

Canada signs commodity agreement

Canada has signed an international agreement establishing a common fund for commodities, Secretary of State for External Affairs Mark MacGuigan and Minister of Industry, Trade and Commerce Herb Gray have announced.

The \$750-million fund will be set up to finance international commodity agreements which have commodity buffer stocks to enhance market price stability. The fund will also finance commodity development measures, such as research and market promotion, with the aim of improving the long-term competitiveness of various commodities.

The Common Fund, the result of four years of negotiation, is regarded as a key element in the North-South dialogue especially by the developing nations who view it as test of the developed nations' commitment to international change. The signing of the agreement is an indication of Canada's support of the on-going process of the dialogue between developed and developing countries.

In order for the agreement to enter into force it will require ratification by 90 countries. This requires a high degree of commitment by the developing countries as well as by the developed countries.

The Common Fund is a cornerstone of the United Nations Conference on Trade and Development (UNCTAD) Integrated Program for Commodities which has as its main focus the stabilization of prices and improving conditions of trade for 18 commodities of particular export interest to the developing countries.

The Common Fund will have two accounts. The first account with resources of \$400 million (U.S.) in the form of capital subscriptions from member governments will help in the financing of buffer stocks. These resources would substantially increase as individual commodity agreements associate with the fund and add their resources to those of the first account. Canada's contribution will be \$10.38 million (U.S.). The fund will not intervene directly in commodity markets but will work through commodity agreements and financial markets.

The second account is to have resources of \$350 million (U.S.) of which \$280 million (U.S.) will be voluntary contributions. Canada has pledged \$12 million to the second account which will help international commodity organizations.

Energy office opened

The Department of Energy, Mines and Resources has opened a regional office in Calgary to offer convenient access to the federal government's Petroleum Incentives Program.

The program, outlined in the National Energy Program, announced on October 28, 1980, will provide cash incentives for petroleum exploration and development and will encourage Canadians to play a greater role in developing and controlling their energy resources.

Energy Minister Marc Lalonde said that the Petroleum Incentives Program was a cornerstone of the National Energy Program in that the financial incentives provided by the federal government would furnish a major share of the funds required for oil and gas exploration and development in Canada. To ensure convenience to the industry and on-the-spot assessment and monitoring of the program's effectiveness, the location of an office in Calgary was essential, said the minister.

Mr. Lalonde said that he planned to add further to the Department of Energy, Mines and Resources' presence in Alberta to ensure that senior representatives of the department were in close and frequent contact with the oil and gas industry.

Satellite TV project extended

Communications Minister Francis Fox has announced that his department is extending a satellite television project which provides Canadian television programming to remote communities in British Columbia and Ontario.

Residents of these communities had little or no access to television programming but with earth stations, loaned to some by the Department of Communications, they can receive colour programming via Telesat Canada's *Anik B* satellite.

The British Columbia and Ontario television projects are among 19 approved in principle in the second phase of the department's *Anik B* satellite program. Under the program, the federal government has been working with the provinces, industry, educational institutions and telecommunications carriers to explore ways in which advanced new technology can be used for new and improved com-

munications services.

The 19-month extension to the department's *Anik B* program is expected to provide the bridge necessary for the further development and continuation of these new services until they are commercially available from Telesat.

The Department of Communications has leased about half of *Anik B*'s capacity from Telesat, specifically those channels in the super high frequency bands of 14 and 12 gigahertz. These channels enable the use of small, less expensive earth stations to receive television signals from communications satellites.

Farming project in Sudan

Canada has agreed to carry out a \$12 million mechanized, dryland farming project in Sudan, the Canadian International Development Agency (CIDA) has announced.

The five-year project will be in two phases on 10,000 acres at the Simsim State Farm, on the Sudan's potentially rich clay belt. Sudan will pay for local costs such as salaries, construction, housing and operations.

A Canadian firm will be responsible for project implementation on behalf of Sudan's Mechanized Public Farming Corporation (MPFC) and CIDA. The project will have a Sudanese manager and an associate Canadian project manager in charge of Sudanese and Canadian inputs respectively.

Sudan has considerable potential for increased agricultural production and has embarked on a vast program of economic and social development most of which is in the field of agriculture where some of the largest schemes in Africa are found. Among these are the Gezira, Rahed, Khash el Guba, and the Jonglei Canal. Sudan could become an important exporter of grain crops, particularly sorghum and sesame to Middle Eastern markets.

Canada's program with the Sudan, initiated in 1976, is focused on agriculture, forestry and transport. The current effort to transfer large-scale mechanized Canadian farming technology was approved after a detailed feasibility study and design mission, following a high-priority request from Sudan.

Phase one of the project begins next May and will bring 3,000 acres into production the first year and 4,000 the second.