

countries. This will involve greatly improved cooperation among developed countries, oil-exporting developing countries, and oil-importing developing countries.

The present effort by industrialized countries to reduce their own energy consumption can result in more energy being available for developing countries, and possibly in a reduction of the rate of energy cost increases. In addition, several of the members of OPEC have established development assistance programmes, and some exporters are making oil available to importing developing countries on concessional terms. One example of this is a joint action taken by Mexico and Venezuela to provide oil at concessional rates to Central America and Caribbean countries.

But these initiatives, laudable as they are, are unlikely to be adequate in resolving the problems of oil-importing Third World countries, and some more co-ordinated, collaborative formula will have to be found. The suggestion put forward by an OPEC committee last year that industrialized countries and members of OPEC should join together to establish an organization which could assist in energy development in developing countries reflects the growing awareness of the need for new types of international cooperation. Other approaches could also be considered and, in fact, some are now being explored. For example, the World Bank took an important step in January 1979, when it decided to expand its energy development programme, and for the first time provided for financing by the World Bank of petroleum exploration in developing countries. It is at present planned to spend \$13 billion on energy development between now and 1985 of which \$4 billion will be invested in petroleum exploration and development.

In another initiative, the Venice Summit last year raised the possibility of creating an energy affiliate of the World Bank. Canada supports the creation of such an affiliate, since it could greatly facilitate the expansion of the Bank's energy development programme, particularly if the governing mechanism were structured in a way which would take account of the extent of participation by members in the programme activities of the affiliate. In fact, Prime Minister Trudeau recently discussed the possibility of a new affiliate with the leaders of several developing countries, including oil exporting developing countries, and intends to pursue it at future opportunities, including this year's Economic Summit in Ottawa.