

The Secretary of State for External Affairs, the Honourable Mitchell Sharp, announced that Canada today became a full member of the Inter-American Development Bank by signing the Agreement which established the Bank. When making this announcement Mr. Sharp expressed the view that Canada's membership in the Bank was a significant milestone in the broadening of Canada's relations with the Americas which was a key object emerging from the recent review of Canadian foreign policy.

Membership in the Bank makes it possible for Canada to contribute more effectively to development in Latin America and the Caribbean. Canada will contribute U.S. \$100 million to the Bank during the next three years, including a paid-in subscription of U.S. \$40 million to the capital stock of the Bank and a contribution of U.S. \$60 million to the Bank's Fund for Special Operations. Full membership will supersede Canada's earlier arrangement with the Bank which, since 1964, has involved the extension of development loans totalling Can. \$74 million to Latin American countries with the assistance of the Bank. Canada's contributions to the Bank, coupled with the programme of bilateral technical assistance in Latin America instituted almost a year and a half ago, will raise Canada's overall development assistance to Latin America to approximately four times its former level.

The Inter-American Development Bank was founded in 1960 and, including Canada, has 24 members. Its headquarters are in Washington, D.C. The purpose of the Bank is to further the economic and social development of the countries of Latin America and the Caribbean by financing development projects and programmes, promoting public and private investment and providing technical assistance. Other than Canada, the only non-borrowing member of the Bank is the U.S.A. As of December 31, 1971 the Bank had committed about U.S. \$4.7 billion in loans to finance some 679 development projects in member countries.

Canadian membership in the Bank is a further step in Canada's participation in the activities of the Hemisphere. Within the last year Canada has joined two other important inter-American institutions, the Pan-American Health Organization and the Inter-American Institute of Agricultural Sciences. Canada has established a formal link with the Organization of American States and our Ambassador and Permanent Observer to that Organization has been appointed. The Government is exploring the possibility of joining other inter-American organizations which are relevant to Canada's interests and to whose activities Canada is in a position to make a distinctive contribution.

By fostering economic development, Canada's participation in the Inter-American Development Bank will strengthen our commercial ties with other member countries. Our closer association through the Bank with the countries of the Hemisphere should serve to increase the knowledge and understanding of