



CANADA

C
O
M
M
U
N
I
Q
U
É

No. 53

FOR IMMEDIATE RELEASE
JULY 3, 1975

EXTERNAL AFFAIRS
AFFAIRES EXTERIEURES
OTTAWA

JUL 13 1975

LIBRARY / BIBLIOTHÈQUE
REFERENCE

\$200 MILLION FINANCING FOR INDONESIA

DEPARTMENT OF EXTERNAL AFFAIRS
MINISTÈRE DES AFFAIRES EXTÉRIEURES

A memorandum of understanding under which Canada would provide \$200 million in financing to assist the development of the Indonesian economy and facilitate trade between Canada and Indonesia was signed here today.

The Honourable Allan J. MacEachen, Secretary of State for External Affairs, and the Honourable Alastair Gillespie, Minister of Industry, Trade and Commerce, signed the memorandum on behalf of Canada. Signing for Indonesia were H. E. Mr. Adam Malik, Minister for Foreign Affairs, and H. E. Professor Widjojo Nitisastro, Minister for the Economy, Finance and Industry.

The two countries will enter into negotiations to conclude agreements to establish in Canada credit facilities totalling \$200 million to assist Indonesia to purchase Canadian goods and services.

The facilities would be made available to Indonesia to the extent of \$25 million by the Canadian International Development Agency (CIDA) and to the extent of \$175 million by the Export Development Corporation and Canadian financial institutions.

The CIDA funds would be made available in accordance with a development loan agreement to be entered into between the governments of the two countries. EDC funds would be made available under a financing agreement to be entered into between the Indonesia Ministry of Finance and the EDC. The agreements would be signed before January 31, 1976.

Projects to be financed would be subject to agreement between the respective parties and Canadian suppliers would be given priority for the procurement of goods and services.