

Since Canada and Peru have made a particular contribution to the work of the Conference on International Economic Co-operation, useful and frank discussions were held on prospects for progress during the next meetings. The ministers expressed the desirability of continuing, within the conference, the dialogue on the fundamental problems of international co-operation and the world economic situation, strongly convinced that its results and agreements will be significant to the extent that they reflect the constructive political will of the participants and effectively implement key elements of the new economic order. It was noted that Canada and Peru, both of which are commodity producers, shared a common interest in the stabilization of prices which are fair and equitable both to producers and consumers alike.

The ministers emphasized the importance both countries attach to the virtual consensus which has been achieved in the Law of the Sea Conference on the rights of coastal states in and under the adjacent sea to a distance of 200 miles and on the continental shelf beyond over both living and non-living resources, and with respect to scientific research and preservation of the marine environment in such areas. They noted that both countries had asserted these rights in such areas in accordance with their respective national legislation, as early as 1947 in the case of Peru.

They expressed their concern over the lack of a similar degree of progress on certain other issues of fundamental importance in the Law of the Sea Conference, including in particular the implementation of the principles strongly supported by both countries of the reservation of the seabed and ocean floor and its resources beyond the limits of national jurisdiction as the common heritage of mankind, for purely peaceful purposes, and the establishment of an international regime, including international machinery, to govern the exploration of the area and the exploitation of its resources, to ensure rational and orderly management and development of those resources and to guard against possible adverse economic effects of seabed exploitation. They expressed the conviction that the conference cannot be concluded successfully without rapid progress on these issues.

The ministers reaffirmed the importance they attribute to the strengthening of the United Nations Organization and their conviction that the full and effective implementation of the principles and objectives of the Charter are a prerequisite for the achievement of international peace and security and the attainment of a greater degree of well-being and prosperity for all peoples.

Both foreign ministers underlined the great importance of the Memorandum of Understanding signed in Ottawa in 1975 between the Peruvian Government and the Export Development Corporation of Canada (EDC) which expressed EDC's willingness to consider financing for Peruvian development projects of a priority nature. It was agreed that projects that either earned or saved foreign exchange for Peru would be accorded favourable consideration by EDC. In this respect, they took note with satisfaction that loan agreements have been signed for