

Ministers Clark and Crosbie and EC Vice-President Andriessen discussed the serious differences, both bilateral and multilateral, between the Community and Canadian positions on fisheries issues. They noted the progress made to date towards seeking solutions to these problems, in particular during the May 10 discussions held in Ottawa between Vice President Manuel Marin, EC Commissioner responsible for fisheries, and the Prime Minister and Canadian Ministers Crosbie and Valcourt. They agreed that further progress towards resolving such outstanding differences is essential and to this end, they agreed to encourage the development of a process to improve cooperation in scientific research, in surveillance and enforcement by the two countries in the northwest Atlantic, and in eliminating fisheries in the northwest Atlantic by vessels from countries that are not members of the Northwest Atlantic Fisheries Organization (NAFO).

Existing cooperation in the fields of science and technology, industrial cooperation, environment and development assistance was reviewed and both sides agreed to expand such cooperation. The possibility of a specific framework agreement on science and technology between Canada and the Community was further discussed with Vice President Andriessen. The Canadian side noted that a large number of Canadian R&D programs would be open to European Community participation if such an agreement were concluded.

A discussion took place on the commercial relationship between Canada and the Community. Several bilateral trade issues were referred to, including questions on the outstanding negotiations relating to previous Community enlargements and the Canadian countervailing duty on Community manufacturing beef exports.

Both parties noted the strong growth in the Canada-EC commercial and economic relationship over recent years. Trade between the two partners has increased to reach a level of two-way trade equal to more than \$26 billion in 1989 which reflects an average annual increase of more than 11% over the past 5 years and makes the EC Canada's second largest trade partner.

.../3