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SECRETARY OF STATE FOR EXTERNAL AFFAIRS ANNOUNCES

CANADIAN CONTRIBUTION OF \$26.8 MILLION

FOR FOUR PROJECTS IN THAILAND

The Secretary of State for External Affairs, the Right Honourable Joe Clark, today signed agreements implementing four development projects with the Royal Thai Government. Mr. Clark is on an official visit in Thailand from July 9-11.

The Memoranda of Understanding deal with four projects to help develop sectors of priority in Thailand's Sixth Five-year Plan and to help plan the Seventh. The sectors are industrialization, energy policy formulation, the environment and overall government policy research.

The first project, worth \$13 million, is part of a Canadian program of assistance to develop small-scale industries in Northeast Thailand. It will help strengthen the capacity of Thailand's Department of Industrial Promotion to provide advisory services, technical training and credit to small industries with less than 100 employees.

The project will also foster links between the Canadian and Thai private sector associations. Over a five-year period, approximately forty Thais will receive training in the field of advisory services and loan assessment. The Canadian International Development Agency (CIDA) will disburse \$11.9 million to the Thai government's Department of Industrial Promotion and Thailand will contribute \$1.15 million.

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Secretary of State
for
External Affairs

Secrétaire d'État
aux
Affaires extérieures

Canada

This is the first of a series of projects under CIDA's Enterprise Thailand Program and responds directly to the developmental objectives of the Canada-Thailand Economic Co-operation Agreement. The agreement aims at expanding the mutually beneficial economic relationship through increasing trade and investment.

The second project responds to the need for technical assistance in the energy sector and will include developing national policy in energy-resource management, pricing, and transportation. In addition to providing Canadian experts, the project will also contract local consultants and researchers.

The objective is to assist Thailand in developing a coordinated approach to management and planning in the energy sector. CIDA will contribute \$5 million over three years and will collaborate with Thailand's National Energy Policy Committee to help establish an energy policy to provide low-cost energy for the economy.

The third project, to which CIDA will contribute \$4.92 million over three years, will strengthen the Khung Kraben Bay Development Study Centre to enable it to play a key role of guiding the integration of environmental management in the economic development of the Gulf of Thailand region.

Besides constructing additional facilities for the Centre, the Canadian contribution will go towards scholarships, training, technical assistance, the acquisition of equipment and installation of a laboratory. Thailand's contribution to this project will be \$1.3 million.

The fourth project is for \$5 million over five years to assist the National Economic and Social Development Board (NESDB) in its preparation of Thailand's Seventh Five Year Plan. The NESDB is the agency in the Royal Thai Government responsible for national planning. It also serves as advisor to the Cabinet on policy options.

The funds, provided by CIDA, will pay for technical assistance by Canadian policy planning advisors; policy research, workshops and seminars utilizing both Thai and Canadian experts; training, both in Canada and Thailand for NESDB staff; and systems support in the form of computers, computer software and training.

The development of human resources, cooperation between Canadian and Third World business and private industry, and energy supply are three key elements of Canada's official development assistance strategy, Sharing Our Future, which was tabled in the House of Commons last March by the Honourable Monique Landry, Minister for External Relations and International Development.