

# News Release

April 26, 1995

No. 79

## CANADA SUPPORTS ECONOMIC REFORM IN LATVIA

Foreign Affairs Minister André Ouellet today announced that Canada and Latvia have signed a Foreign Investment Protection Agreement and a Double Taxation Agreement. The agreements were signed by Mr. Ouellet and Latvian Foreign Minister, Dr. Valdis Birkavs, today in Ottawa.

"I am delighted to sign the Double Taxation and Foreign Investment Protection agreements, which will help strengthen trade and investment links between our two countries and encourage Canadian companies to pursue promising business opportunities in the emerging markets in Latvia," said Mr. Ouellet.

Mr. Ouellet also announced that Canada will contribute \$1.2 million toward two technical assistance initiatives in support of Latvia's transition to a market economy.

Under one project, a Canadian advisor will be placed for three years with the Latvian Privatization Agency to help increase the speed and efficiency of the Latvian Government's privatization program. The second initiative involves Canadian participation in a one-year United Nations Development Program (UNDP) project to improve economic policy formulation and implementation in Latvia, including the provision of Canadian advisors and human resources skills training.

"The two projects are intended to create an environment in Latvia that will stimulate private sector development. The agreements, together with the two initiatives, clearly demonstrate Canada's support for Latvia during its period of economic and democratic transformation," said Mr. Ouellet.

The projects are part of Canada's ongoing program of technical assistance to Latvia, which is designed to support its transition to a market-based economy, increase Canadian trade and investment



links with Latvia, and promote democratic development. Funding for these initiatives is provided for in the February 1995 federal budget and is therefore built into the existing fiscal framework.

- 30 -

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