

divergent interests given that they both recognize that approval of the charter will mark an important step in the codification and development of basic principles of economic relations between states. In particular, they reiterated the desirability of having the final draft of the charter approved during the 29th Session of the United Nations General Assembly (UNGA), in keeping with Resolution 3082 (XXVIII) which had been unanimously adopted on the basis of a draft presented by a large number of delegations, including those of Mexico and Canada.

Ministers emphasized the importance of the U.N. Conference on Law of the Sea which will be held in Caracas beginning in June of this year. In this respect, they noted that both Mexico and Canada are in agreement that coastal states enjoy special rights with regard to the exploitation of all the resources in a broad area adjacent to their coast beyond the territorial sea of 12 miles, as well as special rights in that area with regard to the prevention of pollution and the regulation of marine scientific research. They also agreed that the sovereign rights of the coastal state over the continental shelf extend over the whole of the shelf up to the outer limit of the continental margin. The Ministers agreed that Mexico and Canada will continue to co-operate in the search for conciliatory formulas based on the principles outlined above.

Ministers expressed their satisfaction with respect to the developments which had led to the separation of the military forces of the parties to the Middle East conflict and stated their conviction that there should be no closing down of the negotiations leading towards the application of Resolution 242 and 338 approved by the Security Council of the UN. The achievement of a just and lasting peace in that region is in the present circumstances the most urgent task of the UN and, in that respect, the Ministers reaffirmed their confidence that the Secretary General will play a full and effective role at the Geneva Peace Conference.

Ministers reviewed the state of discussions on monetary reform, particularly in view of developments at the IMF Meeting in Nairobi last autumn and at the Committee of 20 Meeting in Rome earlier this month. They noted that Canadian and Mexican Ministers had had on both occasions opportunities for consultation and that they were in broad agreement on many of the basic elements of a reformed monetary system as a whole. The Ministers agreed that it would be desirable in the context of the reform to promote the transfer of real resources from the developed to the developing countries on adequate terms. They further stated that they and their officials should continue to co-operate and keep in close consultation.

Ministers noted with satisfaction that the multilateral trade negotiations are formally under way under Gatt auspices in accordance with the declaration issued at the Tokyo Ministerial Meeting held in September, 1973. The Canadian and Mexican Ministers agreed on the importance to all trading countries of the successful conclusion of these negotiations.

They agreed that it was essential to this end that all countries share in the benefits of these negotiations and participate fully in their organization and conduct. It was particularly important that developing countries be full partners in the negotiations. They further noted that both Canada and Mexico see the negotiations as a meaningful process for the liberalization and expansion of world trade and the increased participation of Canada and Mexico in this trade.