

On the debt issue, much work remains to be done but there has been substantial progress in discussions in the IMF and World Bank, based on broad endorsement of the Brady proposals. There is now broad agreement on the guidelines for IMF financing in support of debt reduction operations.

More recent discussion has focussed on the commercial bank debt of middle income countries, and the official debt of the poorest countries. Some means of relief must be found that is acceptable to all, and is manageable by the most heavily indebted. The statement on debt at the Paris Summit will interest all of us, and I would welcome your observations on the eve of that meeting.

The Uruguay Round of Multilateral Trade Negotiations has moved to its detailed negotiating phase. The positive outcome of the April Trade Negotiations Committee has provided a comprehensive negotiating framework and agreed timetable for each of the issues on the MTN Agenda.

However, the difficulties encountered in concluding the Mid-Term Review initiated at the Montreal Ministerial Meeting, particularly on agriculture, demonstrate that sustained political commitment and private sector support will be essential for the successful completion of the Round by the end of 1990.

The progress thus far achieved in the Round is consistent with Canadian priorities which I know are shared for the most part by our ASEAN and dialogue partners. These include reform of trade in agriculture, improved market access, strengthening of GATT Rules, a more effective dispute settlement mechanism, and a more liberal environment for trade in services. We must continue to lend strong and active support towards a positive outcome in these priority areas.

The Toronto Summit made a strong statement on the environment and that subject will have an important place at Paris too. The community of nations faces a crucial challenge to ensure that our economic activities do not so disrupt the environment as to put the world at risk. The problem is complex, particularly in developing countries, and requires genuine cooperation and political will.

Your Highness, these are all important issues which I look forward to discussing in the coming two days. I am quite sure, that as we have found in the past, we will share many views. And should we have differences in some areas this will contribute to our understanding and knowledge of each other. I find, as I am sure you do, that these annual exchanges are invaluable in providing a basis and an inspiration to act together.

Thank you Mr. Chairman.