cultural exchanges including those which take advantage of our Francophonie character; technological exchanges; high-level political dialogue; and development programs.

Energy, investments, development aid Energy is an area of obvious importance. Imports from the Middle East last year ran at about 64 000 barrels a day, 23 per cent of total imports. All these imports have been through the major oil companies; we do not have supply agreements or barter arrangements with individual countries. The countries of the Middle East are key players in the Organization of Petroleum Exporting Countries (OPEC) and their influence over the international price of oil has implications for our own energy program and the international economic system. Canadian policy on nuclear proliferation has limited the extent of co-operation with countries in the Middle East and North Africa, as some countries have not signed the non-proliferation treaty and some are in conflict situations. The only country with which we so far have an agreement is Egypt and co-operation is in its first stages. Experts will be meeting in Cairo next week to discuss a range of questions, including the CANDU technology.

> Investments from the surplus countries of the Gulf have been growing rapidly and involve several billion dollars. Some investments are purchases of federal and provincial bonds by the monetary authorities of the governments with financial surpluses of the region, but most are through private banking channels. It is Canadian policy to welcome investments of significant benefit and we have facilitated such investments.

> Development aid is an important dimension of our relations with countries in the Middle East. Aid disbursements to countries in the region in 1981 totalled about \$46 million, including the United Nations Relief and Works Agency (UNRWA). Canada has played an active role in the development effort in the Maghreb since the Sixties and has implemented a major aid program in Egypt since 1976. In recent years we have also provided a certain amount of development assistance to Sudan, and also, on a still more modest scale, to Lebanon, Jordan and North and South Yemen, as well as to two other Arab League members on the fringes of the area you are studying, Mauritania and Somalia. Certain projects in the occupied territories by non-governmental organizations (NGOs) are also supported by the Canadian International Development Agency (CIDA). A growing feature of aid activity is co-operation with various Arab development funds with which we are co-financing 35 projects throughout the developing world. We have also co-operated with Israel in a project in the Dominican Republic.

Ethnic ties, immigration, education The interaction of people is a difficult-to-define but important field. Canadians individually and collectively are greatly aided in developing relations with the region by the linguistic duality and the cultural and religious diversity of our country. For example, we share membership in the international French-speaking community with three states of the area: Tunisia, Morocco and Lebanon, and there are several others where French is much used. There are strong adherents in Canada of all three of the great

2

Public Affairs Branch, Department of External Affairs, Ottawa, Canada