Canada has provided more than \$1 billion in aid to Bangladesh, including \$622 million worth of wheat", Mr. Clark said.

"Bangladesh has used food aid successfully as a development tool to improve nutrition, increase domestic production of cereal grains and to support its balance of payments", the Minister added.

The canola oil is a one-time contribution. Based on the experience gained, a multi-year food aid program for edible oil will be considered.

- 30 -

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