

During its second year of operation, the TIP Post Service responded to over 1 500 requests and the TIP Fund supported 164 projects. It is estimated that about 500 of the requests will lead to follow-up action regarding the transfer of technology to Canada. Of the 164 projects supported, 158 resulted in the acquisition of in-depth knowledge of a foreign technology, 66 resulted in a letter of intent to transfer technology or to collaborate in joint ventures, and some 40 are expected to result in development of new or improved products or processes.

Science and technology policy

The inherent international nature of science and technology has focused increasing attention on policy issues ranging from trade-related impacts of technology flow through intellectual property issues to provision of an international context for the government's Innovation Program. Canada participated in many UN bodies dealing with science and technology policy, both in defending Canadian economic interests and promoting effective application of science and technology to the problems of developing countries.

Bilateral science and technology collaboration

The Department was involved during the year with many countries to enhance economic development goals in a broad range of science and technology sectors. Collaboration with Japan, the United Kingdom, West Germany, France, the European Community and other industrialized countries was pursued. Continuing collaboration with the United States is extensive and mostly without formal government relationships.

Communications

The increasing convergence of communication, computer and information technology has been of growing significance to the world economy. During fiscal 1987/88 trade in services was of special international interest. Prospects for increased competition in international communications led to discussions of means to ensure an orderly evolution of international markets. Exploratory work continues to be done by the Information, Communication and Computer Policy Committee of the OECD, whose High-Level Meeting in December 1987 addressed three principal themes: information and communications technologies for economic development, telecommunications policies, and international rules of the game.

Practical requirements for operational space in the radio spectrum were resolved, in part, at the ITU World Administrative Radio Conference for the Mobile Services. In particular, the Conference took decisions that will permit the introduction of Canada's M-Sat mobile satellite system.

Transportation

In international aviation *ad referendum* agreements were reached with the People's Republic of China, Hong Kong, Singapore, Egypt, Ivory Coast, Venezuela and the United Kingdom. During the year, the *ad referendum* agreements with Portugal, India and Ivory Coast were formally signed and brought into force. Negotiating rounds continued with Ireland, Saudi Arabia and the Republic of Korea while consultations continued with the United States to explore means of safeguarding and further expanding the frame-

work of international passenger and cargo services by Canadian airlines.

Combatting international terrorism has become a specific objective in bilateral air negotiations. To this end Canada seeks inclusion of tough security provisions in all new bilateral agreements. A key element of Canada's participation in the International Civil Aviation Organization (ICAO) was the development of an aviation security convention.

A similar convention for maritime security was concluded in Rome under the auspices of the International Maritime Organization (IMO). The Department assisted Canadian participation in the broad range of IMO activities directed at safe navigation and the prevention of pollution at sea. The Department participated in preparations for review of the UNCTAD Code of Conduct for Liner Conferences (with implications for ocean carrier-shipper relations and national fleets) and for the Thirteenth Session of the UNCTAD Committee on Shipping, which addressed structural and economic problems in international shipping. In the UN Economic and Social Council (ECOSOC) Canada successfully argued for more resources and attention to ensure the safe movement of dangerous goods.

A conference in June was co-sponsored by the Department with the Exporters' Coalition on Canadian Maritime Policy; difficulties in shipping to the developing world were assessed and recommendations were formulated for possible remedial action. Individual Canadian exporters and ocean carriers received support in coping with problems in transportation to other nations. Transportation problems arising from restrictive practices of certain countries became sufficiently acute to cause Canada to join with other Western nations in joint diplomatic approaches to loosen restraints.

Export finance, capital projects, PEMD

Export financing

Financing is a key factor in any export sale and in increasingly competitive and complex international markets the traditional forms of export financing are often no longer available nor appropriate. The Department works with other government entities to ensure exporters' needs are recognized and to provide exporters with advice on potential sources of export financing. New procedures governing the EDC Canada Account were put in place and between September 1987 and March 1988 the Minister for International Trade issued \$1.2 billion of preliminary Canada Account financing support to Canadian exporters. To expedite routine transactions, a process was established to reduce the time required to obtain final authorization of Canada Account financing. Exporters are now informed from the outset if, for repayment risk reasons, a country would not be eligible for Canada Account support.

The Department continued to work on OECD consensus issues related to export credits, to ensure discipline and transparency of the international rules applied to export financing. As international financing institutions such as the World Bank offer substantial opportunities for Canadian exporters, the Department has continued a program of information and assistance, both in Canada and abroad, to