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# news release

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Date January 26, 1990.

No. 015

For release

## CANADA AND POLAND AGREE ON NEW PHASE OF ECONOMIC CO-OPERATION

The Secretary of State for External Affairs, the Right Honourable Joe Clark, and International Trade Minister John C. Crosbie today announced that Canada and Poland agreed on new areas of economic and trade co-operation at the second Canada-Poland Mixed Economic Commission that concluded in Ottawa today.

"Canada fully supports the historic changes which are transforming Poland into a free market economy," Mr. Clark said. "There is a large potential for greater economic activity between our two countries."

The Canada-Poland Mixed Economic Commission agreed that the radical changes in Poland offered new opportunities for Canadian business. The Canadian officials learned first hand about progress achieved by Poland in converting from a planned to a market economy, including the transition to a convertible currency. The Polish delegation also outlined progressive legislation to encourage direct equity participation in Poland by foreign companies. During the Commission meeting, both countries started negotiations on a Foreign Investment Protection Agreement. The Commission also agreed that agriculture constituted a very important sector of economic relations and that negotiations on further co-operation in that area should be accelerated.

For the first time in Canada-Poland economic relations, business representatives from the two countries attended the Commission with the view of encouraging a broader and continuing range of useful contacts. For Poland it was the first time that representatives from its fledgling private sector have participated in a Mixed Economic Commission meeting.

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External Affairs and International Trade Canada recently sponsored a series of seminars in Montreal, Toronto and Calgary promoting Canadian joint ventures and business in Poland. The seminars were organized with the co-operation of the host provincial governments and the Polish Trade Commission. Paid attendance at the seminars amounted to almost 400 business people.

Canada is an active member of the "Group of 24" countries which is coordinating assistance to Poland and Hungary. As part of its commitment, Canada has already begun implementation of its own \$42 million assistance program, as announced by Prime Minister Brian Mulroney in October 1989. Canada has also provided \$25 million (U.S.) to the international Stabilization Fund established to support convertibility of the Polish currency. A \$20-million short-term revolving credit insurance facility will be part of this package and should encourage exports of Canadian goods and services that respond to Polish requirements.

Deputy Prime Minister Don Mazankowski plans a visit to Poland this Spring on a mission to further define and stimulate future economic relations between Canada and Poland.

For further information, media may contact:

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