

DEPARTMENT OF EXTERNAL AFFAIRS MINISTÈRE DES AFFAIRES EXTÉRIEURES

communiqué

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ENDING OF ECONOMIC SANCTIONS AGAINST ARGENTINA

The Secretary of State for External Affairs, the Honourable Mark MacGuigan, announced today that the Government of Canada had decided to end its ban on imports from Argentina and to permit export credits for new transactions with that country.

The ban on imports and credits, announced on April 13, 1982, was imposed by Canada, in concert with the countries of the European Economic Community, against Argentina because of that country's violation of Article 2 (3) of the United Nations Charter requiring Member nations to settle their international disputes by peaceful means and because of Argentina's refusal to comply with the terms of Security Council Resolution 502 of April 3, 1982, which demanded an immediate cessation of hostilities and an immediate withdrawal of all Argentine forces from the Falkland Islands.

Dr. MacGuigan noted that the hostilities in the South Atlantic now appear to have ceased, the British had already returned to Argentina several thousand Argentine soldiers captured in the fighting and that the Argentine Government has acknowledged on June 18, 1982 in a Note to the President of the U.N. Security Council that "in view of the present circumstances there is a <u>de facto</u> cessation of hostilities which Argentina is now observing". He hoped that this situation would be confirmed by further undertakings regarding a complete cessation of all hostilities and that the long-standing differences between Argentina and the United Kingdom would be settled by peaceful negotiations.

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Dr. MacGuigan pointed out that a charge in the current de facto cessation of hostilities would represent a new situation which could require the Government to reconsider its position. He also noted, in this connection, that the Canadian embargo on all exports of military equipment to Argentina will remain in effect for the time being

Effective June 22, 1982 steps are being taken to remove "Item 66: Goods of Argentine origin" from the Import Control List. In the meantime, the requirement for import permits continues; however, such permits will be issued freely on request pending the completion of the steps to remove Item 66 from the Export Control List.

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