

What can other CSCE countries do to support these fundamental economic changes? Our goal at the present stage should be to do what we can to minimize shock and ease the transition.

This is why Canada has played an active part in the initiatives undertaken by the Group of 24 to support the process of reform in Poland and Hungary, providing technical and managerial training in areas where Canada excels. Canada will support other packages of economic assistance as they are developed for other countries of Central and Eastern Europe.

The very advice that the OECD provides industrialized countries on making their economies more efficient can be of use to the Central and East European countries as they move to market economies. Canada has encouraged the OECD to provide technical advice and assistance to Central and Eastern European countries inter alia through the new "Centre for Cooperation with European Countries in Transition". The Economic Commission of Europe also has a constructive role to play in consolidating reform.

Canada is also actively involved in the current negotiations to establish the European Bank for Reconstruction and Development (EBRD). This bank will have a more distinctive orientation than other regional development banks in that its purpose (Article 1) states clearly that loans will only be extended to countries which have adopted the principles of multiparty democracy and market economies.

Bilaterally, Canada recently concluded foreign investment protection agreements with the U.S.S.R. and Poland, and is negotiating similar agreements with Czechoslovakia and Hungary.

But this first broad challenge of massive economic transition cannot be met without at the same time succeeding with the second: institutional change.

At this time of transition, of uncertainty and yet great hope, it is important that key institutions such as the European Community and the CSCE adapt to play an important stabilizing role.

Canadian entrepreneurs, some of whom are of Central and Eastern European origin are pursuing business opportunities there with the full support of the Canadian Government. Two, Andrew Sarlos and Thomas Bata, are with me today.

The role of global economic institutions in assisting the transformation of the U.S.S.R. and the Central and Eastern European countries and integrating them into the international economic system cannot be underestimated. The IMF is already playing a leading role in the Polish, Hungarian and Yugoslav programmes of adjustment through its advice and balance of