

the modernization and expansion of Centromin's zinc circuit in La Oroya, for a steam generator at the sugar mills of Cap Cartavio, and for construction supervision of the Induperu bagasse paper plant at Trujillo.

The visit of the Secretary of State for External Affairs of Canada provided a useful opportunity to review with the Peruvian authorities the list of short and medium term projects presented for consideration to EDC for financing which includes the agricultural, mining and metallurgical, power generation, pulp and paper and transportation sectors. It was agreed that this review would be followed up shortly by a third meeting between Peruvian authorities and EDC to advance the progress of the implementation of the Memorandum of Understanding.

Both ministers shared pleasure at the satisfactory progress being made with respect to financing Majes and Cerro Verde Phase I, and noted that discussions were proceeding between Canadian and Peruvian corporations with regard to the copper circuit of Centromin in La Oroya and the zinc refinery of Cajamarquilla.

As regards bilateral trade, the ministers noted Peru's trade deficit and agreed that all efforts should be made for the expansion and diversification of Peruvian exports to the Canadian market, both of traditional and non-traditional products, with a view of redressing such imbalance and increasing two-way trade.

The Peruvian Foreign Minister indicated the intention of his government to send before the end of 1977 a trade mission to Canada with the objective of identifying possibilities for the marketing of non-traditional Peruvian products, to consider with the Canadian private sector medium term arrangements for the supply of Peruvian traditional products. To conclude, as appropriate, arrangements for the financing of Peruvian imports of wheat and to study the possibility of the purchase of skim milk powder, and to develop interchanges of market information and other promotional matters for the expansion of bilateral trade. The Canadian Foreign Minister indicated his pleasure with this initiative and the disposition of his government to facilitate the efforts of the Peruvian Government, in achieving the above-noted objectives. Both ministers agreed on the importance of effective preparatory ground work to assure the success of the Peruvian trade mission to Canada. At the same time both ministers agreed upon the convenience of establishing close contacts between the Ministry of Commerce of Peru and the Department of Industry, Trade and Commerce of Canada for the purpose of identifying, through periodic consultations, possibilities of increasing the bilateral flow of trade to the mutual benefit of both countries.