

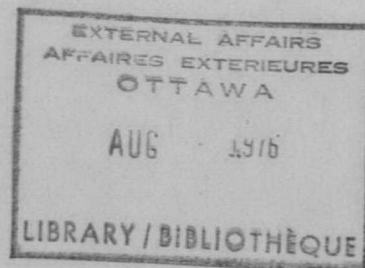


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No. 70

NOT FOR PUBLICATION BEFORE
10:00 HOURS, JULY 6, 1976



JOINT COMMUNIQUÉ

FRAMEWORK AGREEMENT FOR COMMERCIAL AND
ECONOMIC CO-OPERATION BETWEEN
CANADA AND THE EUROPEAN COMMUNITIES

DEPARTMENT OF EXTERNAL AFFAIRS
MINISTÈRE DES AFFAIRES EXTÉRIEURES

The Honourable Allan J. MacEachen, Secretary of State for External Affairs, announced that a Framework Agreement for Commercial and Economic Co-operation between Canada and the European Communities was signed today (July 6, 1976) at Ottawa. The Agreement was signed for the Government of Canada by the Honourable Allan J. MacEachen Secretary of State for External Affairs of Canada, and for the European Communities by Mr. Max Van der Stoel, Minister for Foreign Affairs of the Kingdom of The Netherlands, President in Office of the Council, and by Sir Christopher Soames, Vice-President of The Commission of the European Communities.

After the signing of the Agreement, speeches were made by the signatories at a luncheon to mark the occasion. In their speeches the signatories emphasized the importance they attached to the Framework Agreement in the development of a closer and more vigorous relationship between Canada and the European Communities. The Agreement reflects the wish of the Contracting Parties to add a new Community dimension to the cordial and extensive relations which already exist between Canada and each of the Member States of the European Communities. It will provide a framework and focus for Canada/EC (European Communities) economic co-operation which should lead to increased trade and investment opportunities between the two sides. The implementation of the Agreement should in particular facilitate the expansion of industrial co-operation between Canada and Europe.

Among the principal objectives of economic co-operation which are identified in the Agreement, are: the development of Canadian and European industries; the encouragement of technological and scientific progress; the opening up of new sources of supply and markets; the creation of new employment opportunities; the reduction of regional disparities and the protection and improvement of the environment.

Certain features of the Agreement may be singled out:

The Agreement reaffirms the two parties' respect for the principles of the GATT (General Agreement on Tariffs and Trade) and confirms their wish to accord each other Most-Favoured-Nation Treatment on a reciprocal basis.

The Contracting Parties undertake to promote the development and diversification of their reciprocal trade to the highest possible level by means of commercial co-operation.

To this end they shall, in accordance with their respective policies and objectives:

- A) Co-operate at international level and bilaterally in solving commercial problems of common interest;
- B) Use their best endeavours to grant each other the widest facilities for commercial transactions in which one or the other has an interest;
- C) Take fully into account their respective interests and needs regarding access to and further processing of resources.

The economic co-operation provisions of the Agreement, in addition to setting out the objectives of such co-operation, set out some of the means by which these objectives are to be pursued. These include the encouragement and facilitation of broader intercorporate links between their respective industries, especially in the form of joint ventures, increased two-way investment, technological and scientific exchanges, joint co-operation by their private sectors in third countries, and regular exchanges of information on industrial and agricultural matters.

The Agreement and any action taken thereunder shall in no way affect the powers of the Member States of the Communities to undertake economic co-operation bilaterally and to conclude, where appropriate, new co-operation agreements with Canada.

The Agreement sets up a Joint Co-operation Committee which will have an important role in the activities to be undertaken. The Committee will be responsible for promoting and keeping under review the various aspects of commercial and economic co-operation. It will play an instrumental role in developing contacts and promoting activities between Community and Canadian enterprises and organizations.

The Agreement is concluded for an indefinite period but may be terminated by either Contracting Party after five years, subject to one year's notice.

Finally, a Protocol will be signed in Brussels at a later date concerning commercial and economic co-operation between Canada and The European Coal and Steel Community (ECSC). This Protocol will stipulate that the provisions of the Framework Agreement signed this day will also apply to the ECSC.