

Canada has also supported initiatives to liberalize the trade of commodities to correct market imbalances which have resulted in historically low prices for several commodities, particularly those produced by the poorest African countries. And Canada has supported efforts to diversify and develop non-traditional exports to reduce the vulnerability of African economies to price fluctuations. Virtually all African exports destined for Canada enter the country duty free under the provisions of the Most Favoured Nation status of the General Agreement on Tariffs and Trade (GATT) and of the General Preferential Tariff (the Canadian implementing mechanism of the Generalized System of Preferences). The Canadian GPT is designed to encourage industrialisation in developing countries by making it easier for their manufactured products to cross the Canadian border.

Canada believes general trade liberalization to be for the good of all. But further efforts are needed to draw more fully developing countries into the process of the Uruguay Round of the Multilateral Trade Negotiations. Consequently, Canada is financing seminars to help developing country officials improve their ability to identify their own national economic interests in the Round. Two regional seminars will be conducted for African trade policy officials in Nairobi and Abidjan in September 1988.

c) Supporting Africa's Policy Reform

There is a continuing urgent need to provide substantial new resource flows in order to make it possible for African governments to implement necessary policy reforms. The international community has undertaken measures both bilaterally and multilaterally that have gone a considerable distance in providing needed resources. But there can be little debate that more is still needed. The needs of Africa are great and the consequences of failure to support adequately the efforts of African governments severe both in human terms and in terms of undermining current efforts for recovery.

Canada has taken action both bilaterally and multilaterally to increase resources available to African Governments to implement policy reforms and structural adjustment measures. Over the next five years, 45% of all bilateral assistance from Canada will be disbursed in Africa.

Direct balance of payments support through provision of needed commodities as well as other forms of support for structural adjustment has been integrated into programming with most African countries. For example, to support Tanzania's