

management of the ocean resources that we share. The Framework Agreement on Commercial and Economic Co-operation of 1976 was the first of its kind that the Community signed with a third country. We must also mention the Transatlantic Declaration of 1990, and the multitude of joint bilateral commissions. We now have several co-operation programs covering a full range of subjects. We have made considerable progress. Needless to say, these programs have greatly contributed to the development of our relations.

The Transatlantic Declaration established a mechanism for regular meetings between the Prime Minister, the President of the Council of Europe, and the President of the European Commission.

From Berlin to Maastricht: Re-examining the Situation

The Europe envisioned by Jean Monnet is almost a reality. However, Europe's immediate environment is changing. Jean Monnet would have seen the fruit of his efforts in the unification of Germany and the end of Communism, and the realization of his fears in the horror of interregional conflict.

No one can doubt that Europe remains central to global security and stability. Some see the withdrawal of our troops from Germany as an abandonment of Europe. This is untrue. The dangers that we face today are not the same as in the past. Our troops are now in Bosnia-Herzegovina and Croatia.

The new threats are called ethnic cleansing, exaggerated nationalism, terrorism, nuclear proliferation and environmental disasters, to name, unfortunately, only a few.

These changes are being reviewed in detail, not only in Canada but in Europe as well. After all, the changes that have occurred from the fall of the Berlin Wall to the signing of the Maastricht Treaty call for a re-examination of the situation. We will not forget the importance of Europe in our overall relations when conducting our review.

The European Union is our second-largest export market, the largest market in the world and the largest importer. Our trade is based on added value. More than 75 percent of our exports to the European Union are in the form of end products or manufactured products. This market is vital for Canada and all its regions. For example, in 1992, 30 percent of Newfoundland's exports went to the European Community. Few people realize that the economy of the Atlantic Provinces depends in large part on their exports to Europe. Ontario, Quebec and British Columbia are the Canadian provinces that export the most to the European Community. Next to the United States and Japan, our biggest bilateral trading partners are the United Kingdom and Germany. Twenty-seven percent of direct investment in Canada comes from Europe, and Canadian investment in Europe amounts to \$22 billion.