



# communiqué

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## PERUVIAN MINISTERS' VISIT TO CANADA

From 10-12 February 1986 the Peruvian Prime Minister and Finance Minister, Mr. Luis Alva Castro together with the Peruvian Foreign Minister, Mr. Allan Wagner Tizon, paid an official visit to Canada hosted by the Honourable Michael Wilson, Minister of Finance.

During their stay in Ottawa the Peruvian Prime Minister paid a courtesy call on the Prime Minister, the Right Honourable Brian Mulroney. The Peruvian delegation also met the Finance Minister, the Secretary of State for External Affairs, the Minister of External Relations and the Presidents of EDC and IDRC.

Ministers of both countries reviewed the global economic situation including the problem of external debt of developing countries; increasing protectionism and deterioration in the terms of trade due to falling prices of basic commodities.

Concerning Central America, the Canadian representatives expressed their appreciation for the constructive role played by Peru in support of the Contadora process through the Lima Group and their hope that the regional discussions would lead to a lasting settlement of tensions. Canada continues to regard the Contadora initiative as the best avenue for achieving reconciliation in the area and thus deserving strong international support.

The Peruvian Prime Minister and Foreign Minister provided a detailed explanation to Canadian officials of the economic program being implemented by the government of President Alan Garcia Perez since it assumed power 28 July 1985. The Peruvian delegation also outlined its policies with respect to foreign debt and this was discussed by both delegations. Canadian ministers noted the recent steps being taken by Peru to strengthen its links with the international financial community and encouraged the Government of Peru to continue this process in order to

normalize relations with creditors and establish the basis for long term economic recovery. Peru has indicated its willingness to continue working within the international system.

Canadian ministers expressed their appreciation of the efforts of the Peruvian Government to raise the standard of living of the population and undertook to work with and support these efforts. In this connection, Canadian ministers reaffirmed Canada's intention to provide substantial economic support through the program of official development cooperation. Ministers Alva-Castro and Vézina signed a new line of credit of Canadian \$4.8 million. This credit will be provided at no interest, 10 years of grace and 50 years repayment for the purchase of essential Canadian goods.

Canadian ministers also noted with satisfaction the successes of the Peruvian Government in bringing into effect an improved climate of human rights in the country. The initiative of the Garcia government to reduce military expenditures, both in Peru and regionally in South America, was warmly welcomed by Canadian ministers.

Finally, both sides welcomed the present visit as an important stage in the strengthening of the excellent relations which have existed between Peru and Canada for more than forty years and in the furthering of an essential dialogue on major issues of mutual concern. There was agreement that steps should be taken to ensure the continuation of this dialogue.