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McDOUGALL ANNOUNCES BALANCE OF PAYMENT SUPPORT FOR BULGARIA AND ROMANIA

The Secretary of State for External Affairs, the Honourable Barbara McDougall, today announced that Canada will provide \$10 million to Bulgaria and \$25 million to Romania in balance of payment support.

"Canada's concrete support for Bulgaria and Romania follows similar efforts for the Czech and Slovak Federal Republic and for Hungary, and reflects our determination to assist these countries at this critical juncture in their transition to democratic governments and market economies," said Mrs. McDougall.

Subject to Parliamentary approval, Canadian support will take the form of guarantees for loans which will enable a Canadian financial institution to provide the loans at competitive market rates and with longer repayment terms. It is part of a concerted effort by G-24 countries to support Bulgaria and Romania, and other Central and Eastern European countries, in pursuing economic reforms and overcoming immediate balance of payment problems.

This form of Canadian assistance to these countries is exceptional. It complements the work of the Department's Task Force on Central and Eastern Europe, which administers financial assistance for Canadian projects and initiatives in the region.

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