

ration concerning the goals of the review of the Paris Convention, as adopted at the second meeting of the *ad hoc* group of governmental experts on the review of the convention in December 1975. It also decided that the Secretary-General of UNCTAD ought to continue his efforts to have UNCTAD fulfil its responsibilities concerning the role of the international patent system in the transfer of technology and the reform of that system. It should be noted that developing countries attach a great deal of importance to the impact that such reform will have on their economies and development.

The year 1976 also witnessed an important development for Canada in international economic law: the concluding of the Framework Agreement for Economic and Commercial Co-operation with the European Communities. This agreement sets a precedent in that it is the first non-preferential pact of its kind to be negotiated between the European Communities and an industrialized nation.

There were also developments with legal significance in other areas of international economic activity. In June, the governments of the member countries of the Organization for Economic Co-operation and Development issued a declaration that included guide-lines for multinational enterprises, decisions regarding national treatment, international investment incentives and disincentives, and consultation procedures. While the terms of the declaration apply only to OECD countries, they could well have a wider impact in international economic relations — for instance, in the continuing efforts of the UN Commission on Transnational Corporations to develop a code of conduct for TNCs. The UN Economic and Social Council established an inter-governmental working group, in which Canada was a participant, to draw up an international agreement to prevent corrupt practices such as bribery and illicit payments in international commercial transactions.

Co-operation between Canadian and U.S. anti-combines agencies has been conducted in recent years in accordance with the bilateral Fulton-Rogers and Basford-Mitchell under-

standings, as well as the multilateral arrangements concluded within the OECD. These arrangements have proved to be of considerable benefit to agencies in both countries. Certain aspects of U.S. anti-trust investigations during 1976, however, particularly in relation to potash and uranium, raised issues not covered by these arrangements. It was fortunately possible to agree upon methods of avoiding direct jurisdictional conflicts, but these were both temporary and very specific in nature. There remains a need to identify more general and longer-term solutions to deal both with conflicts of legal jurisdiction and with divergencies of policy.

Nuclear law

Although the Treaty on the Non-Proliferation of Nuclear Weapons is the best available legal instrument to ensure the continuance of effective international safeguards and commitments against the spread of nuclear weapons, a series of significant events, not all of them directly associated with the NPT, signalled a rapid evolution of Canadian and international safeguards requirements during 1976.

Throughout the year Canada continued negotiations with its nuclear clients with a view to making agreements on safeguards in line with the high Canadian standard announced in December 1974. Agreement was reached with the Republic of Korea, Argentina, Finland and Spain. These bilateral safeguards agreements serve a double function in that, in the case of NPT parties, they complement the commitments made pursuant to the NPT, whereas, in the case of states not parties to the NPT, they require safeguards administered by the International Atomic Energy Agency and complementary commitments to Canada itself. Canada announced the end of its nuclear co-operation with India and Pakistan, both of which had refused to meet its safeguards requirements.

Early in 1976, following a series of meetings in London, a consensus was reached among major nuclear-supplier states on the standards of safeguards to be applied to nuclear exports. Canada received from the other sup-