

INTERNATIONAL COOPERATION PROGRAM

REVIEW

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INTRODUCTION

In October 2002, the Director-General of Corporate Relations, Policy Group, requested that the Program Evaluation Directorate undertake a review of Transport Canada's International Cooperation program to assess the results achieved by the program to date and, more importantly, to provide recommendations on the directions that the program could take in the future. The study also examined the program's mandate and objectives, to look at ways to ensure that the program is strategically aligned with the mandate and strategic objectives of the department and with Canada's overall foreign policy and development assistance objectives.

CONTEXT

The International Cooperation Branch was established within the Corporate Relations Directorate of the Policy Group in 1996. Prior to this, the program was part of Human Resources' International Training Group. The Branch primarily supports two functions:

1. to act as the Transport Canada coordinator and/or facilitator for incoming requests for technical expertise; and
2. to conduct promotion abroad of Transport Canada's sectoral expertise, working on a cost-recoverable basis.

The Branch has historically operated on a cost-recovery basis, for both the technical experts and the overhead and administrative expenses of the Branch itself. The Branch would typically receive a 10% brokerage fee for contracts awarded to the Canadian private sector or for shared technical expertise.

A review of the program's function, results to date and most effective future role is timely due to a variety of events:

- The events of September 11, 2001, had a major impact on Transport Canada's International Cooperation projects and activities, resulting in an overall reduction of activity. However, in the longer term, these events may make international technical cooperation more important, as Canada seeks to assist developing countries in bringing their transport security establishments up to minimum standards.
- In April of 2002, the Canadian Centre for Management Development (CCMD) launched the "Partnership for International Cooperation" as a single-window access and coordinating body for incoming international requests for public sector expertise.
- In October 2002, the International Cooperation and International Relations units within the Corporate Relations Directorate were amalgamated.

PURPOSE AND APPROACH

This study was conducted as an input to future decision-making regarding the international cooperation function within Transport Canada. More specifically, the review focused on three main issues:

1. program impact and success;
2. relevance; and
3. future directions.

METHODOLOGY

The main data sources for this review were interviews with managers of similar programs in other government departments, current and former TC International Cooperation staff, and Transport Canada officials who have served as technical experts. A list of interviewees may be found in Annex 1.

FINDINGS

Program Impact and Success

What results has the program achieved?

The mandate of the International Cooperation Branch, which was developed in 1996, is:

1. to support the Minister of Transport's international technical cooperation commitments;
2. to serve as the focal point for government-to-government requests for technical expertise in the transportation sector; and
3. to support the Government of Canada's Canadian International Business Strategy and International Marketing of Public Sector Expertise objectives.

Research conducted for this review has indicated that the International Cooperation program has met its objectives by conducting many projects that support its mandate. The lack of a performance framework and data collection made it difficult to determine the actual results of these projects. Despite this, interviews with current and former staff members have brought to light a number of results that demonstrate some measure of success.

- *To support the Minister of Transport's international technical cooperation commitments*

The International Cooperation Branch supports international technical cooperation commitments made by the Minister of the Department. One such example is work in 2002 with Russia, of sharing transportation information with them, following a commitment made by the Minister of Transport to President Putin of Russia during a visit to Canada. This work was in line with the official development assistance priority of Canada to focus more on Eastern Europe.

- *To serve as the focal point for government-to-government requests for technical expertise in the transportation sector*

As the focal point for government-to-government requests for technical expertise in the transportation sector, the International Cooperation Branch often receives requests from foreign governments to assist them in the development of policy and regulations, as well as technical guidance and support. An example of this occurred following the signing of a Memoranda of Understanding (MOU) between Transport Canada and South Africa in 1999. An example of the work that flowed from this MOU was when the South African government required help with the development of rail safety legislation. The International Cooperation Branch coordinated with the Canadian International Development Agency (CIDA) to send to South Africa, a former Transport Canada employee who was a subject matter expert on rail safety legislation. Within a year of his arrival in South Africa, new rail safety legislation was passed by the South African parliament. This gentleman's contribution was key to the achievement of this outcome, according to International Cooperation Branch officials. The success of this project resulted in requests for further assistance, and South Africa retained the services of the same expert to help develop a regulatory body for rail safety.

- *To support the Government of Canada's Canadian International Business Strategy and International Marketing of Public Sector Expertise objectives*

In support of the Canadian International Business Strategy, the International Cooperation Branch periodically receives requests from Canadian private sector companies that wish to enlist the support of the Canadian government when they are seeking contracts from foreign governments. In the past, the International Cooperation Branch, on a case-by-case basis, has provided these companies with "letters of non-exclusive support" (a document that endorses a company's strengths and capabilities, as well as its experience in the international arena). One such letter is known to have helped a Canadian company obtain a contract from the government of Turkey for the construction of airports.

Another example of support to the Canadian International Business Strategy is the Asia-Pacific Economic Cooperation meeting of Transport Ministers in Peru in May 2002. At the request of the Minister, officers from the International Cooperation Branch arranged for a private sector delegation to accompany the Minister to Peru. Representatives from eight companies agreed to accompany the Minister at their own expense. In Peru, because

of the private sector representatives' association with the Canadian delegation, they were able to secure meetings with foreign ministers that enabled the representatives to discuss possible business ventures. According to International Cooperation Branch officials, the private sector representatives were pleased with the experience, as was the Minister. It is unknown if any contracts were eventually awarded to Canadian companies as a result of this venture.

Marketing public sector expertise is also part of the mandate of the International Cooperation Branch. This not only makes other nations more aware of Canada's expertise but also helps to achieve an increase in the knowledge base and experience of the Canadian public service. Through international projects coordinated by the International Cooperation Branch, various Transport Canada employees have shared their expertise with developing or emerging nations. Three such technical experts were interviewed for this study, and all agreed that it was an important goodwill exercise for Canada, although they also stated that there were very few direct benefits to Transport Canada. Despite this, all were in agreement that participation in such projects is a worthwhile learning/personal development experience for Transport Canada employees. All of the technical experts also said that they feel it is important to share Canadian expertise with developing or emerging nations because Canada, as a developed and highly skilled nation, has a certain responsibility to help less-developed nations in the world.

Note: The benefits for technical experts' learning and development exist for all types of projects, not only those that originate through the promotion of public sector expertise.

Have International Cooperation activities been coordinated with other government departments in such a way as to ensure consistency of objectives and the effective delivery of services to international clients?

Close contacts are maintained with three key government departments. The Department of Foreign Affairs and International Trade (DFAIT) is relied upon to provide information on potential transportation projects, as well as to ensure that International Cooperation projects are in line with Canadian foreign policy goals. CIDA is also a key partner, although their priorities have recently moved away from infrastructure-related projects to projects of a social (i.e. education, health and the environment) or governance nature. The third partner is the Partnership for International Cooperation of CCMD, whose goal is to become the coordination centre for all international requests for Canadian assistance.

Although close contact is maintained with these partners through informal (with DFAIT and CIDA) and formal methods (with CCMD by participating in the International Partnership initiative), there is no consistency of international cooperation objectives among federal government departments. CCMD is attempting to coordinate international cooperation efforts of the federal departments through the Partnership, but to date it has not been successful in establishing its leadership among all departments.

Currently, there is very little coordination between the TC International Cooperation Branch and other sectoral government departments. Any coordination between the International Cooperation Branch and other government departments generally occurs on an ad-hoc basis, whenever there is a need to cooperate on projects.

Conclusion

The International Cooperation Branch has, with some success, met their mandate, through their work with developing nations, support of the Minister of Transport's commitments and Canadian businesses and in the promotion of Canadian public sector expertise abroad. This success, however, is based on qualitative, rather than quantitative data, due to the lack of results information.

Relevance

Is the international cooperation function consistent with the department's strategic objectives?

Transport Canada's strategic objectives are to:

- Ensure high standards for a safe and secure transportation system;
- Contribute to Canada's economic growth and social development; and
- Protect the physical environment.

As the department's objectives are domestically focused, there is no overt consistency between them and the international cooperation function. However, Canada's transportation system does not end at our borders nor do environmental problems related to transportation; Canadians regularly travel abroad, both for business and pleasure. International cooperation projects that enhance safety and security and that promote environmental protection in developing or emerging countries are in the interest of Canadians.

Is the international cooperation function consistent with broader federal government foreign and international development policies, and international business policies?

The international cooperation function is consistent with the government's foreign policy¹ objectives of promoting prosperity and employment both at home and abroad, the protection of Canada's security, and the projection of Canadian values and culture. These key objectives are the focus for the Government of Canada's programs of international trade, diplomacy and international assistance.

¹ International Cooperation mandate includes the support of the Government of Canada's International Business Strategy and International Marketing of Public Sector Expertise objectives.

Most of those interviewed for this review agreed that the International Cooperation Branch's mandate was a closer fit with Canada's foreign policy objectives than with Transport Canada's current strategic objectives.

How has the establishment of the Canadian Centre for Management Development's Partnership for International Cooperation impacted the objectives of sectoral department and agencies?

The Partnership is working to establish itself as the central coordinator of international cooperation requests for the federal government, but there does not appear to be a great deal of support for this within the sectoral departments and agencies. To date, the resistance to better coordination appears to stem from a fear of losing control of this function, or of losing the ability to choose projects that were more in line with a Department's own objectives. To date, the impact of the Partnership across the government has been minimal. This is true for Transport Canada, despite maintaining close ties with the Partnership for International Cooperation. None of the International Cooperation Branch officials interviewed identified the Partnership as a source of projects.

Conclusion

The International Cooperation function remains relevant to Transport Canada. While the current objectives of the International Cooperation program do not directly align themselves with the strategic objectives of Transport Canada, they do fit with the Government of Canada's foreign policy objectives. Furthermore, the program supports the Minister of Transport's international cooperation commitments as well as continuing to be the focal point for government-to-government requests for technical expertise. This remains a necessary task as CCMD's Partnership for International Cooperation has not yet established itself as the central coordinator of international cooperation requests.

Future Directions

A number of issues arose during the interviews and the review scoping exercise with the Director-General, Corporate Services and the Director, International Relations that will need to be addressed in an examination of the future of the program:

- Intended results;
- Guidelines & project selection criteria;
- Program's demand drivers;
- Relationships with:
 - ⇒ Central agencies (DFAIT, CCMD, CIDA);
 - ⇒ Other Transport Canada international functions;
 - ⇒ Canadian private sector;

- Cost-recovery; and
- Linking the program to the achievement of Transport Canada's objectives.

The following section will examine these issues, discuss options for the appropriate role of the program and make recommendations regarding the future directions of international cooperation within Transport Canada.

What should be the intended results of an International Cooperation function within Transport Canada?

The intended results of the program should ultimately contribute to the department's strategic objectives. As previously discussed, Transport Canada's strategic objectives are not internationally focussed; however, the transportation system extends beyond our borders. Canadians regularly travel abroad and it is in the Department's interest to ensure their safety and security. In addition, the environment is a worldwide concern, extending beyond our borders.

The current mandate of the International Cooperation Branch was developed in 1996. One of its three original objectives was "to support the Government of Canada's International Business Strategy and International Marketing of Public Sector Expertise objectives," programs which no longer exist. It is recommended that the IC branch re-examine their mandate to better link with the department's strategic objectives and to be more up-to-date with regards to the Government of Canada's international policies.

Projects should be selected to ultimately contribute to the departmental objectives and to the foreign policy objectives of Canada. CCRA uses a project identification process to filter out projects that do not contribute to CCRA's nor the government's objectives; TC should adopt a similar process. It would also help select projects that aid priority countries (a list could be developed from DFAIT market access priorities, CIDA Trust Fund priorities and CCMD) and that are in key Transport Canada areas of expertise (such as regulation, divestiture and policy making). If such a project selection process were adopted for Transport Canada, it should have the approval of Transport Canada senior management. This would legitimize projects ahead of time and help with gaining the cooperation of technical experts and their managers.

The International Cooperation Branch should design and implement a performance framework that would provide it with a clear set of objectives that would help in the selection of projects. A performance framework would also provide the Branch with a planning and reporting tool that would help measure its impact and record the contribution towards Transport Canada's strategic objectives.

What are the demand drivers for an international cooperation program in Transport Canada? Who are/should be the clients and beneficiaries?

International Cooperation historically received their projects from two main sources: requests for services and active promotion of TC's expertise and services. Requests for services came from the Minister and Deputy Minister's commitments, CIDA, DFAIT desk and post officers, the Canadian private sector, and foreign countries and their embassies in Canada. Occasionally projects would flow from other Transport Canada employees who had attended foreign conferences, such as the Asia Pacific Economic Cooperation forum (APEC) and the International Maritime Organization (IMO). Regardless of the future role of the International Cooperation Branch within Transport Canada these requests for services will always exist.

The intended beneficiaries/clients of the program should be identified through the aforementioned project prioritization process. Primarily they would be the foreign countries that receive technical assistance. The Canadian private sector is also a beneficiary of the Branch's activities as International Cooperation writes letters of non-exclusive support for Canadian firms seeking foreign contracts. Finally, Transport Canada employees who would participate as technical experts are also beneficiaries of the program.

How would activities be linked to or coordinated with CCMD and other government departments?

The International Cooperation Branch should continue to operate in cooperation with DFAIT. Current practices include informing DFAIT desk and post officers of Transport Canada International Cooperation activities abroad, especially when meeting with foreign governments. If appropriate, CIDA post officers should be informed of International Cooperation activities as well.

As previously discussed, CCMD is renewing efforts regarding International Partnerships. Of most interest to TC are the cluster groups of departments that are being formed as learning forums. TC should continue to participate in the cluster groups as they could lead to increased opportunities for coordination and consistency with other government departments. This would also be potentially beneficial to TC as CCMD will also be receiving requests for technical expertise and handling administrative activities associated with these demands. Regardless of CCMD's initiatives, TC will need resources to coordinate these activities with CCMD and to identify appropriate expertise within the department.

How might the department's international cooperation activities be more closely linked with the other international functions, including (but not limited to) International Relations, International Aviation and International Marine Safety?

Research has suggested that technical cooperation activities are not solely carried out or coordinated by the International Cooperation group. International Aviation, for example, also does technical cooperation work, primarily through their involvement with the International Civil Aviation Organization (ICAO). International cooperation work also arises from International Maritime Safety as this group is involved with IMO activities. A technical cooperation sub-committee exists in the IMO and International Cooperation employees have been accompanying the International Maritime Safety representative to those meetings.

A link with the International Relations group is necessary for the International Cooperation Branch. As International Relations holds responsibility for coordinating the Minister and Deputy Minister's international activities, they are the principal group that has the information about Transport Canada's international commitments.

It would be in Transport Canada's interest to ensure coordination of technical cooperation activities within the department. This would ensure that senior managers are informed of all departmental international activities and would also help for departmental reporting purposes. International Cooperation had in the past prepared an activity report that they shared with the other functions. Current information is not always shared between the groups. Other international functions should be informing International Cooperation when technical cooperation requests/issues are raised in an international forum to ensure TC is responding to all international requests for aid.

Is cost recovery a necessary requirement for the program? Should TC have a formal policy on the cost recovery of services of this nature?

It is recommended that the International Cooperation Branch itself not be required to generate its own revenue to cover its costs. Research into the practices of other government departments has indicated that no other international cooperation group operates on a full cost-recovery basis. The trouble with having a group's livelihood dependent on cost-recovery is that there is a risk that projects will be selected based on the amount of money the project will generate.

However, it is common practice that the work of technical experts be cost-recoverable, especially when a considerable length of time (e.g. over two weeks) is involved. This helps to garner management support for projects, and to justify employees' time being used for "outside the norm" types of work. TC should have a general cost-recovery policy for the work of technical experts to ensure consistency of practice throughout the Department.

What is the appropriate role now for an international cooperation function in Transport Canada?

Based on consultations with other government departments and current and former staff of Transport Canada, three possible program options have been identified for the international cooperation function within Transport Canada.

Option 1 – No central international cooperation function.

- ⇒ No centralized group would exist specifically to facilitate technical expertise. The International Relations Branch would forward incoming requests to the line branches for action and track technical cooperation activities.
- ⇒ Service lines would make independent decisions regarding the level of involvement in any technical cooperation request.
- ⇒ Expenses and cost recovery issues would be addressed at the service line level.

Option 2 – Limited role; a responsive approach.

- ⇒ International Cooperation Branch would receive incoming requests and make the decision on whether to participate based on departmental selection criteria.
- ⇒ International Cooperation employees (1-3 required) would handle the incoming requests (e.g. provide letters of non-exclusive support to Canadian companies competing for foreign contracts; background research; examine project relevance) and co-ordinate participation from the available expertise within Transport Canada.
- ⇒ No active marketing of the function or search for new projects would be involved. All expenses in excess of the direct project cost would be absorbed by the Policy Group (i.e. recover only the technical expertise, not the administrative activities associated with the project).
- ⇒ International Cooperation Branch would be responsible for monitoring and reporting on project performance

Option 3 – Strong role; a proactive approach.

- ⇒ A permanent office would exist within the Corporate Relations Directorate to respond to all incoming requests for technical assistance.
- ⇒ The International Cooperation Branch would proactively seek technical expertise projects for TC through marketing / business development.
- ⇒ The group may be full-cost recovery or only partial, depending on strategic rationale for undertaking the project(s).

Recommendation:

Based on staff and other government department consultations and on discussions with the Director, International Relations and Director General, Corporate Relations, we recommend Option 2. This recommendation is based on the following rationale:

- ⇒ A majority of International Cooperation's employees' time is spent on the promotion side (research, preparation, relationship building, etc.) of their function. However, project realization has been comparatively low. The return on this investment in terms of achieving Departmental priorities is low.
- ⇒ It is not in Transport Canada's mandate to be marketing our expertise abroad. In addition, there could be problems if the Department is competing with the Canadian private sector for projects abroad.
- ⇒ The cost-recovery principle of the Branch could lead to projects being selected based on the level of monies they would bring to International Cooperation, not on set program objectives. In this case, staff energy would be expended on finding projects that would sustain the group's financial viability and giving lower priority to Departmental strategic objectives.

How many resources should be dedicated to international cooperation?

If Transport Canada chooses to follow the recommendation to operate in a reactive manner, based on discussions with IC employees, it is estimated that two or three employees would be sufficient to handle the workload, given the level of time previously allocated to this type of work.

Appendix 1 – Interviewees

International Cooperation (or equivalent) Directors:

- Chris Brown, Director of Knowledge Management and Micheline Rondeau-Parent, Director of Partnership Development and Supply Side Management, Canadian Centre for Management Development (CCMD)
- Nathalie Leblanc, Transportation Specialist, Asia Branch, Canadian International Development Agency (CIDA)
- Charles Pellegrin, Transportation Specialist, China Program, Asia Branch, CIDA
- Sylvain Lasnier, Director, Government and Industry Relations, Canada Mortgage and Housing Agency
- Paul Haddow, Executive Director, International Affairs, Canadian Food Inspection Agency
- Paul Murphy, Executive Director, Programs and Multilateral Affairs, Agriculture Canada
- Georgina Wainwright-Kemdirim, Trade Commissioner, Foreign Affairs and International Trade (DFAIT)
- Hubert Duchesneau, Deputy Director, International Cooperation, Canada Customs and Revenue Agency
- Jenna Mackay-Alie, A/Director-General, International Relations, Environment Canada
- Simon McInnes, Director, International Cooperation, Industry Canada
- Karin Endemann, Director, International Relations, National Research Council
- Lisa Woodward, Program Manager, National Roundtable on the Environment and the Economy Secretariat
- Louise Clement, Director, Domestic and International Business Relations, Natural Resources Canada
- Charles Patrick, Senior Adviser, International & Professional Relations, Statistics Canada
- Gisèle Cantin, International Affairs, Parks Canada Agency

Current and former Transport Canada staff:

- Wendy Ace, Senior Advisor, Asia, International Cooperation Branch
- Judi Blackwell, former Director, International Cooperation Branch
- Phil Hollingdale, Deputy Director, International Cooperation Branch
- Maureen Katz, Senior Officer, Africa and Middle East, International Cooperation Branch
- Michelle Murphy, Senior Officer, International Cooperation Branch
- Catherine Parker, former Senior Officer, Europe, International Cooperation Branch

Transport Canada staff who served as technical experts:

- Gilles Bourgeois, Senior Policy Advisor, International Aviation, Civil Aviation
- Bruce Cooper, Manager, HR Research and Development
- Randy Morriss, Director General, Ports Programs and Divestiture
- Gail Young, Evaluation Manager, Program Evaluation