

A HISTORIC COALITION

Canada played a front line role when 47 nations met in Washington, D.C., in January 1992 to form a historic global coalition to co-ordinate assistance to the countries of the former Soviet Union.

Canada Co-Chairs Food Group

Barbara McDougall, Canada's Secretary of State for External Affairs, co-chaired the working group on food assistance, a key focus of the conference. "Nothing is more urgent than adequate food supplies," McDougall told the conference. "Stability [in the former Soviet Union] may very well depend on whether or not people have enough to eat."

In putting forth a comprehensive plan of action, McDougall said immediate steps were required to ensure that all existing food grants and credits extended to the former Soviet Union were utilized. She also noted the critical role technical assistance could play in strengthening and modernizing the agriculture sector.

Proportionally, Canada's food assistance to the former U.S.S.R. has outpaced that of any other Western country. A Canadian Wheat Board \$1.7-billion line of credit to Russia has been fully used and the wheat delivered. Also in place is an Export Development Corporation (EDC) \$150-million line of credit for food purchases other than wheat. These and other lines of credit extended to Ukraine and the three Baltic States played an important role in helping the region through a difficult winter.

But lines of credit are only part of the solution. Expanding the agricultural capacity of the former Soviet Union is the most effective long-term solution to food shortages, the conference participants agreed. That is why Canada has launched a far-sighted program of technical assistance in the

agriculture sector. For example, the Task Force on Central and Eastern Europe is sponsoring training courses in dairy management and genetics technology for farmers and agriculture extension workers from Russia, Ukraine, Estonia, Latvia and Lithuania. In Ukraine, a curriculum development project in farm management and fruit production is also under way at two post-secondary agricultural institutes.

Energy Crisis

Much attention was focused on the crisis in the energy industry. Russia, Ukraine and Kazakhstan need massive infusions of technical assistance and investment to reverse falling outputs in oil and gas, a critical source of foreign currency earnings.

Canada is already heavily involved through the efforts of Canadian energy companies such as Gulf Canada Resources, PanCanadian, and Canadian Fracmaster Ltd. Their joint ventures in the Russian Arctic and western Siberia are transferring specialized technologies in exploration, secondary recovery and processing, and are supported by Task Force initiatives ranging from technical training programs for wellhead operators to enhanced information and trade missions services for Canadian companies interested in opportunities in the region.

Canada, as one of the countries responsible for conference follow-up in the energy sector, is also actively involved in efforts to rehabilitate existing oil fields, upgrade pipelines, and review and develop proposals on a legislative and regulatory framework. Canadian officials have also participated in recent International Energy Agency missions focused on improving oil field management, secondary recovery and drilling techniques.

*Proportionally,
Canada's food
assistance to the
former U.S.S.R.
has outpaced that
of any other
Western country.*