
NORTH-SOUTH RELATIONS

In the face of continuing global economic difficulties, the extent and complexity of interdependence between the developing and developed countries has become increasingly evident. In Venice, leaders will again consider the debt problems of developing countries, the need to support growth and adjustment efforts and the special needs of the poorest countries.

Against the background of our membership in the Commonwealth and La Francophonie, Canada has developed a broad and special perspective on the economic problems of the developing countries. At previous Summits, Canada has sought to ensure that particular attention was paid to the developing countries.

The Canadian position reflects social and humanitarian concerns, an unshakable commitment to the multilateral system, and continued support for international development assistance and cooperation. Expanding economic links are beneficial to all countries. Canada believes that multilateral cooperation on economic issues is essential for global growth.

Canada believes that all countries, including in particular the newly industrialized countries, must participate in the MTN as a means to ensure further global growth through liberalized trade. We continue to support the maintenance and increase of the flow of financial resources to the developing world through the international financial institutions, not least the World Bank and IDA VIII, in order to generate sustained growth and long term development. We have also encouraged greater cooperation and coordination between the IMF and the World Bank, so that greater flexibility can be applied in providing the funds necessary for continued growth and adjustment efforts in the developing countries. Canada has also focused on encouraging cooperation among and between donors and recipients to improve the effectiveness and efficiency of development assistance programs.

Since the Tokyo Summit, Canada has, on its own, extended a moratorium on the outstanding Official Development Assistance (ODA) debt of the countries of sub-Saharan Africa and has announced the conversion of remaining undisbursed parts of existing ODA loans to grants, in order to complete the move to an all-grant aid program. We have continued to explore ideas for providing relief to the debt problems of the poorest developing countries.