

HONG KONG

Sino-British Agreement

External Affairs Minister Joe Clark expressed his congratulations September 26 to both the United Kingdom and the People's Republic of China over the successful conclusion of discussions and negotiation over the future of Hong Kong which resulted in the initialling of an agreement. Mr. Clark stated at that time that communications received from both sides had indicated a positive reaction to the final form of the agreement. The agreement, designed to ensure the continued "stability and prosperity" of Hong Kong, provides for a guarantee of the "essential elements" of Hong Kong systems for fifty years following the 1997 transfer of proprietorship. Mr. Clark expressed his hope that it would thus provide reassurance to both residents of Hong Kong and relatives and friends living in Canada. The government, in view of Canada's strong commercial and financial ties with Hong Kong, welcomed the agreement as a "significant and constructive step" in maintaining the economic prosperity of the area (External Affairs communiqué, September 26).

INDIA

Hydroelectric Project

An announcement was made August 6 by then International Trade Minister Francis Fox and then External Affairs Minister Jean Chrétien of Canadian financial support totalling \$620 million for the export of both goods and services to India for the 540-megawatt Chamera Hydroelectric Project on the Ravi River in northern India's Himachal Pradesh state. Parallel loan agreements were signed in New Delhi August 3 by CIDA, the Export Development Corporation (EDC) and India's National Hydroelectric Power Corporation. These goods and services were reportedly to be matched by a similar domestic investment on the part of India. Total cost for the Chamera project is estimated at \$1.3 billion.

Mr. Fox stated that the scale of the joint Canadian support investment would facilitate an extension of Canada's export of technical expertise and machinery to the Indian market as well as contributing to a material advance in that nation's development. The power generated by the projected development would significantly affect India's economic development through an increase of hydro resources, according to an External Affairs communiqué of August 6. Canadian assistance to the project will involve engineering services (project management, technical training, construction assistance, and procurement services), as well as machinery.

Attack on Diplomatic Personnel

On August 16, then External Affairs Minister Jean Chrétien issued an expression of regret over an incident occurring the previous day in which demonstrators gained forcible entry, through a police cordon, into property occupied by the Indian Consul General in Vancouver. The

protestors were acting in response to Indian government policy toward India's Sikh minority. The act of violence also received from Mr. Chrétien a condemnation of "illegal acts against diplomatic facilities in Canada by groups or individuals pursuing political objectives in other countries." Mr. Chrétien reiterated the Canadian government's intention to honor its responsibility to ensure the protection of diplomatic or consular facilities and personnel. Canada will not tolerate such acts of violence, said the Minister, and would proceed with the prosecution of apprehended perpetrators. In view of Canada's long and friendly relationship with India, Mr. Chrétien termed the incident deplorable and suggested that groups campaigning against policies of a third country in such a manner and on Canadian territory were hindering rather than furthering their own cause (External Affairs communiqué, August 16).

INDONESIA

Diagnostic Centre

CIDA President Margaret Catley-Carlson announced August 7 that Canada would be providing \$8 million for the establishment of an animal disease investigation centre in Yogyakarta, Java, Indonesia. While funded by CIDA, the project would be administered by Ontario's Ministry of Agriculture and Food, and would work toward the improvement of treatment and control of animal diseases on Java. The agreement establishing the funding was signed on the part of Canada by Art Wright, CIDA's Vice-President for Asia and Dennis Timbrell, Minister of Ontario's Agriculture and Food Ministry, and on the part of Indonesia by the Chargé d'Affaires Soewandi Kusumoadinoto, and Dr. Daman Danuwidajaja, Indonesian Director General of Livestock Services. The Ontario ministry will supervise construction and equipping of the Centre's laboratory, and will coordinate Canadian technical assistance, according to a CIDA press release of August 7. It will also provide veterinary staff for training purposes for the development of "diagnostic programs" and the establishment of "operational procedures." It was also announced that the Indonesian contribution toward the diagnostic centre would include land, site preparation and maintenance. The centre is intended to strengthen field services and "increase communications" between other existing research centres throughout Indonesia.

PAKISTAN

Border Attacks

Following an increase in border attacks from Afghanistan into Pakistan during August, then External Affairs Minister Jean Chrétien issued a statement of Canadian government concern on August 29. Expressing the government's "deep disturbance" with regard to the increasing violations of "Pakistan territory and air space bordering on Afghanistan," Mr. Chrétien called for the "im-