

a waste of scarce resources. Instead the section embraced a market-oriented approach and focused on the need for more useful information gathering and disseminating activities.

The relationship between trade rules and environmental policy is being dealt with in the appropriate forum, the GATT, and this chapter of Agenda 21 should help to ensure that the focus on this issue remains in the GATT. The issue is complicated and will take some time to properly analyze and resolve. This text highlights the importance of this issue while leaving it to be handled in the GATT.

ODA in general is not an issue to be resolved by UNCED. The question of funding for the Agenda 21 activities is being dealt with elsewhere in the UNCED process and once agreement is reached the necessary re-wording for consistency and removal of brackets should be relatively straight forward.

Economic policies conducive to sustainable development are generally being pursued by developing countries via policies meant to correct misdirected public spending, large budget deficits and other macroeconomic imbalances, restrictive policies and distortions in the areas of exchange rates, investment and finance and obstacle to entrepreneurship.

In short, the agreed Agenda 21 actions should either reenforce or prevent interference with activities being undertaken elsewhere to deal with these issues.

In general, Canadian objectives were realized.

There are a number of implications for actions Canada will need to take before Rio. First, Ministers should be told in the upcoming Memorandum to Cabinet that Canadian objectives were generally achieved in this area and our job will be to ensure that the results obtained do not unravel. There is no reason to change present Canadian policies of: A) refraining from entering into new commodity agreements; B) pursuing the trade and environment issue in the OECD and ultimately the GATT; C) refraining from raising our ODA target levels and from setting dates for meeting these targets and D) urging developing countries to continue to deal with their economic problems by pursuing domestic economic reform and by instituting good governance practices.

Second, given the fact that we generally achieved our objectives for this chapter of Agenda 21 at Prepcom IV we will need to safeguard the results.

Third, the Canadian UNCED Working Group on Trade and Environment will need to review the UNCED documents arising