

## Europe

the Indian explosion would damage international efforts, under the Non-Proliferation Treaty, to limit the proliferation of nuclear weapons. On May 22 the Government announced the suspension of all nuclear co-operation between Canada and India and a review of its future aid programs for India pending discussions with the Indian Government. Food and fertilizer aid and assistance to the agricultural sectors were not affected. Consultations with Indian officials about nuclear policy matters were held in Ottawa in July, and although a clearer understanding of each government's policies was gained, some questions remained unresolved and nuclear co-operation remained under suspension at the end of 1974.



*At Ulan Bator, in May, Canada's Ambassador to the U.S.S.R., R.A.D. Ford, presented his credentials as duly accredited Ambassador to the Mongolian People's Republic. At right is S. Luvsan, Acting Head of State and First Deputy Chairman of Presidium of the Great People's Khural. Centre, interpreter L. Davigive.*

The importance of Europe's role in Canada's effort to diversify its foreign relations became more apparent than ever in 1974. Thus, for example, responding to an invitation from the Nine to make known its views on possible ways to intensify relations between Canada and the Economic Community, the Canadian Government on April 20 forwarded a memorandum to the Commission of the European Community and to the member states of the EC. The memorandum noted the many bonds which link Canada and its European partners and proposed as a first step the negotiation of a commercial agreement. The agreement would serve to support existing arrangements for consultation while creating at the same time new opportunities for expanding the scope of economic co-operation between the two parties.

On the one hand consideration would be given to the extent of evolution of Community institutions and, on the other, the proposed commercial agreement would retain the obligations imposed by existing bilateral agreements between Canada and certain of the member states. However, it would not affect the rights and obligations of the parties within the framework of the GATT.

The memorandum was accompanied by a draft text of a commercial agreement intended to serve as the basis for discussions with the Commission. On September 26 there was a meeting at which senior Canadian officials explained in detail to political representatives of the Nine the ideas set forth in the memorandum. Finally the official visit of Prime Minister Trudeau to Paris and Brussels in October gave a stimulus at the highest political level to the Canadian initiative directed toward the EC. Special attention was devoted to relations between Canada and the EC during Mr. Trudeau's talks with his European counterparts, whose attitude proved to be most encouraging.

As a result it was agreed at the conclusion of the discussions with the