

(See Book I, section K, **Middle East**, for a discussion of Prime Minister Rabin's visit.) Canada consistently lobbies for an end to the Arab boycott of Israel, advocates diplomatic recognition of Israel with third parties, and facilitates Israel's admission to regional working groups in the UN and other multilateral forums. (Despite the recent peace agreement, this boycott still exists.)

Canada plays a major role in the multilateral phase of the peace process, serving as the overall chair for the Refugee Working Group and actively participating in other groups comprising the multilateral track of the negotiations.

Canada's priority now is to assist in creating the infrastructure needed to empower the emerging Palestinian institutions. On October 1, 1993 Canada pledged \$55 million over five years from existing budgets to support peace process-related projects in the West Bank and the Gaza Strip.

## CANADIAN INTERESTS

### i) Trade and Economic

Canadian exports to Israel amounted to \$117 million in 1992, while the value of Canadian imports totalled \$132 million. Canadian development assistance to the occupied territories (Israel is not eligible) has averaged \$7.8 million for each of the last five years. For 1992-93, \$9.2 million has been set aside for the occupied territories.

Canada does not export or import military equipment to or from Israel and other front-line states involved in the Arab-Israeli dispute. However, Canada is committed to reviewing this policy in light of progress made in the peace talks.

### ii) Political

Canada has strongly supported Israel since its foundation in 1948. Relations have intensified with numerous official visits (Foreign Minister Pares in March 1993; Prime Minister Rabin this November). Canada and Israel have agreements on cultural relations, agriculture, trade, health, and Canadian studies. During Minister Pares' visit, a new agreement on industrial research and development was signed.