



# Canadian International Development Agency

1997-98  
Estimates

Part III

Expenditure Plan

## **The Estimates Documents**

The Estimates of the Government of Canada are structured in three Parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve. The Part III documents provide additional detail on each department and its programs primarily in terms of the results expected for the money spent.

Instructions for obtaining each volume can be found on the order form enclosed with Part II.

©Minister of Supply and Services Canada 1997

Available in Canada through

Associated Bookstores and other booksellers

or by mail from

Canada Communication Group – Publishing  
Ottawa, Canada K1A 0S9

Catalogue No. BT31-2/1998-III-53  
ISBN 0-660-60099-4



# Canadian International Development Agency

1997-98  
Estimates

Part III

Expenditure Plan

Approved

---

Minister for International Cooperation

# Preface

This document is a report to Parliament to indicate how the resources voted by Parliament have or will be spent. As such, it is an accountability document that contains several levels of details to respond to the various needs of its audience.

The Part III for 1997-98 is based on a revised format intended to make a clear separation between planning and performance information, and to focus on the higher level, longer term plans and performance of departments.

The document is divided into four sections:

- Introduction;
- Plan;
- Performance; and
- Supplementary Information.

It should be noted that, in accordance with Operating Budget principles, human resource consumption reported in this document will be measured in terms of employee full-time equivalents (FTEs).

# TABLE OF CONTENTS

<b>Table of Figures</b> .....	i
<b>Acronyms and Abbreviations</b> .....	ii
<b>Minister's Preface</b> .....	iii
<b>Section I - Introduction</b> .....	1
Development Cooperation - International Context .....	1
Official Development Assistance and the International Assistance Envelope .....	2
<b>Section II - Plan</b> .....	6
Summary - Plans and Priorities .....	6
Departmental Overview .....	6
Roles and Responsibilities .....	6
Corporate Objectives, Priorities and Programs .....	7
Program Composition and Organization .....	8
Management Challenges .....	8
Resource Plans .....	12
Details by Business Lines .....	16
Geographic Programs .....	17
Multilateral Programs .....	22
Canadian Partnership .....	25
Countries in Transition .....	27
Communications .....	29
Policy .....	31
Corporate Services .....	32
<b>Section III - Performance</b> .....	34
Summary of Departmental Performance .....	34
Departmental Overview .....	34
Program Delivery .....	34
Benefits to Canadians .....	38
Policy and Management .....	38
Details by Business Line/Activity .....	42
Geographic Programs .....	43
Multilateral Programs .....	50
Canadian Partnership .....	53
Countries in Transition .....	55
Communications .....	58
Policy .....	59
Corporate Services .....	60
Annex .....	61
<b>Section IV - Supplementary Information</b> .....	64
Personnel Requirements .....	64
Other Information .....	66
References .....	79
<b>Index</b> .....	80

# TABLE OF FIGURES

## Section I - Introduction

1 International Assistance Envelope Breakdown (Cash Basis) .....	4
2 1997-98 International Assistance Envelope by Channel of Delivery .....	5

## Section II - Plan

3 Business Line/Activity and Organization Structure .....	10
4 Crosswalk .....	11
5 Resources by Sub-activities - Geographic Programs .....	17
6 Resources by Sub-activities - Multilateral Programs .....	23
7 Resources by Sub-activities - Canadian Partnership .....	25
8 Resources by Sub-activities - Countries in Transition .....	27
9 Resources by Sub-activities - Communications .....	29
10 Resources by Sub-activities - Policy .....	31
11 Resources by Sub-activities - Corporate Services .....	32

## Section III - Performance

12 Resources by Sub-activities - Geographic Programs .....	49
13 Resources by Sub-activities - Multilateral Programs .....	52
14 Resources by Sub-activities - Canadian Partnership .....	54
15 Resources by Sub-activities - Countries in Transition .....	57
16 Resources by Sub-activities - Communications .....	58
17 Resources by Sub-activities - Policy .....	59
18 Resources by Sub-activities - Corporate Services .....	60

## Section IV - Supplementary Information

19 Full-Time Equivalent (FTE) Requirements by Business Lines/Activity .....	64
20 Summary by Professional Category (FTEs) .....	64
21 Details of Personnel Requirements .....	65
22 Total Estimated Cost of the Program for 1997-98 .....	66
23 Transfer Payments by Business Lines/Activities .....	67
24 Expenditure Breakdown by Business Line/Activity and Object .....	68
25 Details of Grants and Contributions .....	69
26 Appropriated Planned Spending .....	72
27 Details of Financial Requirements by Object .....	74
28 Reconciliation of the International Assistance Envelope (Cash Basis) to Official Development Assistance (Commitment Basis) .....	76
29 Ordinary Capital Resources, as of March 31, 1996 .....	77
30 Concessional Funds, as of March 31, 1996 .....	78

# ACRONYMS AND ABBREVIATIONS

Afdf (VII)	Seventh Replenishment of the African Development Fund
AIDS/HIV	Acquired Immune Deficiency Syndrome Human Immunodeficiency Virus
APEC	Asia-Pacific Economic Cooperation
BHN	Basic Human Needs
CEE	Central and Eastern Europe
CESO	Canadian Executive Services Overseas
CGIAR	Consultative Group on International Agricultural Research
CIDA	Canadian International Development Agency
CPB	Canadian Partnership Branch
DAC	Development Assistance Committee (of OECD)
DFAIT	Department of Foreign Affairs and International Trade
DIP	Development Information Program
ECOSOC	Economic and Social Council of the United Nations
EDC	Export Development Corporation
EIA	Environmental Impact Assessment
FTE	Full Time Equivalent
GCI-V	African Development Bank's Fifth General Capital Increase
GEF	Global Environment Facility
HR/D/GG	Human Rights, Democracy, Good Governance
HRDC	Human Resource Development Canada
IAE	International Assistance Envelope
IBRD	International Bank for Reconstruction and Development
ICHRDD	International Centre for Human Rights and Democratic Development
IDRC	International Development Research Centre
IFAD (IV)	Fourth Replenishment of the International Fund for Agricultural Development
IFI	International Financial Institution
IHA	International Humanitarian Assistance
IMF	International Monetary Fund
INC	Industrial Cooperation Program
MDI	Multilateral Development Institution
MFMP	Multilateral Fund of the Montreal Protocol
MPB	Multilateral Programs Branch
MTC	Multilateral Technical Cooperation
NGO	Non-Governmental Organizations
NIS	Newly Independent States
OAS	Organization of American States
OCR	Ordinary Capital Resources
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
OIC	Order-in-Council
PSD	Private-sector development
PWGSC	Public Works and Government Services Canada
RDB	Regional Development Banks
SADC	Southern Africa Development Community
SME	Small and Medium Enterprise
STD	Sexually-Transmitted Disease
UN	United Nations
UNAIDS	Joint United Nations Program on HIV/AIDS
UNDP	United Nations Development Program
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNPF	United Nations Population Fund
WID	Women in Development

## MINISTER'S PREFACE

International development is an integral element of Canada's foreign policy. As Minister for International Cooperation with responsibility for the Canadian International Development Agency (CIDA), I am committed to building upon the reputation Canada has established as a caring member of the world development community.

Canada's role in international development is strongly supported by Canadians. Interestingly, the vast majority of Canadians who support our aid program do not do so because of any benefit this country may derive as an aid donor. They do so because development assistance is the right thing to do. The truth, however, is that a country like ours does not contribute to international development without itself being a beneficiary.

Some benefits are of a direct, short-term nature. These pale in significance, however, in the light of the positive long-term implications for Canada of social, political, environmental and economic progress in the developing regions of the world. In the long-term, a world that is progressing and that enjoys relative stability is in Canada's best interests as a trading nation. Similarly, Canada's security is tied to the security of people everywhere. This is why Canada has been so visible, so involved, in promoting Haiti's transformation from dictatorship to democracy and towards new forms of governance. This is why Canada has been so active also in finding solutions to the crisis in Central Africa.

This document provides a third reason why we should remain committed to international development cooperation. Development is working. Life expectancy, access to clean water, literacy rates and food production are rising. Individuals and families assisted with credit and training significantly improve their economic situation. Communities enjoy better health or education, often as a result of relatively small financial outlays. In Southeast Asia, international assistance and the people's own efforts are beginning to pay significant dividends. By the year 2020, seven of the world's top ten economies will come from the Asia-Pacific region.

Yet, international development will remain for some time a "work in progress." Millions still die each year from diseases that can be prevented or treated. A billion people, one-fifth of humanity, subsist on a dollar a day.

It is for these and other reasons that the review of Canadian foreign policy was such an important milestone. CIDA is committed to contributing, through its varied programs, to the fulfillment of Canada's three foreign policy objectives arising from the review process: jobs and economic progress; security; and the projection of Canadian values. Moreover, the planning, implementation and evaluation of the Agency's work are all based on the six development program priorities resulting from the review: basic human needs; women in development; infrastructure services; human rights, democracy, good governance; private-sector development; and environment.



In addition to the foreign policy review process, there was a review of all Government programs to improve their quality and effectiveness and to reduce spending. The results were substantial changes to the assistance program, which I announced in December 1996. At the same time, I announced a major reform of our contracting process aimed at making the system more open and transparent while developing a faster, better, simpler, and more inclusive regime to which stakeholders from both the private and voluntary sector can have access.

The program emerging from these reviews is more streamlined. It responds to Canada's fiscal realities and is less costly to the taxpayer. It offers a more focused and targeted approach to development. It leaves Canada well-positioned to play a strong role in international cooperation as we approach the new century. Most importantly, the updated program better reflects Canadians' values, in particular their wish that priority be given to helping the poor.

Canada's long-term ability to support programs valued by Canadians, including international assistance, will depend to a very great extent on our success in putting our finances on a more stable basis. It was in this context that the previously announced budgetary reductions have been made. From 1993-94 to 1998-99, the International Assistance Envelope (IAE) will have been reduced by 29 percent or \$767 million. There is no easy way to absorb such reductions. We are determined, however, to meet these financial objectives without losing sight of our main goal of reducing poverty through CIDA's six program priorities.

While pursuing these challenges, we continue to bear in mind the importance of partnership. We work closely in consultation with our partners in Canada, the donor community and developing countries. Equally important is improved transparency and accountability. CIDA is engaged in a continuing search for effective ways to plan and measure its efforts by results. Increasingly, this "management for results" approach will improve CIDA's reporting to Parliament and to the Canadian taxpayer.

---

The Honourable Don Boudria, P.C., M.P.  
Minister for International Cooperation

# SECTION I - INTRODUCTION: The Development Challenge and the Canadian Response

## Development Cooperation: The International Context

International development is human development. It aims to build a global community of justice and equity - one that offers its members the chance to lead a life of dignity and security and with opportunities to prosper and grow. International development is a complex undertaking. It involves everything from health, education and safe drinking water to the environment, economic growth, human rights and the way people are governed. Moreover, to be meaningful, development must be sustainable. It must go beyond the immediate and deal with entrenched obstacles to human well-being.

Despite enormous global wealth - and the great gains in health, education and income growth - a billion people still live in absolute poverty. Much work remains if they are to share in the benefits that others enjoy. Success can only come through a sustained commitment on the part of the entire international community.

### *The Evolving Role of International Assistance*

International assistance plays a crucial role in global development. Yet, it is only one of many factors affecting social and economic progress in the developing world. Trade and investment are important as well, especially for the better-off developing countries. But most important are the efforts of the developing countries themselves.

These countries are responsible for the greatest share of the resources invested in development. Most of the progress they have achieved has come through their own hard work and ingenuity. At the same time, international assistance can play a key strategic role, particularly in the poorest countries. It can act

as a catalyst for change and as a source of much-needed technology and expertise. Development cooperation has evolved over the years. There is now less emphasis on large-scale, turnkey projects. Increasingly, the focus is on social investments (e.g. health, education and other basic needs, as well as children issues and electoral processes) and new programming in such areas as human rights, governance and peace and conflict resolution.

Developing countries, like all others, are being re-shaped and transformed. Internal economic and political reforms, freer trade and globalization have brought many of them increased prosperity and significantly improved living standards. Development cooperation must help these countries complete the transition to advanced market economies. Donor-recipient relationships must be changed into partnerships based on mutual benefits and broadly based societal ties.

For many other countries - particularly in sub-Saharan Africa - and for large numbers of people within all countries, globalization brings the risk of greater marginalization and deepening poverty. Canadian assistance to these countries will continue to focus on the traditional challenges of poverty and deprivation. It will seek new ways to help integrate these countries into the new global economy.

In addition, the international community will need to deal with emergency situations, such as those unfolding in Africa in recent years.

### *Emerging Program Challenges*

As developing countries become more diverse, so too do the issues on the development agenda. Traditional concerns for health, nutrition, education and the disparities between rich and poor remain at the core of aid programming. In some cases, there is an added urgency to work in these areas to ensure that the advances made by poorer developing countries are maintained. But other global issues are assuming greater importance:

**Youth:** Meeting the education and job needs of the 2.5 billion persons under 15 years

now living in developing countries is pivotal to sustained progress and stability.

**Information:** Ensuring that the information revolution helps the poorest countries rather than merely widen the gap between rich and poor will be a major development challenge.

**Peace and conflict resolution:** In a number of countries and regions, conflict prevention and resolution will increasingly involve development cooperation efforts in newer areas of programming, e.g. justice and security as well as mediation between groups in conflict.

The challenge will be to maintain programming in traditional areas while effectively addressing newer issues in unconventional and innovative ways.

## Official Development Assistance and the International Assistance Envelope

The International Assistance Envelope (IAE) was introduced in the February 1991 budget. It funds Canada's ODA<sup>1</sup> and other international initiatives. Official Development Assistance accounts for 95 percent of the Envelope. The remaining 5 percent goes to the Central and Eastern Europe Program. In 1997-98, the resources of the International Assistance Envelope will be reduced from 1996-97 by 7.2 percent, or \$159 million, to \$2.06 billion. The Envelope will be reduced by a further 7.3 percent, or \$150 million in 1998-99. At the end of 1998-99, the International Assistance Envelope will have been reduced by 29 percent since 1993-1994. Government is committed to making progress towards the ODA target of 0.7 percent of GNP when Canada's fiscal situation allows it.

*Canada in the World* established three foreign policy objectives for Canada:

the promotion of prosperity and employment  
the protection of our security, within a stable global framework; and  
the projection of Canadian values and culture.

International Assistance is a vital instrument for achieving these three objectives.

As an investment in **prosperity and employment**, it connects the Canadian economy to some of the world's fastest growing markets and contributes to a stronger global economy in which Canadians, and other peoples, can grow and prosper.

International Assistance contributes to **global security** by tackling many key threats to human security, such as the abuse of human rights, disease, environmental degradation, population growth and the widening gap between rich and poor.

It is one of the clearest expressions abroad of **Canadian values and culture** - of Canadians' desire to help the less fortunate and of their strong sense of social justice - and an effective means of sharing these values with the rest of the world.

---

<sup>1</sup> Official Development Assistance is defined by the Development Assistance Committee of the OECD as funding transferred "to developing countries and multilateral institutions provided by official (government) agencies which meets the following tests: a) it is administered with the promotion of the economic development and welfare of developing countries as its main objective, and b) it is concessional in character and conveys a grant element of at least 25 per cent.

## Canadian International Development Agency

The Canadian International Development Agency is directly responsible for managing about 82 percent of the IAE. Approximately 18 percent is administered by the following departments:

**The Department of Finance**, for the World Bank, and for the Enhanced Structural Adjustment Facility of the International Monetary Fund (IMF).

**The Department of Foreign Affairs and International Trade (DFAIT)**, for the International Development Research Centre (IDRC); the overseas administrative functions relating to official development assistance; certain grants and contributions to cover payments to international organizations, as well as certain costs related to the Francophone Summits which are considered to be ODA; and the Canadian Commonwealth Scholarship and Fellowship Plan to enable citizens of other Commonwealth countries (46 of which are developing countries) to study in Canada; and

In addition, a number of other departments administer a small portion of the IAE i.e. Public Works and Government Services Canada, Heritage Canada<sup>2</sup> and Human Resources Development Canada (HRDC).

Figure 1 presents a breakdown of the International Assistance Envelope, and Figure 2 shows the share by channel of delivery in relation to the 1997-98 *Main Estimates*.

---

<sup>2</sup> For reporting purposes, the resources are disclosed on Figure 1 under Public Works and Government Services Canada and Other.

**Figure 1: International Assistance Envelope Breakdown (Cash Basis) (Note 1)**

(thousands of dollars)	1996-97 Main Estimates	1997-98 Main Estimates
<b>Canadian International Development Agency</b>		
<b>Aid Program:</b>		
Geographic Programs	734,718	673,578
Multilateral Programs		
-Bilateral Food Aid	143,597	119,379
-Multilateral Food Aid	107,693	96,935
-International Humanitarian Assistance (Note 2)	73,758	77,178
-International Financial Institutions	162,200	148,201
-Multilateral Technical Cooperation	108,787	104,021
Partnership Program		
-Voluntary Sector and Special Projects (Note 3)	208,253	188,194
-Industrial Cooperation	64,956	61,700
-Scholarships	8,900	8,589
Communications		
-Development Information Program	3,879	3,531
Corporate Services		
-International Centre for Human Rights and Democratic Development	5,000	4,586
<b>Administration:</b>	101,000	98,965
CIDA - Official Development Assistance (ODA)	1,722,741	1,584,857
<b>Plus Non-ODA</b>		
Countries in Transition - Program	101,025	92,630
Countries in Transition Administration	6,523	6,295
Total CIDA (ODA and Non-ODA)	1,830,289	1,683,782
<b>Other Departments and Agencies</b>		
<b>Aid Program:</b>		
International Financial Institutions (Finance)	237,800	222,800
International Development Research Centre	96,077	88,111
Grants and Contributions (DFAIT)		
-Assessed Contributions	64,309	69,023
-Voluntary Contributions	8,426	9,525
-Scholarships	8,900	8,589
Public Works & Government Services Canada and Others (Note 4)	2,350	2,350
<b>Administration:</b>		
DFAIT (For services rendered in the field)	33,400	32,230
Total Other Departments (ODA)	451,262	432,628
<b>Plus Non-ODA (DFAIT)</b>		
Administration (Countries in Transition - field)	2,477	2,390
Total Other Departments and Agencies (ODA and Non-ODA)	453,739	435,018
Gross Official Development Assistance	2,174,003	2,017,485
Less: Repayment of previous years' loans	57,100	57,200
Others (Green Plan, GEF and translation)	6,928	600
Net Official Development Assistance	2,109,975	1,959,685
Plus : Total Countries in Transition	110,025	101,315
International Assistance Envelope	2,220,000	2,061,000

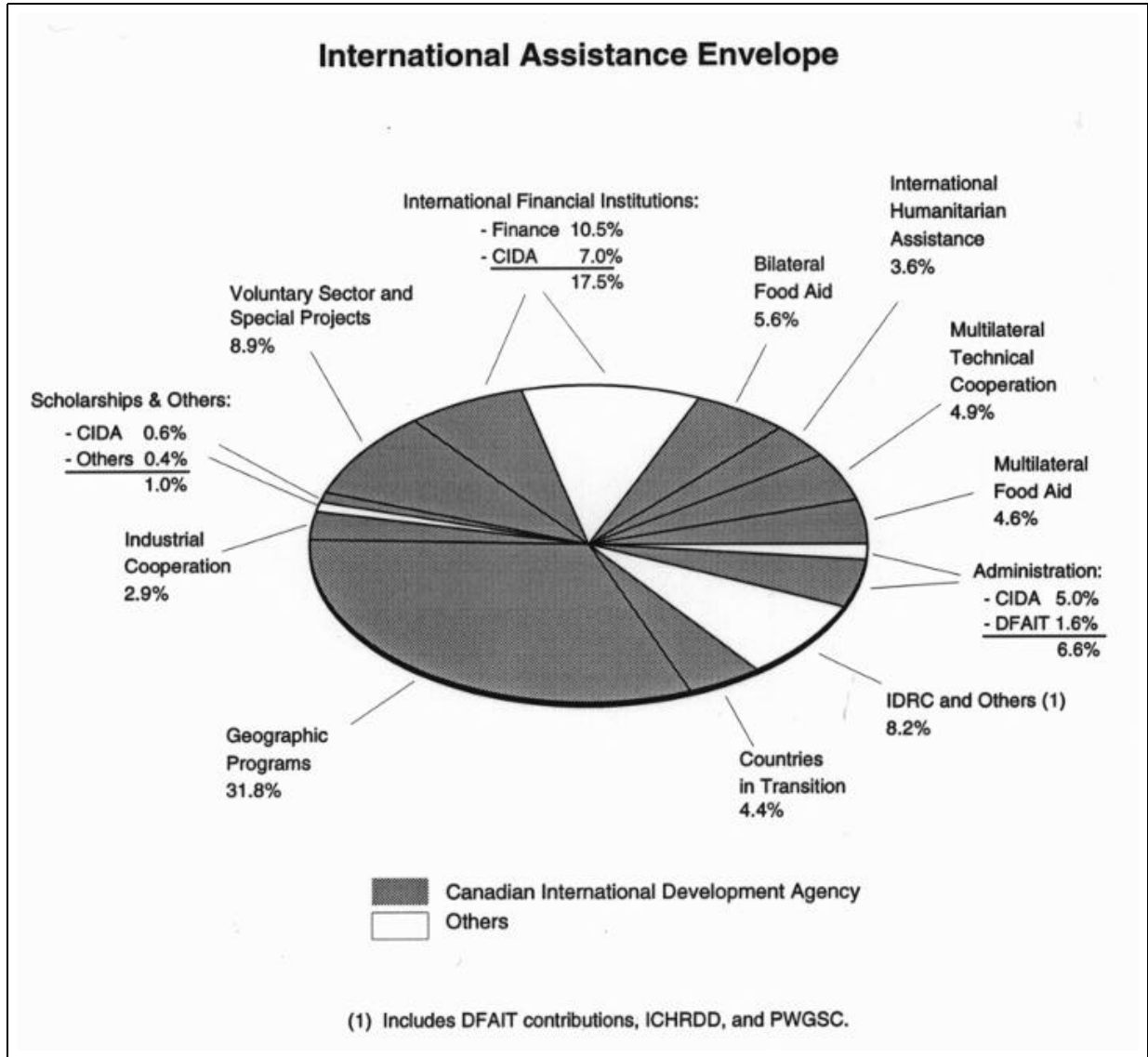
Note 1: Presentation reflects the realignment of CIDA's planning, reporting and accountability structure as described in the Crosswalk on page 11.

Note 2: Starting in 1997-98, resources have been allocated from within the IAE for the Peacebuilding Initiative.

Note 3: Previously called "Institutional Support" as explained in the Crosswalk on page 11.

Note 4: Includes \$2.1 million for PWGSC, \$175,000 for Heritage Canada, and \$75,000 for HRDC.

Figure 2: 1997-98 International Assistance Envelope by Channel of Delivery



## SECTION II - PLAN

### Summary - Plans and Priorities

Over the next three years, the Canadian International Development Agency (CIDA) faces an increasingly complex environment and does so with substantially reduced resources. CIDA will seek to meet this challenge by:

Targeting more of its efforts to the six ODA priorities and on approaches to poverty reduction.

Developing transition mechanisms for the phasing-out of international assistance programming in countries that have made dramatic improvements in their social and economic well-being while Canada develops new means of maintaining its relationships with these countries. For more information, see the detailed plans for the "Geographic" and "Countries in Transition" business lines, pages 17 and 27, respectively.

Continuing the shift towards interventions that have multiplier effects - for example, through support for improved governance that allows economic growth and private sector development.

Better coordination with other donor countries and organizations.

Seeking increased leveraging of additional resources from the private sector, international institutions and civil society.

Better integrating the lessons learned from earlier programs into programs that are underway or that are in the planning stages. This will be helped in large part by the implementation of CIDA's performance review policy and through the series of corporate reviews planned for the next three years.

These strategies are consistent with Canada's international commitments. They also reflect the development targets and approaches set out in *Shaping the 21st Century: The Contribution of Development Cooperation*, a document prepared by the Development Assistance Committee (DAC) of the OECD. This document establishes targets for the international community to meet by 2015 in such

critical areas as poverty reduction, health, education, the environment and gender equality. Canada, along with other members of the donor community, committed itself to these targets at the various summits and other major international conferences organized over the last five years. Canada also supports other commitments in *Shaping the 21st Century* related to improved aid coordination with developing country partners and to an increased sense of "ownership" of development programs on the part of those countries.

Finally, CIDA must continue to improve its reporting. The results-based management and performance review policies adopted by the Agency will enable it to meet these reporting commitments. In doing so, it will demonstrate to Canadians that their investments in development cooperation benefit developing countries as well as their own.

### Departmental Overview

#### ROLES AND RESPONSIBILITIES

##### Departmental Mandate

CIDA is designated as a department for the purposes of the *Financial Administration Act* by *Order-in-Council P.C. 1968-923* of May 8, 1968. The authority for the CIDA program and related purposes is found in the *Department of Foreign Affairs and International Trade Act*, in the *Annual Appropriations Act* and in the *International Development (Financial Institutions) Assistance Act*. CIDA is the lead government organization responsible for Canada's Official Development Assistance (ODA).

## Mission

The Government's *Foreign Policy Statement*, which was released in February 1995, sets out the following purpose, or mission, for Canada's Official Development Assistance program:

***"The purpose of Canada's Official Development Assistance is to support sustainable development in developing countries in order to reduce poverty and to contribute to a more secure, equitable and prosperous world."***

In support of this mission, the Agency has developed a *poverty reduction policy*. The policy commits CIDA to making poverty reduction a key element in each of its six program priorities listed below. The policy is being implemented across all of CIDA's programming channels and includes initiatives that address poverty through both direct and indirect means.

CIDA is responsible as well for the delivery of programs to countries in Central and Eastern Europe and the Newly Independent States. The assistance provided to these countries reflects the following mission:

***"to support democratic development and economic liberalization in Central and Eastern Europe and the Newly Independent States by building mutually beneficial partnerships."***

## CORPORATE OBJECTIVES, PRIORITIES AND PROGRAMS

As noted above, the vast majority of CIDA's programs fit the definition of Official Development Assistance. In fulfilling its ODA mission, the Agency will continue to pursue its six program priorities. Development results, expected in selected regions and countries under the six priorities include:

***Basic Human Needs:*** Improved access to health care, education, sanitation services and clean water; timely, effective emergency assistance; increased ability of vulnerable groups to meet their basic needs.

### ***Women in Development and Gender Equity:***

Greater women's participation in development and decision-making; increased opportunities for women to earn income and to influence decisions; more gender-equitable development policies and programs; and better access to education for girls.

***Infrastructure Services:*** Improved energy and transportation services; upgraded infrastructure and physical capital stock to support economic development; more effective and equitable distribution of infrastructure services.

### ***Human Rights, Democracy, Good Governance***

: Democratic development through strengthened capacity of institutions; improved election processes; more transparent, accountable and open legislative, judicial and executive systems; more popular participation in governance.

***Private-Sector Development:*** Policies which make it easier for the private sector to develop; improved management and operation of credit facilities; strengthened linkages with Canadian businesses.

***Environment:*** Progress towards reversal of desertification; sound management of environmental and natural resources; enhanced regulatory capacity to curb the growth of substances contributing to global warming.

Programming in Central and Eastern Europe:

supports the transition to market-based economies;

increases Canadian trade and investment links with the region;

promotes democratic development; and

enhances nuclear safety.

Programming and other activities in these priority areas are described further in **Details by Business Line** (pages 16 to 33).



## PROGRAM COMPOSITION AND ORGANIZATION

CIDA's business is global in scope and encompasses a very wide range of sectors. This involves the Agency in global, regional and country-level initiatives undertaken with a number of partners: recipient country governments, all levels of government in Canada, non-governmental organizations (NGOs), educational institutions, business, cooperatives, and a variety of international organizations and institutions.

During the past year, CIDA has realigned its planning and reporting structure, its program management and delivery, as well as its organization and accountability. (A "crosswalk" on page 11 shows the relationship between the old and new structures.)

CIDA's new business lines therefore reflect both the geographic focus of its programming and the range of partners with which it works. Since policy advice and guidance are a primary output of the Agency, Policy Branch is treated as a separate business line. The Communications Branch has also been treated as an individual business line, given its role in public activities designed to promote public awareness about development. Other corporate activities undertaken to support the Agency are combined into one business line called Corporate Services.

Thus, the CIDA program is composed of seven business lines:

- Geographic
- Multilateral
- Canadian Partnership
- Countries in Transition (Central and Eastern Europe)
- Communications
- Policy
- Corporate Services (Agency Executive Services, Personnel and Administration, Corporate Management)

The Geographic business line is divided into three branches, representing the three developing regions - Africa and the Middle East, Asia, and Americas. Similarly, the Corporate Services business line is divided into two branches, Personnel and Administration and Corporate Management. (See chart on page 10.) In addition, CIDA provides the funding for the International Centre for Human Rights and Democratic Development (ICHRDD), which is independent from CIDA.

The plans and activities of these business lines for the three-year period beginning in 1997-98 are set out in

Section II, **Details by Business Line** (pages 16 to 33). The performance and accomplishments for each are highlighted in Section III (pages 42 to 60).

## MANAGEMENT CHALLENGES

**Results-Based Management:** Tracking improvements in aid coordination and delivery is a constant challenge for the international community. For this reason, CIDA has made results-based management integral to its management philosophy and practice.

The Agency will systematically focus on results to ensure that its management practices optimize value for money and the prudent use of its human and financial resources. It will report on its results to inform Parliament and Canadians of its development achievements.

Program planning and evaluation hold particular challenges for CIDA given that most of its activities are conducted in and for sovereign states. However, through working closely with recipient country partners, CIDA will be able to use the results-based management approach to clarify program objectives, ensure a match between resources invested and results sought, and find ways to measure whether results are meaningful to local communities.

**Performance Review:** CIDA has also put in place a Performance Review policy. This will help in assessing the effectiveness of the Agency's efforts. It will also make it easier to use lessons learned to inform future programming. The first performance review, which is near completion, relates to the women in development and gender equity priority. The findings are summarized in Section III, Departmental Overview (page 34). Reviews on basic human needs and infrastructure services priorities will be completed in 1997-98 and 1998-99 respectively. Reviews on the remaining three priorities (i.e. private-sector development, the environment, and human rights, democracy and good governance) will be conducted during the period 1998-99 to 2000-2001.

In 1997, the OECD/DAC will carry out its triennial Aid Review of Canada. The Netherlands and New Zealand will be the examining countries, and will appraise the effectiveness of Canada's development policies and programs, as well as policy coherence regarding developing countries. The report is due to be published in 1998-99.

**Human Resources Strategy:** An important requirement for the Agency to continue to meet the many challenges it faces is a high quality of human resources. Yet, almost half of its employees in key positions will be eligible for retirement in the next ten years. To prepare the succession, CIDA has started recruiting entry-level development officers in each of the next five years and training them to help meet Canada's international development objectives.

At the same time, the Agency needs to develop new skills to cope with the growing complexity of international cooperation problems and the re-engineering of the Government of Canada.

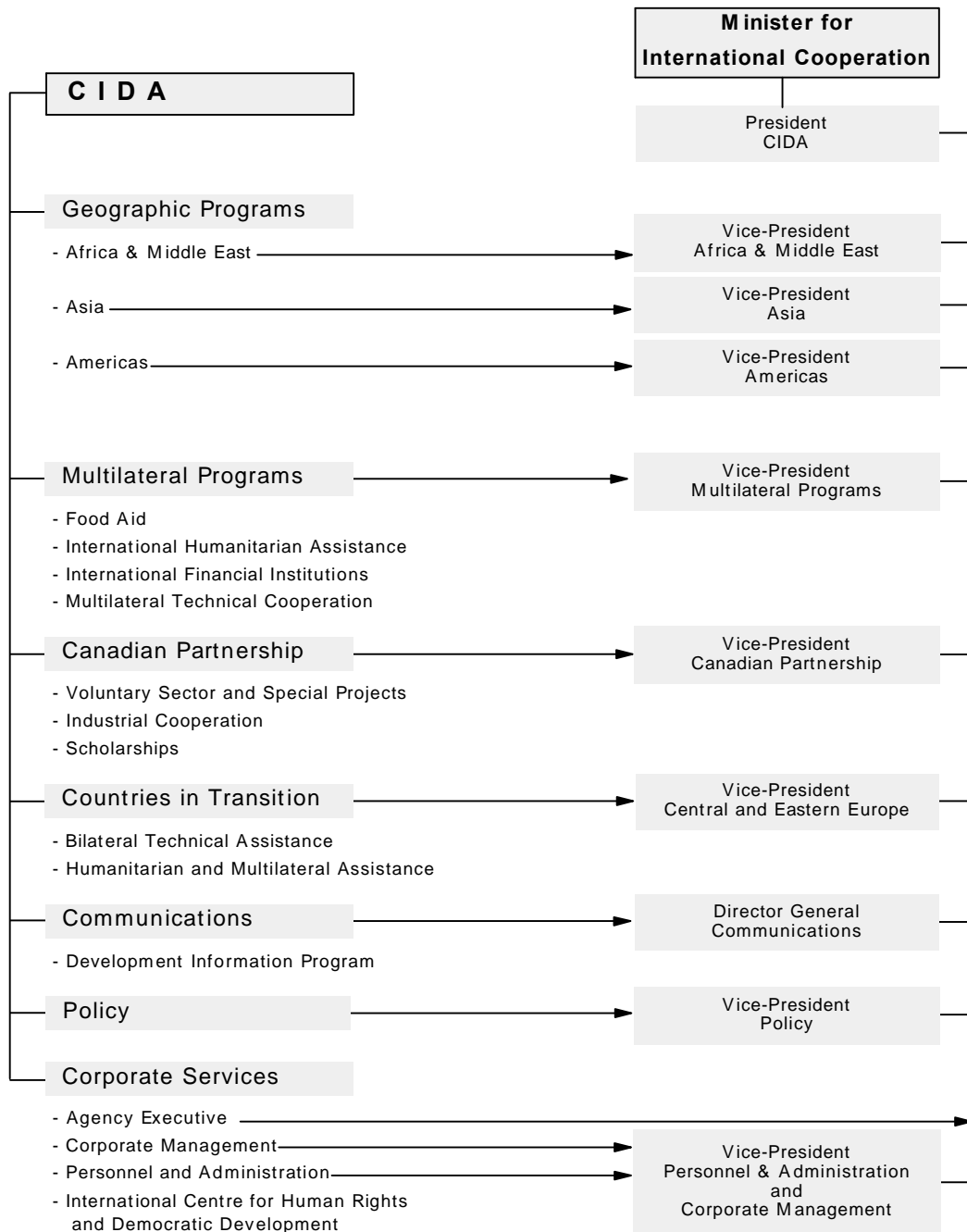
**Information Management:** CIDA will also continue to modernize information management. It also aims to increase the ease of communication with its partners and the Canadian public and to demonstrate the importance of information and technology for development.

**Contracting System:** CIDA has taken major steps to increase the transparency, efficiency and speed of its contracting system. The changes were announced by the Minister in December, 1996, and were developed after wide consultation with partners in both the for-profit and not-for-profit sectors. The new system is designed to provide equal access to both sectors.

CIDA is in fact adopting a one-step contracting process by eliminating the pre-qualification stage. This will cut in half the amount of time required for the selection process, meaning quicker delivery of development assistance where it is needed.

**Figure 3: Business Line/Activity and Organization Structure**

The new CIDA Business Line structure, outlined in the diagram below, is more clearly aligned with the Agency's organization structure and its way of doing business. This new alignment also clearly reflects the existing management accountability structure.



## Resource Plans and Financial Tables

Further to the restructuring of CIDA's program during 1996-97, the Agency's plans and expenditures for all other years have been restated throughout this document so as to provide comparative financial information with the 1997-98 Main Estimates structure. The figure below provides a financial crosswalk between the old and new program structures using the 1996-97 Main Estimates.

**Figure 4: Crosswalk**

(thousands of dollars) <b>OLD STRUCTURE</b>	<b>NEW STRUCTURE</b>							<b>Old Structure (\$\$\$)</b>	<b>Old Structure (FTE)</b>
	<b>Geographic Programs</b>	<b>Countries in Transition</b>	<b>Multilateral Programs</b>	<b>Canadian Partnership</b>	<b>Policy</b>	<b>Communi-cations</b>	<b>Corporate Services</b>		
<b>National Initiatives</b>									
Geographic Programs	774,165							774,165	
Bilateral Food Aid			143,597					143,597	
International Humanitarian Assistance			74,540					74,540	
Scholarships				9,248				9,248	
Development Information Program						4,303		4,303	
<b>Sub-total</b>	<b>774,165</b>		<b>218,137</b>	<b>9,248</b>		<b>4,303</b>		<b>1,005,853</b>	<b>552</b>
<b>Partnership</b>									
Institutional Support (1)				215,035				215,035	
Industrial Cooperation				68,241				68,241	
International Financial Institutions			174,591					174,591	
Multilateral Technical Cooperation			109,778					109,778	
Multilateral Food Aid			109,277					109,277	
International Centre for Human Rights and Democratic Development (ICHRDD)							5,000	5,000	
<b>Sub-total</b>			<b>393,646</b>	<b>283,276</b>			<b>5,000</b>	<b>681,922</b>	<b>177</b>
<b>Countries in Transition</b>									
Bilateral Technical Assistance		89,648						89,648	
Humanitarian and Multilateral Assistance		17,900						17,900	
<b>Sub-total</b>		<b>107,548</b>						<b>107,548</b>	<b>77</b>
<b>Corporate Services</b>									
Agency Executive							2,144	2,144	
Corporate Management							18,417	18,417	
Personnel et Administration							13,110	13,110	
Policy					6,746			6,746	
Communications						5,751		5,751	
<b>Sub-total</b>					<b>6,746</b>	<b>5,751</b>	<b>33,671</b>	<b>46,168</b>	<b>411</b>
<b>New Structure (\$\$\$)</b>	<b>774,165</b>	<b>107,548</b>	<b>611,783</b>	<b>292,524</b>	<b>6,746</b>	<b>10,054</b>	<b>38,671</b>	<b>1,841,491</b>	
<b>New Structure (FTE) (2)</b>	<b>525</b>	<b>77</b>	<b>55</b>	<b>145</b>	<b>76</b>	<b>39</b>	<b>300</b>		<b>1,217</b>

1. "Institutional Support" becomes "Voluntary Sector and Special Projects" under the new CIDA structure.
2. Reference figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## RESOURCE PLANS

### *Budget Strategy 1997-2000*

Achieving lasting poverty reduction while contributing to a more secure, equitable and prosperous world remains at the heart of Canada's international assistance program. However, CIDA must implement its programs with diminishing resources.

Following Program Review I reductions of \$540 million, the government, in its 1996 Budget, announced Program Review II reductions of \$150 million in 1998-99 for the IAE. In total, since 1993-94, the IAE has been reduced by \$767 million which represents a 29 percent reduction over this five-year period. For planning purposes, the Agency has assumed that the total budget for 1999-2000 will be maintained at the 1998-99 level.

While the most recent reductions will touch every part of the IAE envelope, not every program will be affected equally. Consultations with Canadians were held during the summer of 1996 to help determine how the reductions should be implemented. Early on in the process, the decision was taken to protect the programs and activities Canadians value. However, there were limits to CIDA's flexibility. Some long-term international commitments had to be accommodated in the budget strategy. Main features of the strategy are described below.

All geographic programs, including Central and Eastern Europe, will be reduced by 8.3 and 8.0 percent over the next two years, as will IDRC. Nonetheless, the Government will continue to give priority to bilateral programming in Africa, which retains its current 44 per cent of the budget. Asia remains at 36 percent, and the Americas at 20 percent of bilateral programming.

Funding for emergencies will be relatively protected, but it will be reduced from last year's levels. Starting in 1997-98, resources will be allocated from within the Envelope to the International Humanitarian Assistance (IHA) program for the recently-announced Peacebuilding Initiative in support of conflict prevention and peacebuilding. Hence, this budget line shows an increase overall for 1997-98.

Grants and contributions channelled through DFAIT to certain multilateral organizations were maintained since contribution levels are assessed, rather than voluntary. They will in fact increase over the next two years.

Voluntary contributions to some of the major UN organizations will be reduced less than the average. These are organizations like UNICEF, UNFPA and UNDP, which all have a poverty reduction focus, and whose programs are consistent with Canada's six program priorities.

Contributions to international financial institutions will be reduced by 7.3 percent in each of the next two years. Contributions to future replenishments of these institutions have also been cut substantially (a range of 27 percent to over 40 percent).

Some protection will be given to certain programs undertaken by Canadian partners, such as those implemented by program-funded non-governmental organizations (NGOs), cooperatives, volunteer-sending organizations, universities and colleges, environment NGOs and the private sector.

Continued inflation in the cost of foreign operations, the increased human resource intensity of developmental programming and previous reductions in CIDA's operating budget (15 percent in 1995-96 and 1996-97) have limited CIDA's ability to reduce further its administration costs. Nonetheless the administration budget will be reduced by approximately five percent during the period. The reduction will target primarily overhead costs in order to retain maximum resources for program delivery.

While we have taken steps to sharpen the focus of our programming, pressures to fund new initiatives and new programs will not diminish. This phenomenon is due to the increased complexity of development cooperation, the growing heterogeneity of the non-OECD world, and the increasingly global nature of many of the issues and problems facing Canada and Canadians. Difficult choices will undoubtedly have to be made in the years ahead.

## Details of Spending Authorities

### Authorities for 1997-98 - Part II of the Estimates

The following reproduces information from Part II of the 1997-98 *Main Estimates* to provide a bridge between these documents and CIDA's Expenditure Plan. It includes the wording of, and *Main Estimates* amounts for, the Votes that will be proposed to Parliament for approval. A "Cost of the Program by Business Lines" table is included on page 14 to show the total financial resources distributed by the program activities.

### Financial Requirements by Authority

Vote	(thousands of dollars)	1997-98 Main Estimates	1996-97 Main Estimates
<b>Canadian International Development Agency</b>			
<b>Budgetary</b>			
20	Operating expenditures	94,293	97,879
25	Grants and contributions	1,445,321	1,576,566
(S)	Minister for International Cooperation - Salary and motor car allowance	49	49
(S)	Payments to the International Financial Institution Fund Accounts	133,201	146,200
(S)	Contributions to employee benefit plans	10,918	9,595
<b>Total Budgetary</b>		<b>1,683,782</b>	<b>1,830,289</b>
<b>Non-budgetary</b>			
L30	Issuance of notes to the International Financial Institution Fund Accounts		
L35	Payment and issuance of notes to International Financial Institutions - Capital Subscriptions	6,038	3,020
(S)	Payments to International Financial Institutions - Capital Subscriptions	7,900	8,182
<b>Total Non-budgetary</b>		<b>13,938</b>	<b>11,202</b>
<b>Total Agency</b>		<b>1,697,720</b>	<b>1,841,491</b>

### Agency Overview

(thousands of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
<b>Agency Overview</b>				
Main Estimates	1,841,491	1,697,720	1,577,299	1,579,215
Estimated Cost of Services by other Departments (1)	14,768	14,449	14,449	14,449
<b>Net Cost of the Agency</b>	<b>1,856,259</b>	<b>1,712,169</b>	<b>1,591,748</b>	<b>1,593,664</b>

1. See Reconciliation of the International Assistance Envelope (page 76) for full explanation of these costs.

### Cost of the Program By Business Line/Activities

(thousands of dollars)							
1997-98 Main Estimates							
	Budgetary				Non-Budgetary		Total Main Estimates
	Operating	Grants & Contributions	Statutory (2) Payments	Total	Loans, Investments and Advances	Statutory Payments	
<b>Business Lines</b>							
Geographic Programs	39,665	673,578		713,243			713,243
Multilateral Programs	4,544	412,513	133,201	550,258	6,038	7,900	564,196
Canadian Partnership	10,164	258,483		268,647			268,647
Countries in Transition	6,295	92,630		98,925			98,925
Communications	6,018	3,531		9,549			9,549
Policy	7,640	-		7,640			7,640
Corporate Services	30,934	4,586		35,520			35,520
	105,260	1,445,321	133,201	1,683,782	6,038	7,900	1,697,720
<b>Other Expenditures (1)</b>							
Operating Expenditures:							
- Estimated Cost of Services by other Departments							9,949
Aid Expenditures:							
- Imputed interest on Advance - Department of Finance							4,500
<b>Cost of the Program</b>							<b>1,712,169</b>

1. See Reconciliation of the International Assistance Envelope (page 76) for full explanation of these costs.
2. Contributions to employee benefit plans and the Minister's allowances are allocated in the Operating Expenditures.

**Votes - Wording and Amounts**

Vote	(dollars)	1997-98 Main Estimates
<b>Canadian International Development Agency</b>		
20	Canadian International Development Agency - Operating expenditures and authority:	
	(a) to engage persons for service in developing countries and in countries in transition; and	
	(b) to provide education or training for persons from developing countries and from countries in transition, in accordance with the <i>Technical Assistance Regulations</i> , made by Order in Council P.C. 1986-993 of April 24, 1986 (and registered as SOR/86-475), as may be amended, or any other regulations that may be made by the Governor in Council with respect to:	
	(i) the remuneration payable to persons for service in developing countries and in countries in transition, and the payment of their expenses or of allowances with respect thereto,	
	(ii) the maintenance of persons from developing countries and from countries in transition who are undergoing education or training, and the payment of their expenses or of allowances with respect thereto, and	
	(iii) the payment of special expenses directly or indirectly related to the service of persons in developing countries and in countries in transition or the education or training of persons from developing countries and from countries in transition	<b>94,293,355</b>
25	Canadian International Development Agency - The grants and contributions listed in the Estimates and payments to international financial institutions in accordance with the <i>International Development (Financial Institutions) Assistance Act</i> , (R.S., c. I-18), provided that the amounts listed for contributions may be increased or decreased with the approval of the Treasury Board, for international development assistance, international humanitarian assistance and other specified purposes, in the form of cash payments or the provision of goods, commodities or services	<b>1,445,321,000</b>
L30	The issuance of non-interest bearing, non-negotiable demand notes in an amount not to exceed \$200,000,000 in accordance with the <i>International Development (Financial Institutions) Assistance Act</i> , (R.S., c. I-18), for the purpose of contributions to the International Financial Institution Fund Accounts	<b>1</b>
L35	Payment not to exceed US\$4,465,910 to Multilateral Development Banks notwithstanding that the payment may exceed the equivalent in Canadian dollars estimated at \$6,037,910 on December 4, 1996, and to confirm that Canada's callable capital related to this payment is US\$218,812,604 and the issuance of non-interest bearing, non-negotiable demand notes in an amount not to exceed US\$10,003,000, in accordance with the <i>International Development (Financial Institutions) Assistance Act</i> , (R.S., c. I-18), for the purpose of capital subscriptions in International Financial Institutions and to confirm that Canada's callable capital related to the issuance of these notes is US\$388,940,823	<b>6,037,910</b>



## Details by Business Lines

In the following pages, the CIDA plan is broken down into seven "mini-plans", one for each of the Agency's seven business lines. Each begins with the business line objective, which is consistent with the overall mission and goals of the Agency. Then a note entitled "Putting It in Context" describes the business line, explains its existence, and tells in a general way how it responds to its objectives.

The challenges facing the particular business line are summarized under "What Are The Challenges Ahead?". The heart of the presentation for each business line can be found under the heading "Some Expected Results". Here, a **sample** of anticipated achievements is given under a number of sub-headings that are, for the most part, the six ODA program priorities. For the Countries in Transition business line, which deals mainly with non-ODA activities, expected results are given under the four CEE objectives.

A specific project or program is briefly described. This gives a measure of concreteness to the information. The final set of material appears under the self-explanatory title, "Some Key Strategies".

The non-program business lines - Communications, Policy and Corporate Services - are treated differently. Expected results are grouped according to the objectives and functions of the respective business lines. And the sections on challenges, strategies and concrete examples are excluded.

### What Others Say ...

*"The Canadian International Development Agency (CIDA) and other organizations in the Canadian development co-operation framework are clearly valuable assets which will equip Canada to continue to play a dynamic role in the international development co-operation system."*

*- Development Assistance Committee of the OECD (from June 1994 review of Canadian official development assistance) -*

### Frequently asked question

#### **Why spend scarce Canadian tax dollars on international development assistance?**

Canadians cannot survive and progress while people in many parts of the world suffer. Canadian security is tied to the security and welfare of people everywhere. Poverty causes disease, migration, environmental degradation and other problems which transcend borders and affect us all.

## GEOGRAPHIC PROGRAMS

### OBJECTIVE

To support sustainable development and poverty reduction by undertaking development programs in specific countries and regions, in keeping with the needs of developing countries, the purpose and priorities of the ODA program and Canada's foreign policy interests.

### PUTTING IT IN CONTEXT

Geographic programs are country-to-country programs. Also called bilateral programs, they enable the Government of Canada to initiate and carry out development cooperation objectives through direct relationships with eligible recipient countries. Such programs are developed through consultation and cooperation with recipient country partners, recognizing that the prime responsibility for national development rests with governments. The bilateral channel is the

main instrument through which the Canadian government can make long-term investments in areas critical to sustainable development. Geographic programs account for about one-third of the international assistance budget.

Projects supported through the geographic programs reflect both the needs of developing countries and Canada's ability to meet these needs. These projects, as well as the contracts and contribution agreements required for their delivery, range in value from thousands to tens of millions of dollars and can vary considerably in their approach and subject matter. With few exceptions, geographic programs are delivered in kind rather than cash. They are delivered directly by Canadian suppliers and executing agents or are procured locally. All projects are based on Canadian policies regarding the procurement of goods and services in Canada and on Canadian content requirements.

Three geographic branches - Africa and the Middle East, Asia and Americas - are responsible for planning and providing Canada's country-to-country ODA assistance to eligible recipients.

**Figure 5: Resources by Sub-activities - Geographic Programs**

(thousands of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
Africa & Middle East	323,873	<b>296,793</b>	273,164	273,164
Asia	266,296	<b>244,030</b>	224,602	224,602
Americas	144,549	<b>132,755</b>	122,186	122,186
	734,718	<b>673,578</b>	619,952	619,952
Operating Expenditures	39,447	<b>39,665</b>	38,479	38,479
	774,165	<b>713,243</b>	658,431	658,431
Human Resources (FTE) (1)	525	<b>519</b>	519	519

1. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

### Africa and the Middle East

Africa and the Middle East encompass a vast region with 66 countries, over 865 million people and a wide range of cultures, languages and experiences. In fact, the social, economic and political diversity within the continent defies generalization.

Of the two sub-regions, Sub-Saharan Africa is usually presented as a land of crises, poverty and failure with few images of the positive efforts Africans make to improve their lives. There are indeed many reasons for concern such

as persistent conflict, environmental degradation, high population growth and slow economic growth. The African reality is however, far more complex than superficial impressions might suggest. Large areas are peaceful and stable. Regional co-operation is growing. There has been modest success in economic reform and there is nascent evidence of economic and political reform in many countries.

In many parts of the other sub-region, North Africa and the Middle East, the achievement of enduring peace poses a major challenge. On the positive side, there is evidence of promising economic liberalization resulting in more vibrant economies. The Middle East peace process, although fragile, holds potential for a lasting solution to the Arab-Israeli conflict.

A new generation of Africa leaders is emerging to guide the future. In the last five years, there were more than 30 elections. The most memorable one ended the apartheid era in South Africa.

"Liberalization" in the form of relaxation of government control on the political and economic activities of citizens perhaps better describes what has been happening in many areas of Africa recently. Increased freedom of expression, especially of the press, and tolerance of organized opposition has fostered a preliminary move towards more responsible governments. In 31 countries, opposition parties have been legalized. By no means however is there an epidemic of positive transformation. Some countries such as Nigeria, Zaire and Burundi are experiencing persistent or escalating crisis.

The Africa and the Middle East program is the largest of the three Geographic (bilateral) programs. It accounts for 44 percent of bilateral assistance.

## Asia

From an international development perspective, Asia seems like a perfect study in contrasts, recording strong growth, yet housing over 70% of the world's poor. Growth with equity requires that the poor have the assets and skills required to take advantage of emerging opportunities.

The dynamic economies such as Thailand and the Philippines illustrate that economic transformation is possible and that international assistance is not an unending process. Yet, growth is taxing the infrastructure, environment and skill base that link people broadly, including women, to the dynamic areas. Institutions have to adapt to economic liberalization while protecting individual rights and public interests. Similarly, China and other transition societies have to redesign their legislative framework, public policy and institutions to adapt to market economies and reduce regional inequities. The weaker economies such as Pakistan and Bangladesh have initiated major economic reforms, but are hampered by inadequate infrastructure and institutions which were not designed to deal with globally integrated economies.

Economic transformation in Asia is revealing new development challenges. New industries bring new environmental dangers. Economic growth brings new forms of inequity, regional security problems and new threats to the interests of women. This dynamic situation provides CIDA with the challenge and the opportunity of making a meaningful contribution to long-term sustainable development in a region of increasing importance to Canada's future.

## A CONCRETE EXAMPLE

Rapid economic growth in the 1970s transformed Malaysia from a developing country to an "Asian tiger." For more than 25 years, Malaysia has sustained real growth rates averaging seven percent annually. Many developing countries are learning from the "tigers" that sustained economic growth and poverty reduction require balanced investment in human resource development, health and agriculture and the need for appropriate roles for both government and the private sector.

The transformation also provides evidence that countries can reach the point where the need for development assistance is at least drastically reduced. Canada still has a cooperation program with Malaysia. Increasingly, however, the focus is changing from high levels of financing to strategic technical assistance. The current program helps address key sustainable development problems and meet Malaysia's development priorities. Mutually beneficial private-sector relationships are likely to endure even after development assistance comes to an end.

## Americas

Canada has vested political, economic and security interests in the Americas. In 1990, Canada joined the Organization of American States (OAS) to promote security and democratic development and to assume a more active role in the political and socio-economic affairs of the hemisphere. Canada's leadership in helping to resolve the crisis in Haiti and to bring peace in Central America reflects this commitment. Canada is strengthening its partnership with its most immediate neighbours. It is doing so through the Canada-US and the North American Free Trade Agreements, the commitment to set up a "free trading system" by year 2005 (Alaska to Tierra del Fuego) and, more recently, with the Free Trade Agreement signed with Chile in November 1996. The "Team Canada" approach, where representatives from both the civil society and governments join their efforts, reflects also a growing awareness of the linkages between business, security and development. As these interests expand, the priorities of ODA become even more important.

CIDA's relationship in the Americas is a complex challenge. The past ten years have witnessed economic stabilization, trade liberalization and more democratic models of governance. Yet there are grounds for concerns as to whether these developments have a sustainable basis. Democracies remain fragile. Power remains concentrated in the hands of elite. Exclusion of the poor remains a major obstacle. Women continue to be subordinated. There

### A CONCRETE EXAMPLE

The following provides an example of the strategic use of ODA resources through leverage and aid coordination. With a contribution of \$3 million, CIDA is participating in a comprehensive \$63 million Peru-UNICEF Co-operation Program. The expected results of this five-year Program include:

- the creation of 1,000 parent associations;
- training 20,000 women's groups in nutrition, health, women's rights and credit management;
- 300 pharmacies functioning and health personnel appropriately trained; and
- the establishment of 400 organizations dealing with children's rights.

are stories of corruption. Drug trafficking, increased urban violence and the deterioration of the environment are other problems plaguing the region. Latin America also has the most unequal income distribution in the world. The challenge for CIDA's programming activities in the Americas over the next decade is to support developing countries in their efforts towards greater "equity for sustainable growth."

### WHAT ARE THE CHALLENGES AHEAD?

**Africa and the Middle East** face serious challenges: rapid population growth, a level of poverty which is among the highest in the world and threatened natural resources, all within the context of a rapidly changing global society and changing norms and traditions locally. In addition,

there is currently enormous need for external resource flows. The present inability of the region to attract private investment flows makes it particularly dependent on development assistance. Since 1993, there has been however a significant decline in ODA funding in real terms and this trend is expected to continue in the foreseeable future. For this reason, targeting in areas of high developmental return is particularly critical. These areas include, but are not limited to, human resource development, responsible governance and economic development.

The challenge for CIDA will be to target investments and select Canadian, international and local partners so that promising changes towards poverty reduction and peace and stability are supported and nurtured. The impact of our investments will depend largely on countries themselves assuming responsibility for change by ensuring that appropriate policies are in place to support positive economic and social changes. In light of the rapid changes occurring in Africa and the Middle East and the occasional and inevitable setbacks, CIDA must be able to recognize and respond to changing circumstances.

**Asian** countries face considerable challenges. They have to increase their capacity to govern in economies that are far more open, market-driven, and integrated into the global trade and capital markets while meeting the challenges of growth with equity, environmental management, job creation, skills upgrading and demands for more open political systems. In many Asian countries, as foreign financial flows increase, development assistance funding is becoming less important. Increasingly, the importance of development assistance lies in acting as a source of knowledge and providing access to experience and technologies of relevance to the

problem Asia is confronting. Moving to a role which facilitates such knowledge and access will be the major challenge for CIDA's co-operation program in Asia.

In the **Americas**, several factors influence development assistance. While most countries have democratically elected governments, democratic institutions in some countries are still young and fragile. This combined with a high level of social inequity poses a threat to the region's stability and democratization process. The situation in developing countries of the Americas in 1997 is, in many ways, dramatically different from 1989-1991; several countries are introducing "second-generation" economic, social and political reforms. One of the key policy questions facing governments in the region is "how can an increase be made in the access the poor have to the opportunities created through the reforms undertaken to date?".

## SOME EXPECTED RESULTS

**Basic human needs:** Improved availability, quality, quantity and reliability of water supply and sanitation services (e.g. to 150,000 people in Americas). Increased household income. Improved health services. Greater capacity to treat sexually transmitted diseases (STDs). Food security (better agricultural methods, increased food production).

**Infrastructure services:** Development of institutional and human capacity to design, implement, manage and maintain the provision of infrastructure services. More rational use of energy (e.g. by 2002, expected savings of over US\$10 millions annually in Central America in meeting needs in electric energy).

**Private-sector development:** Better environment for private-sector development. Increased capacity of private sector (e.g. of some 140 micro- to medium-sized businesses in the Americas). More local businesses, especially small and medium. More links with Canadian businesses.

**Women in development and gender equity:** Better access to education for girls. Better jobs and incomes for women. Ability of NGOs and women's organizations to foster increased women's involvement in local and national development and decision-making.

**Human rights, democracy, good governance:** More economic reform. Peace. Better elections, better legal framework (e.g. 14 fully functional courts of "first instances" in Haiti) and promoting human rights. Improved public-sector competence. Greater role for civil society. More transparency, accountability and public participation.

**Environment:** Greater capacity to use environmental impact assessment (EIA) as an instrument of environmental management. Reduced desertification. Reforestation of some 15,000 hectares in Central America.

### A CONCRETE EXAMPLE

For many of the countries in the Nile Basin, water management is possibly the most important development issue. The Basin covers an area of about three million kilometres and is a major socio-economic resource of the Basin countries. These countries, with the assistance of Canada, are engaged in a bold Nile Basin Initiative which can bring long-term benefits to their 250 million people. They have started a dialogue which could lead to the development, conservation and use of the Nile Basin water resources in an integrated and sustainable way. They also aim to develop a cooperative and institutional framework for sharing the Nile Basin water resources. Canada has provided \$2.5 million to support the process. It is also playing the pivotal role in bringing donors together to cooperate in assisting Nile development.

### SOME KEY STRATEGIES

Contributing to poverty reduction and the promotion of peace and stability. These are the key to sustainable development in Africa and are consistent with the Canadian values of democratization, governance and human rights. Encouraging larger steps towards democratization (e.g., South Africa) and smaller ones (e.g., Tanzania).

In the Africa and the Middle East program, increasing disbursements for basic human needs to 30 percent of the budget by the year 2000, in addition to spending for food security and emergency assistance.

Balancing commitment to immediate human needs and stability with contributions towards long-term economic self-sufficiency.

In Asia, accelerating and intensifying the "new way of doing business": investment in knowledge as a way to increase the effectiveness and leverage of financial investments; more networking and strategic alliances; more rapid and flexible responses to challenges and opportunities; working more in parallel with the financial sector (from the World Bank to the commercial banking sector) to promote investments over and above CIDA's own capacity; and greater emphasis on results.

In Americas, supporting greater equity for sustainable growth by focusing on poverty reduction in countries with the most poor; concentrating on democratic development, good governance, and better management of environmental resources; maintaining a modest level of activities with more prosperous countries (e.g. Argentina, Chile, Paraguay and Uruguay); and pursuing regional integration initiatives.

## MULTILATERAL PROGRAMS

### OBJECTIVE

The objectives of this program are:

- to promote effective global and multilateral development approaches which reduce poverty, enhance human security and expand prosperity;
- and
- to ensure that Canadian humanitarian assistance and food aid to developing countries are appropriate, timely and effective.

### PUTTING IT IN CONTEXT

Multilateral support is pivotal to successful achievement of Canadian Foreign Policy and international assistance objectives. Multilateral Programs are the backbone of Canada's leadership role in key international development organizations in the United Nations, the Commonwealth and the Francophonie, as well as in the international financial institutions (IFIs). Through such organizations, Canada can achieve broader development impact internationally than might be attained through private-sector initiatives or direct bilateral programs. Most of CIDA's humanitarian assistance is provided through United Nations and international channels such as the

Red Cross Movement as well as Canadian NGOs such as CARE and World Vision.

A well-functioning multilateral system enables Canada to help address broad global issues (environment, security, trade, children's rights, health, etc.) which are important to Canadian interests but cannot be dealt with effectively solely on a national or bilateral basis. It also allows Canada to leverage substantial amounts of additional resources for its international priorities. Canada generally provides between three and five percent of the resources of the multilateral development institutions (MDIs). Yet, through its membership in these organizations, it is able to influence their overall policy directions and programming. Finally, the multilateral system provides opportunities for building consensus on key international issues and for the sharing of lessons.

### WHAT ARE THE CHALLENGES AHEAD?

There are five key challenges for CIDA in its Multilateral Programs:

- to continue building Canada's influence and credibility within the multilateral system, despite significant reductions in Canada's financial support for multilateral development organizations;
- to continue increasing Canadians' understanding of the critical role played by the multilateral system and of the benefits that Canada derives from the system;
- to continue providing timely and effective humanitarian relief and to develop preventative mechanisms for addressing the effects of natural and man-made disasters;
- to continue supporting the process of reform within the multilateral system to ensure that resources are used effectively and to strengthen the ability of the system to meet the changing global challenges; and
- to find ways to work more closely with multilateral development institutions.

**Figure 6: Resources by Sub-activities - Multilateral Programs**

(thousands of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
<b>Budgetary</b>				
Food Aid:				
- Bilateral Food Aid	143,597	<b>119,379</b>	110,365	110,645
- Multilateral Food Aid	107,693	<b>96,935</b>	89,042	89,042
International Humanitarian Assistance (1)	73,758	<b>77,178</b>	71,708	71,708
International Financial Institutions	162,200	<b>148,201</b>	139,492	139,492
Multilateral Technical Cooperation	108,787	<b>104,021</b>	95,550	95,550
	596,035	<b>545,714</b>	506,157	506,437
Operating Expenditures	4,546	<b>4,544</b>	4,408	4,408
<b>Non-budgetary</b>				
International Financial Institutions	11,202	<b>13,938</b>	18,637	20,146
	611,783	<b>564,196</b>	529,202	530,991
Human Resources (FTE) (2)	55	<b>55</b>	54	54

1. Starting in 1997-98, resources have been allocated from within the IAE for the Peacebuilding Initiative.
2. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## SOME EXPECTED RESULTS

**Basic human needs:** Improved life expectancy, literacy and productive capacity through increased access to basic social services programs of MDIs. Sustainable reduction in poverty through poverty-focused food aid. Reduced loss of life and property through timely and effective emergency assistance. Improved in-country capacities to prevent and mitigate the impacts of man-made and natural disasters.

**Women in development and gender equity:** Increased educational and income opportunities for women and girls to fully participate in and equitably benefit from multilateral supported programs.

**Environment:** Enhanced capacity for environmental coordination and programming in all MDIs to reduce costs associated with environmental degradation and depletion of natural resources.

**Human rights, democracy, good governance:** Clear MDI policies to help ensure their programs encourage increased respect for human rights, better governance, and strengthened civil society and security of the individual.

**Private-sector development:** Enhanced MDI analysis, advocacy and support of sustained and equitable growth. Improved ability of recipient government institutions to provide an appropriate enabling environment for private-sector development. Improved income-generating activities for the poor through facilities such as micro-credit and food-for-work projects.

**Infrastructure:** Full integration by MDIs of poverty, capacity building and environmental issues in infrastructure services programming so as to enhance developmental impact and sustainability.

**Strengthened partnerships:** More linkages between Canadians and the MDIs - more contacts; increased Canadian procurement.

**Increased effectiveness:** Enhanced coordination among MDIs and also with bilateral donors.



## KEY STRATEGIES

Seeking to enhance the effectiveness of multilateral actions through strengthening coordination within the system and by focusing on institutional reform.

Building Canada's influence within the multilateral system by ensuring that Canada's representatives are highly effective and by building alliances with other countries who share similar objectives.

Seeking to increase Canadians' knowledge of the multilateral development system by enhancing linkages between Canadian stakeholders and partner multilateral organizations

Enhancing its efforts to increase the effectiveness of expenditures for food aid and humanitarian assistance by supporting disaster preparedness, focusing on the poorest and on the links between hunger and health, and using the latest scientific knowledge in programming.

## CONCRETE EXAMPLES

When 71 Heads of State and Government met in 1990 at the unprecedented Children's Summit, many wondered whether the outcome would make any meaningful difference in the lives of children. It did. Millions of lives have been saved through increased immunization, better access to safe drinking water and nutritional initiatives. CIDA's core contribution to UNICEF as well as the efforts of Canadian partners (e.g. UNICEF Canada) have been instrumental in this process.

The Inter-American Development Bank, at the urging of Canada, has moved away from infrastructure and adjustment loans to focus on poverty reduction through expanded social sector investments in the Americas and through its initiative to improve governance in the region. Canadian emergency assistance (food and non-food humanitarian assistance) has played a critical role in mitigating the effects of man-made emergencies in Central Africa (Rwanda, Zaire).

## CANADIAN PARTNERSHIP

### OBJECTIVE

The objective of this program is to promote mutually beneficial partnerships between Canadian and developing-country organizations to support sustainable development and reduce poverty in the developing world.

### PUTTING IT IN CONTEXT

For Canada, international development has always engaged the interest and energies of a wide spectrum of the population. Churches, universities and other non-governmental bodies preceded the Government as active players in this field.

Canada and its developing-country partners have an interest in ensuring that these and other Canadian groups remain active development partners. Increasingly, countries in the development world need skills and know-how which reside more in these sectors than in the public sector. As Canada's ODA diminishes, skills, know-how and partnerships will become the major currency through which this country can continue to make an impact in the realm of international development.

Private-sector partners play a major role in the promotion of equity with growth through the Industrial Cooperation (INC) program. Non-governmental organizations, universities and colleges, professional associations and unions remain central to the program's poverty alleviation efforts through grass-root interventions, transfer of Canadian technology and know-how to achieve institutional strengthening and human rights and democratic development activities. The program is also working with youth both in Canada and in developing countries to secure a place in the development field for a new generation of leaders.

### WHAT ARE THE CHALLENGES AHEAD?

Factors which could prevent the attainment of program objectives include generally reduced revenues of Canadian organizations, and unfavourable political or economic developments in recipient countries. They could also include limits on women's capacity to participate in projects and the inability of students to return to their countries after training in Canada because of such factors as war and natural disasters.

**Figure 7: Resources by Sub-activities - Canadian Partnership Program**

(thousands of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
Voluntary Sector and Special Projects	208,253	<b>188,194</b>	172,444	172,444
Industrial Cooperation	64,956	<b>61,700</b>	57,102	57,102
Scholarships	8,900	<b>8,589</b>	8,288	8,288
	282,109	<b>258,483</b>	237,834	237,834
Operating Expenditures	10,415	<b>10,164</b>	9,861	9,861
	292,524	<b>268,647</b>	247,695	247,695
Human Resources (FTE) (1)	145	<b>142</b>	142	142

1. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## SOME EXPECTED RESULTS

**Basic human needs:** Increased capacity of vulnerable groups to meet their basic needs through support for the initiatives of Canadian partners.

**Infrastructure Services:** Provision of sustainable infrastructure services through international activities of Canadian organizations.

**Private-sector development:** Private sector development that promotes sustainable development. Increased Canadian investment in private sector development.

**Women in development:** Improved capacity of government institutions, NGOs, women's groups and organizations to reflect and promote gender equity considerations in their policies and activities.

**Human rights, democracy, good governance:** Provision of sustainable infrastructure services through international activities of Canadian organizations. Expanded popular participation in public life in developing countries.

**Environment:** Enhanced capacity of developing countries to implement environmentally sound development activities. Enhanced capability to manage environmental and natural resources in a sustainable manner.

## KEY STRATEGIES

Cost-sharing is the policy by which all Canadian partner organizations are required to contribute financial resources to their development initiatives. Not only does cost-sharing enhance the partners' ownership of their programs/projects, it also results in financial leveraging at least equal to CIDA's programming budget. A more standardized application of cost-sharing with partners will enable CIDA to extend its programming capacity.

Promotion of a constructive relationship with Canadian partners and a continuous process of policy dialogue and consultation across the spectrum of Canadian stakeholders to seek input, inform the public, promote awareness of programming and thematic priorities, and strengthen public support for development cooperation.

### A CONCRETE EXAMPLE

Leverage is being used to address the prosperity and employment agenda. CIDA supported a private sector joint venture in China for the production of microwave radios. Our assistance enabled the Canadian firm to provide 95 weeks of training to Chinese staff in Canada and 191 weeks of technical assistance by Canadian experts. The Canadian firm and their local partner invested respectively US\$3.3 million and US\$1.5 million in the joint venture. Over the first five years of production, the Canadian firm will receive \$0.5 million of services to the joint venture. The firm created 78 jobs in Canada and 99 in China. Under the repayable contributions policy, the company has repaid \$223,765 to the Receiver General of Canada against a total CPB contribution of \$581,106.

## COUNTRIES IN TRANSITION

### OBJECTIVE

The objective of this program is to support democratic development and economic liberalization in Central and Eastern Europe (CEE) and the Newly Independent States (NIS) by building mutually beneficial partnerships. The program has four main objectives: to support the transition to market-based economies; to increase Canadian trade and investment links with the region; to promote democratic development; and to enhance nuclear safety.

### PUTTING IT IN CONTEXT

Support for the CEE and NIS countries in their transition enables Canada to help promote their security and that of Canada and the global community. Initiatives under this program also represent the sharing of such Canadian values as democracy, human rights and social justice. Helping the transformation to market-based economies furthers stability and progress in the region and leads to mutually beneficial links with the Canadian private sector.

The CEE region is characterized by great diversity as it moves from the Communist one-party, command-economy model. Economic and political reform is in fact the main unifying factor. However, the countries are at different stages in this reform process.

The CEE program was designed to help in this transition effort, in 1989, by providing \$11 million to two countries. It has since committed over \$500 million to 26 countries.

### WHAT ARE THE CHALLENGES AHEAD?

The challenges faced in program implementation will depend largely on developments in the region. They are likely to vary from country to country and from project to project. They could include political or economic instability, failure to implement needed legislation and a lack of local financial support.

**Figure 8: Resources by Sub-activities - Countries in Transition**

(thousands of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
Bilateral Technical Assistance	85,616	<b>77,130</b>	74,987	74,687
Humanitarian and Multilateral Assistance	15,409	<b>15,500</b>	10,100	10,400
	101,025	<b>92,630</b>	85,087	85,087
Operating Expenditures	6,523	<b>6,295</b>	6,110	6,110
	107,548	<b>98,925</b>	91,197	91,197
Human Resources (FTE) (1)	77	<b>85</b>	85	85

1. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## SOME EXPECTED RESULTS

**Economic transition:** More efficient production in key sectors. Transfer of skills and knowledge. To create more capable businesses. New or amended laws and regulations to support market economies.

**Trade and investment links with Canada:** Joint venture studies. Training. Bilateral business councils. Trade fairs, seminars and missions.

**Democratic development:** Public-sector institutions which are more able to implement fair economic and social policies.

**Nuclear safety:** Reduced risks at Soviet-designed nuclear power stations. Stronger nuclear regulations.

## KEY STRATEGIES

Activities are usually small in size, short in duration, and more focused on reform from planned to market economies.

Programs are primarily responsive; more focused on the transfer of knowledge and expertise.

Initiatives delivered in partnership with the private sector, NGOs, academia, ethnic communities and all levels of Canadian governments to leverage project contributions from Canadian and local partners. Flexibility and a strong focus on reform.

Discussions with DFAIT on transition strategies which would depend on a particular country's progress toward reform and which, in some cases, could take effect as early as the year 2000. (After the eventual withdrawal of aid programming, Canada is certain to maintain its political commitment and, hopefully, increase its commercial links.)

### A CONCRETE EXAMPLE

Support will continue for a project which trains Ukrainian law professors in Western legal concepts. Four professors at the new Legal Studies Centre of Kiev University are the first of 18 to be trained in Canada. Alberta, York and McGill universities are the Canadian partners in this project. The Ukrainian Law Foundation, a key organization in legal reform in the country, is behind the establishment of the Legal Studies Centre. This project represents a relatively small financial outlay that could lead to significant political impact.

## COMMUNICATIONS

### OBJECTIVE

The objective of the Communications Branch is to improve public awareness of, and support for, the work of CIDA and its development partners.

### PUTTING IT IN CONTEXT

Demonstrating results and a commitment to strengthening partnership are two means which the government foreign policy statement, *Canada in the World*, proposes for the fulfilment of Canada's international assistance objectives and priorities. Both of these means point to the need for improved communications tools, techniques and strategies.

In keeping with government communications policy, Communications Branch provides support to the Minister, the President and CIDA branches to help them fulfill their responsibilities in this area. This support is provided in the form of expert advice, media relations and analysis, public opinion research, and printed and audio-visual materials.

Through its communications efforts, CIDA seeks to help selected key publics, including youth, decision makers and opinion leaders, better understand its work and the difference it makes. It promotes greater awareness of international development and its impact, and strengthens communications cooperation with domestic and international partners. Communications Branch is also responsible for implementing the Agency's internal communications policy.

Through the Development Information Program (DIP), Communications Branch works in partnership with non-governmental and private sector organizations and individuals to inform Canadians about development programs and issues, with a special emphasis on the important contributions Canadians make in developing countries.

**Figure 9: Resources by Sub-activities - Communications**

(thousands of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
Development Information Program	3,879	<b>3,531</b>	3,243	3,243
	3,879	<b>3,531</b>	3,243	3,243
Operating Expenditures	6,175	<b>6,018</b>	5,838	5,838
	10,054	<b>9,549</b>	9,081	9,081
Human Resources (FTE) (1)	39	<b>38</b>	38	38

1. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## SOME EXPECTED RESULTS

**Greater public understanding:** Greater knowledge and support among the public regarding CIDA, its programs and Canada's development role.

**Publication and broadcast of CIDA achievements:** Success stories generated and regularly featured in CIDA's and partners' communications material.

**Balanced media coverage of CIDA-supported programs and projects:** Increase in objective and knowledgeable media coverage of CIDA and its work. Provision to journalists and editorial boards of substantive information on CIDA and its programs. Increased media interest in development and cooperation.

**Effective communication by Minister, President and Agency spokespersons:** Consistent delivery of CIDA's core messages. Positive audience feedback. Planned corporate, consistent, coherent and strategic communications approach by branches.

**View of CIDA as effective aid Agency by senior business, government and other officials:** Meaningful information on CIDA supplied on a timely basis to members of Parliament, Parliamentary Committees, Central Agencies, other government departments, business people, youth organizations, etc.

## POLICY

### OBJECTIVE

The objective of Policy Branch is to develop and recommend policies, expert advice and strategic plans in the area of sustainable development and to provide development information resources to CIDA.

### PUTTING IT IN CONTEXT

Policy Branch will complete the policy framework in support of the Agency's mandate and six program priorities. It will also monitor new issues and trends in development assistance such as the need to strengthen links between peacebuilding and development.

Expanded trade, investment, political and other linkages with developing countries increasingly oblige CIDA to seek greater coherence among government policies and programs. Policy Branch will participate in government-wide exercises such as the Assistant Deputy Ministers' Policy Research Committee to ensure that government policy reflects the full diversity of Canada's relationships with developing countries.

The Agency's senior scientific and technical specialists reside in the Policy Branch where they provide leadership to a network of specialists in the Agency, policy advice and state-of-the art information and lessons learned in their particular fields for the benefit of development policy and programming.

Policy Branch personnel play an important representational and outreach role. They frequently represent Canada at international meetings of the OECD-DAC, the UN, the Commonwealth, la Francophonie and other bodies. Lastly, the Branch manages the Corporate Memory databank and the library, and will continue to develop and improve statistical and other electronic databases.

**Figure 10: Resources by Sub-activities - Policy**

(thousands of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
Operating Expenditures (1)	6,746	<b>7,640</b>	7,414	7,414
	6,746	<b>7,640</b>	7,414	7,414
Human Resources (FTE) (2)	76	<b>81</b>	80	80

1. The increase in 1997-98 is due to a transfer of functions and funding from CMB to Policy Branch.
2. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## SOME EXPECTED RESULTS

**Advice and information:** Development and recommendation of timely and accurate policy, scientific and technical advice and information on international assistance issues for the Government, Minister, CIDA and other departments.

**International agenda:** Canadian government positions and CIDA policies on international assistance influence the international agenda.

**Reporting:** Comprehensive and timely reporting on policy activities carried out within the International Assistance Envelope.

**Elaboration of policies:** Timely production and publication of comprehensive, pertinent and technically feasible policies. The reflection of CIDA policies in those of other departments and of their policies in CIDA's.

**Strategic guidance and management:** Strategic planning guidance and effective management of the International Assistance Envelope to align CIDA programs with government legislation and priorities.



## CORPORATE SERVICES

### OBJECTIVE

The objective of the Corporate Services activity is to ensure that the Agency has the necessary support services for the efficient and effective achievement of the international development assistance program objectives within the framework of federal government policies, procedures and controls.

### PUTTING IT IN CONTEXT

The Corporate Services activity provides the Agency with support services that are not specific to any individual channel of program delivery. These services are rendered by the Agency Executive, the Personnel and Administration branch and the Corporate Management branch. The costs of these services are classified as indirect administration, as opposed to direct administration which can easily be identified with a particular channel of delivery. (See diagram on page 5 for channels of delivery.)

#### Agency Executive Services:

Includes the Offices of the Minister, the President and the Corporate Secretariat. The Corporate Secretariat assists the President in her duties, as requested, manages specific issues of concern to the Government, Minister and Agency, and provides the following corporate services: Parliamentary Relations, Executive Correspondence, Access to Information and Privacy, and support to Agency committees.

#### Personnel and Administration:

The Personnel and Administration branch provides strategies, advice, programs, tools and services in the areas of human resources management, administration and security.

#### Corporate Management:

The Corporate Management branch provides the Agency with financial and contract management advice, informatics and telecommunications support services, performance review services and legal services. It is responsible for developing and applying contracting and procurement policies, and for ensuring the integrity and effectiveness of these processes. It also plays a key role in acquiring expertise, establishing mechanisms, and adopting new practices in areas such as results-based management and information management.

**Figure 11 Resources by Sub-activities - Corporate Services**

(thousands of dollars)	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
International Centre for Human Rights and Democratic Development	5,000	<b>4,586</b>	4,214	4,214
	5,000	<b>4,586</b>	4,214	4,214
<b>Operating Expenditures</b>				
Agency Executive (1)	2,144	<b>3,985</b>	3,924	3,924
Corporate Management	18,417	<b>15,562</b>	15,089	15,216
Personnel and Administration	13,110	<b>11,387</b>	11,052	11,052
	38,671	<b>35,520</b>	34,279	34,406
Human Resources (FTE) (2)	300	<b>291</b>	287	287

- Increase in Agency Executive costs in 1997-98 is related to the creation of a new Minister's Office (\$1.513M) as well as some enhancements to corporate coordination.
- Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## SOME EXPECTED RESULTS

**Improved management, administration and security:** Efficient and effective delivery of human resources and administration services at least cost. Devolution to managers of maximum possible decision-making authority. Improved strategic management of human resources.

**Improved effectiveness:** Implementation or improvement of effective financial management tools. Enhanced contracting system throughout the Agency. Development of new performance review support systems and methodologies. Coordination of results-based management to ensure uniformity across all branches. Uninterrupted delivery of on-going services while applying continuous improvement.

**Strengthened partnerships:** Increased openness and transparency with the supplier community. Closer working relationship with CIDA stakeholders, federal regulatory agencies and international development community.

**Better reporting of results to Canadians:** Integrated system of performance measurement. New expenditure management system. Performance review support systems and new performance review methodologies. Capacity to accurately control branch and corporate documents, files, papers, etc., through their life cycle. Systems infrastructure to accommodate results-based management and accountability to Parliament and the public. Better publishing and distribution of timely information.

## SECTION III - PERFORMANCE

### Summary of Departmental Performance

The 1995-96 fiscal year was a challenging one for the Canadian aid program. The Agency had to deal with the fact that the ODA budget was reduced by 15 percent from the 1994-95 levels. One consequence was a reduction in staff. Another challenge was the implementation of the Corporate Renewal changes required to bring about needed improvements in the Agency's effectiveness and reporting. The year also witnessed the transfer of the Central and Eastern Europe (CEE) program from DFAIT and its integration into the CIDA structure.

Nevertheless, CIDA continued to meet the government's objective of providing assistance to developing countries. This was in line with the mandate in the foreign policy statement *Canada in the World*.

In 1995-96, the Agency's programs and projects have provided significant benefits to developing countries. In assisting our developing country partners, Canada has also been able to benefit from the aid program as envisaged in *Canada in the World*. The program has strengthened partnerships. It contributes to the Government's foreign policy objectives of promoting prosperity and employment at home, protecting our security, and projecting Canadian values and culture abroad.

Although the primary benefit of ODA is development, CIDA was able, while pursuing its mandate, to complement the Government's objective of job creation and export competitiveness. The Agency did so by involving Canadians as primary partners in implementing aid programs in developing countries. Unlike any other government policy instrument, Canada's aid program allowed Canadians to participate in the economic, social, and political development of over 100 countries. These countries are home to 80 percent of the world's population.

## Departmental Overview

### WHAT OTHERS SAY ...

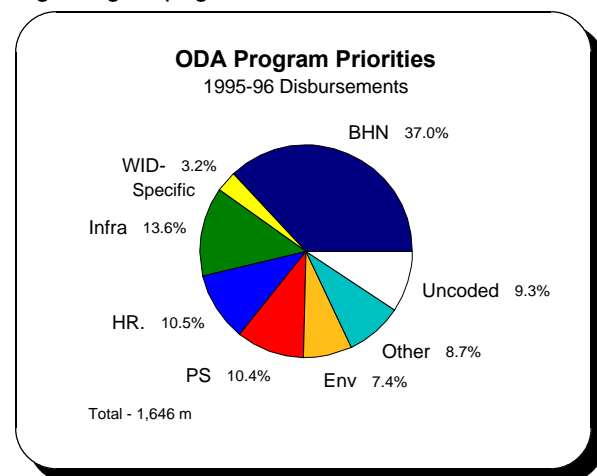
**"Canada has played a vital role as a global partner in international development cooperation. In conjunction with other donors, Canada has made distinctive contributions to the stability, economic growth and human progress of large parts of the developing world, with notable development successes."**

(Source: June 1994 review of Canada's Official Development Assistance by the Development Assistance Committee of the OECD)

## PROGRAM DELIVERY

Delivery of the ODA program in accordance with the six program priorities is achieved through a series of complementary business lines. (Graphic below shows breakdown of CIDA's disbursements by priority.) These have clearly defined objectives, resources and accountabilities as described earlier in Section II.

In 1995-96, CIDA continued to play a vital role as a global partner in the development cooperation system. This section reports on the Agency's achievements in the six program priorities during 1995-96. Accomplishments are reported below for the Agency and for individual business lines beginning on page 42.



### ***Basic Human Needs (BHN)***

Initiatives in the area of Basic Human Needs support recipient countries' efforts to improve primary health care, basic education, family planning, nutrition, water and sanitation, and shelter. Humanitarian assistance in response to emergencies is also included. In 1995-96, the Agency spent approximately \$608 million on Basic Human Needs initiatives, or 37 percent of the Agency's disbursements. This level exceeds the 25 percent target set out in the foreign policy. Twenty-two percent of bilateral programming is in BHN, exclusive of food aid, reflecting the increased importance that the Agency is giving to investments in the areas of health, education, water and sanitation, and population. The significant contribution to the total from Multilateral Programs is largely accounted for by spending on food aid and humanitarian assistance, in response to situations of instability and war, refugee movements and immediate post-conflict reconstruction.

A multi-donor evaluation sponsored in part by Canada (March, 1996) of international humanitarian assistance to Rwanda concluded that the overall performance of civilian humanitarian agencies in saving lives and mitigating large-scale suffering was impressive. CIDA was part of the international effort to provide this assistance. However, the evaluation also pointed out that humanitarian assistance cannot substitute for political action. Despite overall success, further improvements are required, e.g. in emergency preparedness, and UN/NGO coordination and accountability.

### ***Women in Development and Gender Equity***

Through the implementation of its WID and Gender Equity (GE) Policy, the Agency aims to strengthen the full participation of women as equal partners in the sustainable development of their societies. CIDA has always pursued a two-pronged approach to programming: WID-specific efforts which target women exclusively, and integrated efforts that ensure that goals, objectives and delivery mechanisms are aimed at women's needs, interests and participation as much as men's. Also, all

development initiatives require a gender analysis. During 1995-96, the Agency spent \$52 million, or 3.2 percent of its program budget on WID-specific initiatives. Additional progress was made in the Agency's strategy of integrating gender equity concerns into the design of all CIDA programs and projects: approximately 35 percent of bilateral programming is integrated.

A major review of the Agency's WID&GE activities, initiated in 1995-96, was almost completed by December, 1996. The review followed-up on the recommendations made in a previous evaluation done in 1992. Six sub-studies were conducted as part of the review: a *Follow-up Study* (to the 1992 evaluation); an *Audit Component - Preliminary Survey Report*; a *Methods on Impact Study* (an assessment of effects at the field level); a *Best Practices Study*; a *Survey of Southern Women*; and *An Analysis of Information Contained in CIDA's Corporate Memory*.

Preliminary indications from these sub-studies suggest that CIDA's WID&GE programs have improved since 1992. Further, there is a growing commitment to WID&GE in the Agency. And the quality of WID&GE information in CIDA's Corporate Memory (Agency data bank) has improved. The sub-studies also raise issues which suggest the need for strengthening certain aspects of the WID&GE programming including the need for setting measurable targets.

### ***Infrastructure Services***

Expenditures on Infrastructure Services in 1995-96 amounted to \$224 million. This was 13.6 percent of the Agency's program resources. Infrastructure Services was an important component in all program branches.

These resources were devoted to initiatives to help developing countries deliver environmentally sound infrastructure services with an emphasis on poorer groups and on building capacity. Historically, spending on infrastructure has been focused on the energy, transport, water and telecommunications sectors.

### ***Human Rights, Democracy, Good Governance***

During 1995-96, the Agency spent \$172 million (10.5 percent of its program resources) on initiatives to promote Human Rights, Democracy, Good Governance.

Under this program priority, the Agency's focus is on increasing respect for human rights, including children's rights; promoting democracy and better governance; and strengthening both civil society and security of the individual. In recent years, CIDA has increased its focus on legal and judicial programming particularly in the areas of assistance to constitutional reform, support for legal infrastructure and legal aid initiatives, capacity-building in legislative drafting, and training of judges and lawyers (e.g. high level seminar of judicial and legal experts across Canada, Chief Justices, etc.). Creating a stable legal infrastructure allows for not only economic and social development but also transparency, accountability by public authorities, and promotion of broad social change.

### ***Private-Sector Development***

During 1995-96, Agency spending on Private Sector Development initiatives amounted to \$171 million, or 10.4 percent of its program resources.

The thrust of the Agency's investments in this area is to promote sustained and equitable economic growth by supporting private-sector development in developing countries within a poverty reduction framework. Various types of interventions are implemented: from transfer of technology to micro-credit schemes for women and youth; from strengthening the enabling environment and reform of macro-level policies, legislation and regulations, to increasing access to productive assets by the poor.

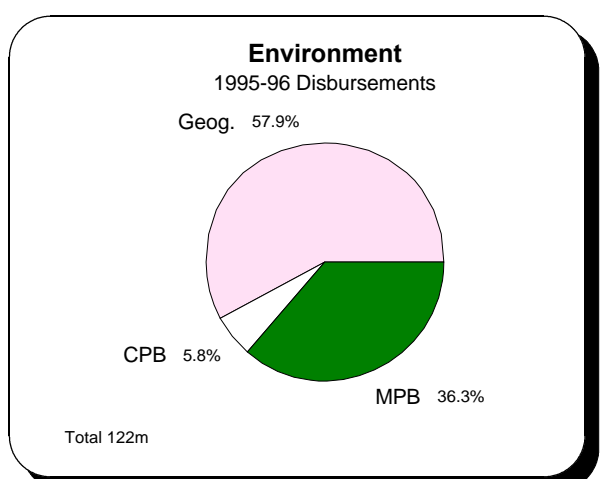
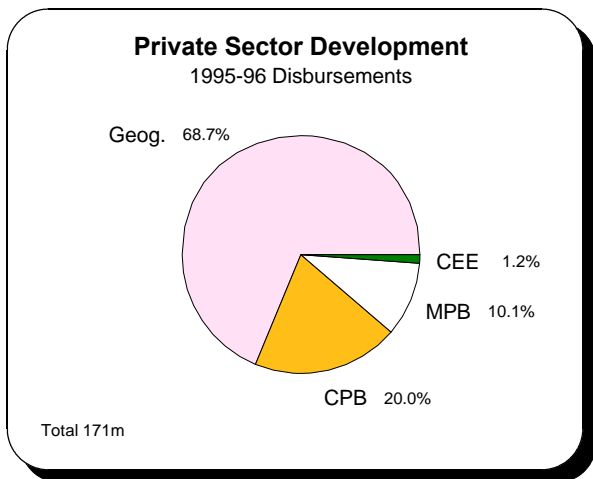
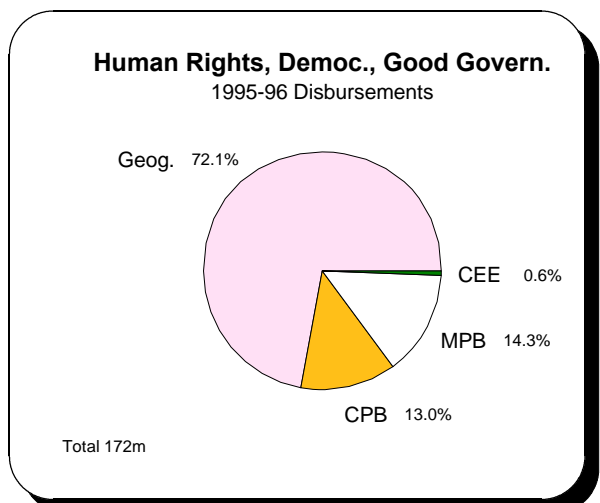
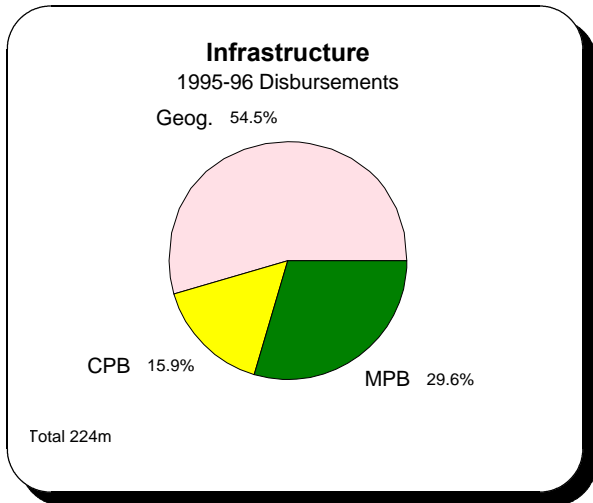
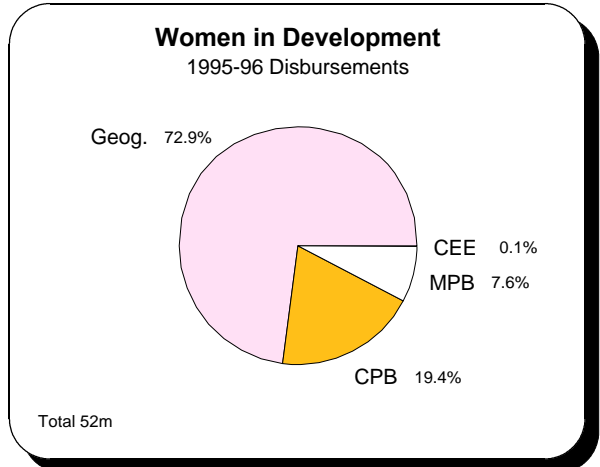
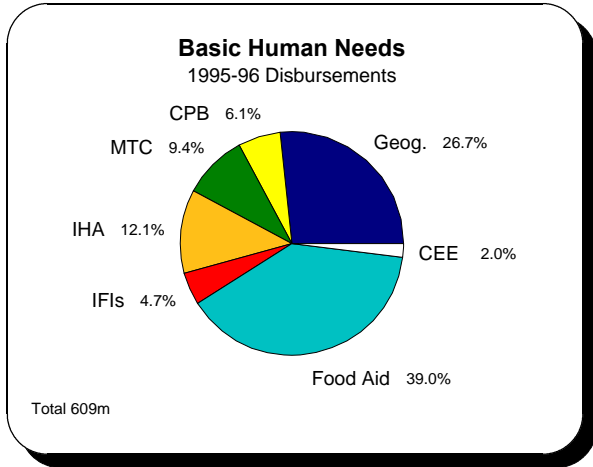
### ***Environment***

The focus of the Agency's Environment initiatives was to help developing countries protect their environment and contribute to addressing global and regional environmental issues. Furthermore, consistent with CIDA's policy on environment, efforts were made to integrate environmental considerations into the range of CIDA's decision-making, program planning and project development, as well as those of our Canadian and international partners. In 1995-96, CIDA disbursed \$122 million, 7.4 percent of its resources, on initiatives related to the Environment.

Page 37 presents a series of graphics which illustrate, by ODA priority, the percentage of CIDA's 1995-96 disbursements by channel of delivery. For example: in the priority HR/D/GG a total of \$172M was disbursed, of which; 72.1 percent was through Geographic Programs, 0.6 percent by CEE, 14.3 percent by Multilateral Program Branch (MPB) and 13.0 percent was via Canadian Partnership.

#### **CODING AND COUNTING SYSTEM**

CIDA introduced a priority coding and counting system in 1995. These figures provide a reasonable approximation of CIDA's allocation of resources. The system is still evolving and has required approximations for projects initiated before the priorities were established. CIDA is continuing to work on improving the reliability of the data.



## BENEFITS TO CANADIANS

### *Direct Economic Benefits*

About 70 cents out of every Canadian development assistance dollar was used to pay for Canadian goods and services. A recent study using Statistics Canada methodology showed that in 1995-96 Canadian ODA expenditures provided 36,000 new or ongoing jobs, and led to contracts for 2,000 businesses, 50 universities and 60 colleges in Canada. These direct job benefits are proportionally greater than employment estimates attributed to Canadian exports, because of the high labour intensity and Canadian content of goods and services utilized by CIDA.

### *Long-term Strategic Benefits*

Canada's development assistance program is part of a broader international effort contributing to the establishment of global peace and security. Aid has helped enhance democracy and managing conflict in countries like Haïti, Cambodia and Mozambique, thereby improving conditions for sustainable development.

Delivering a CIDA-supported initiative has given entry points in developing markets to enterprises, NGOs, or universities in Canada, resulting often in subsequent contracts with recipient countries or multilateral development organizations.

CIDA is the only federal or provincial government agency which can:

Establish a Canadian private sector presence in key emerging markets considered too high a risk by both commercial creditors and the Export Development Corporation (EDC). **The development program is the only established official Canadian contact in more than 50 countries.**

Assist Canadian firms to develop long-term partnerships in some of the fastest growing low and middle-income

economies of the world. The typical 3 to 5 year development program often provides a local presence and network needed to ensure long-term success.

Directly enhance the economic management capacity and political stability of developing countries, critical for Canadian trade, prosperity and security. Technical assistance to improve the economic management capacities of governments is now paying off in the form of increased trade and investment in our partner countries.

## POLICY AND MANAGEMENT

In its continuing efforts to improve its effectiveness and in order to do more with less, the Agency forged ahead with initiatives in several areas in 1995-96. It restructured to provide better services with fewer people. It completed a number of initiatives that improved its overall efficiency and effectiveness in areas such as human resources management, finance, contracting, information management and technology, performance review and results-based management.

### *Policy Development*

Work continued on the Agency policy framework and its dissemination and training for staff.

A coding and counting system is in place, permitting CIDA to better report on disbursements according to the six ODA priorities (see box on page 36).

### *Management Renewal*

In 1995-96, CIDA continued to consolidate progress in the Management Renewal initiatives started in 1994 to transform the Agency into a more results-oriented and accountable organization. These were reported in the last years' Main Estimates:

**Bilateral programming:** A re-engineering and streamlining of processes for

planning, approval and management of bilateral projects was completed and provided to project managers and officers.

**Results-Based Management (RBM):** In March 1996, the Agency introduced a Results-Based Management Policy which is now being implemented. This policy consolidates the progress already made in implementing RBM within CIDA by establishing the basic RBM policy and principles, and a common vocabulary.

**Human Resources Management (HRM):** A new HRM strategy for 1995 to 1998 was introduced in October 1995 to ensure a qualified, productive, enabled and sustainable workforce for the Agency. The Strategy addresses core concerns such as CIDA's values, competencies, training and development, career management, promotion and recruitment.

**Reductions in Administrative and Delivery Costs:** Full advantage was taken of common services opportunities with DFAIT.

### ***Performance Measurement***

**A Framework of Results and Key Success Factors for Assessing Bilateral Projects:** In 1995-96, CIDA focused on the development of a performance measurement system to monitor the performance and measure the results of its bilateral projects. This included the development of a Framework of Results and Key Success Factors that will serve as the basis for both independent performance reviews and performance assessments by line managers in the program branches. A prototype model was developed, tested in the field, and finalized.

**Indicators Development:** In 1995-96, CIDA continued to work on appropriate performance indicators to help it measure key results, notably for WID and HR/D/GG.

**Self-assessments:** Apart from the objective assessment initiated during 1995-96 in respect of the Women in Development

priority, individual program branches carried out self-assessments to measure progress in responding to all the priorities. In each case, indications were positive. Additional details on methodologies used can be found in the Annex to this Section.

### ***Reporting***

**Continuous Improvements** are being made to reports to Parliament and Central Agencies. CIDA continues to report to the Public Accounts Committee and the Standing Committee on Foreign Affairs and International Trade. Last year's *Main Estimates* started by reporting results by program priority. This report improves further on these aspects.

**Responses to the Auditor General's 1993 Report:** In 1995-96 CIDA prepared a Self Assessment Report detailing its progress in addressing the concerns raised by the Auditor General in his 1993 audit of the Agency. Improvements included implementation of the Agency's results-based management policy. This was the first phase of a three-phase follow-up to the Auditor General's 1993 report and represented an innovative reporting approach.



## Learning from Experience

In the implementation, and more so in the evaluation, of its various programs and projects, CIDA learns many lessons. These lessons become new items to be considered in the future planning, management and delivery of each business line. Some of the lessons learned are presented below.

- \* The sharing of a common agenda among all partners (CIDA, the Canadian executing agency, the recipient government or organization) is a key factor contributing to the success of a project.
- \* Correct timing is a crucial but easily neglected factor in the introduction of new ideas and technologies.
- \* The lengthy CIDA planning and selection process, combined with similar constraints in obtaining approvals in recipient countries, creates delays which can make a project irrelevant by the time it is actually mobilized.
- \* The provision of basic human needs services alone is not sufficient to build a community's capacity to manage its own development. Combined types of programming are required. Combining the strengthening of community-based capacities for the poor to manage their development with increased provision of basic services is a more efficient project design.
- \* Research and advocacy projects may ultimately achieve development results which rank among those having the greatest impact. However, it is extremely difficult to measure results in these types of initiatives and to demonstrate or attribute cause and effect relationships between CIDA's interventions and the kind of high-level impacts which they provoke.
- \* Low absorptive capacity of key institutions in the recipient country can affect the success of programs, including emergency programs.
- \* Access to credit for women is a key success factor for their integration into the work force.
- \* There is still a need to give greater consideration to women as participants and beneficiaries, and to gender issues as a whole, during the design and planning of projects.
- \* Canada needs to continue encouraging the process of management change and reform taking place within UN organizations so that demands for renewal come from within these organizations rather than from outside. The increased sense of ownership which will result will improve the chances of reforms being implemented.
- \* In the context of multilateral development activity, CIDA needs to identify all potential allies on an issue and build coalitions.
- \* The Rwanda evaluation pointed out that humanitarian action cannot substitute for political action. Despite overall success, improvements are required in preparedness, contingency planning and UN/NGO coordination and accountability. Given the mixed NGO performance, the existing code of conduct needs to be improved. Performance standards need to be developed. Questions regarding predictability, costs, and effectiveness, and the coordination of military interventions with civilian organizations also require assessment.
- \* A recent audit by the Auditor General reveals that although progress is visible on several fronts, procedures for measuring and reporting on program effectiveness require attention. According to the audit, the program has become more results-oriented. But management must implement recently developed country program strategies; focus on high-quality projects and partners; and report on project results in terms of their contribution to Canada's program strategies and objectives.

## Details by Business Lines

In Section II, each of CIDA's seven business lines was described in detail. Their strategies and plans were presented. This section focuses on the performance of each business line over the past few years.

In order to avoid duplicating material contained in the Plan, such information as business line objectives is not repeated. The seven reports which follow are based on a number of expected results. These are followed, in each case, by a concrete example of the achievement of that result. **In order to save space, only some of the expected results are reported here.** For each program business line, the expected results that are used are grouped under the six ODA program priorities.

As with the Plan, the Countries in Transition business line follows its own four objectives. Similarly, the non-program business lines - Communications, Policy and Corporate Services - are reported on according to their particular functions.

Apart from information on the results of CIDA activities for beneficiary countries, the reports on the program business lines include samples of the benefits to Canada.

An annex to this Section, "Project Performance Assessment", outlines new initiatives by the Geographic and Countries in Transition business lines to capture the results of projects and compare them with the objectives or expected results.

### What Others Say ...

*"CIDA's self-assessment report addresses the principal concerns raised in our 1993 Report. The Agency has developed a results-based management concept to strengthen its effectiveness. The clarity with which CIDA has acknowledged its accountability to Parliament for results and the emphasis it is placing on coherence in pursuing the government's objectives in Official Development Assistance is noteworthy."*

- Auditor General of Canada  
(In October 1995 Report,  
Chapter 13, page 13-7)

### Frequently asked question

**Why should Canadians spend money on aid only to have that money disappear into the pockets of Third World leaders?**

In the first place, aid is rarely given in the form of cash. It certainly is never given as cash payments to politicians. Typically, aid is provided as goods or services, e.g., the advice and expertise of an environmental management firm. Secondly, elaborate monitoring mechanisms are in place to prevent aid funds from being misused. Finally, CIDA's programs are delivered primarily through Canadian partners and multilateral development organizations.

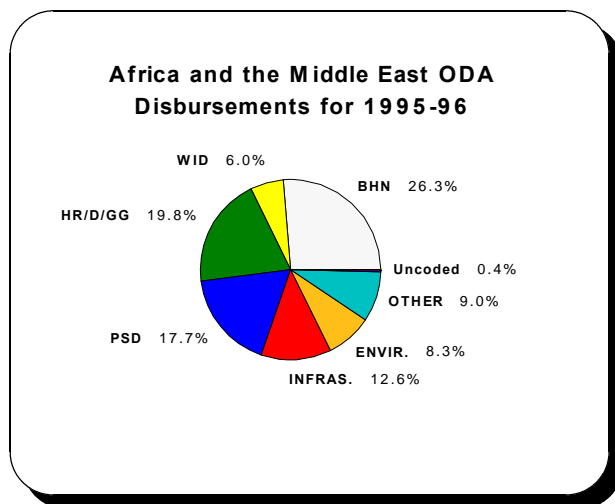
## GEOGRAPHIC PROGRAMS

### SOME EXPECTATIONS AND ACHIEVEMENTS

#### Basic Human Needs

**Expected result:** Increased access to health services and increased efforts to overcome certain **diseases**.

CIDA's projects related to AIDS/HIV focus on awareness, prevention and treatment. Projects are presently underway in Kenya, Southern Africa and West Africa and reach over 20 countries. In Kenya, appropriate health services were established and are functioning to improve diagnosis and treatment of AIDS with an overall total of 95,000 treated at an average of 2,600 monthly.



**Expected result:** Improved access to basic education.

Support to basic education almost doubled in 1995-96, with a strong emphasis on youth, especially girls. The "Girl Child Education", an initiative undertaken in collaboration with UNICEF and 15 countries in Africa and the Middle East, showed promising results. In Egypt, 70 new community schools provide improved access to female children. In Senegal, 83 new classrooms benefit over 3,000 students.

**Expected result:** Meeting immediate food requirements as well as improving long-term local capability to meet the needs of the population in a sustained manner.

There have been promising efforts to improve agricultural production through applied research and development and through improved pest control. The Ghana Grains project and the food-for-work program in the Horn of Africa have made significant contributions to enhancing community responsibility for food security.

**Expected result:** More effective co-ordination between government and NGO assistance programs.

In the Philippines and Sri Lanka, NGOs and community-based organizations are better equipped to undertake policy dialogue with governments.

**Expected Result:** Improved access, quality and reliability of potable water facilities and sanitation services.

In Nicaragua, the availability and reliability of potable water for urban populations improved: five pumping stations were upgraded; over 1,700 house connections were made or corrected. In Ghana, Kenya, Rwanda, Gaza, Morocco, Mali and Niger, access to clean water was increased as a result of CIDA support and efforts were made to ensure local ownership and operation of water supply systems.

**Expected result:** Diversification of agricultural production and increased food supplies.

In the Guayape Valley, Honduras, 37 hectares of irrigation were installed. Two new agro-industries were established. Ten technicians are providing technical assistance to about 200 small farmers. Also, contracts were signed for the exportation of crops to El Salvador and fruit juice to the United States. In the Caribbean, a sheep production project contributed to improve the overall welfare of low income sheep farm

families: some 150 small farmers were trained and high quality meat is sold to two supermarkets and a hotel.

**Expected result: Increased ability of vulnerable groups to meet their basic needs and carry out productive activities.**

In Haiti, local organizations distributed over 400,000 tools to rural communities to carry out productive activities. About 145,000 people have benefited.

**Expected result: Basic education services - greater extension and better quality.**

In Guyana, CIDA contributed to the production of 3.1 million exercise books, representing 80 percent of annual demand in the country. In addition, approximately 220,000 students from primary and secondary schools, both girls and boys, were provided with graph pads and copywriting exercise books.

## Women in Development

**Expected result: Increased income and employment opportunities for women.**

The Women's Initiative Fund (WIF) provides small credit and technical assistance to women in Upper Egypt to start small businesses. It has helped to establish 200 new businesses and has so far provided credit support to 2000 self-employed women to date. In 1995-96 alone, 50 new businesses were formed. A thousand women received credit support. In Bangladesh, a CIDA project focuses, among other things, on providing credit facilities to the landless rural poor. Of the 329,000 borrowers, 79 percent are women. Since then, their participation in decision-making at the community or family levels has considerably increased as a result of income increases.

**Expected result: Strengthened capacity of NGOs and women's organizations to promote and foster increased participation of women in local and national development activities.**

In India, CIDA contributed to a number of women's organizations coming together to develop an advocacy strategy. Their efforts resulted in legislation requiring that one-third of the seats in both houses of Parliament be filled by women.

**Expected result: Government institutions which are more able to formulate and implement development policies and programs that are fair to women as well as men.**

As a result of a CIDA project, the President of Indonesia now meets on a monthly basis with the Minister of the Role of Women and has increased funds to this ministry.

### BENEFITS FOR CANADA

CIDA projects in Benin have helped position Canadian companies for possible projects with the World Bank and the UNDP.

A Canadian contribution to Mauritania of \$1 million to purchase locomotives, subsequently led to an additional order of \$9 million for Canadian locomotives.

A \$50 million project designed to support public-sector reform in Ghana has led so far, among other things, to the purchase of \$7 million in Canadian goods and services by Ghanaian importers and new links between Canadian exporters and Ghanaian importers.

A CIDA telecommunications project in Tanzania helped two Canadian firms to bid successfully for a \$10 million African Development Bank contract to supply and install underground telephone lines in Dar es Salaam, the Tanzanian capital. The firms further enhanced their reputation by completing the contract within budget and ahead of schedule.

**Expected result: Gender equity considerations as an integral part of programs and projects.**

In Pakistan, increased participation by women made positive changes in the implementation of the Aga Khan Rural Support Project. In CIDA's assistance to Lahore University to strengthen its management science capabilities, Women in Management seminars and a gender training program have improved the teaching and research capacity.

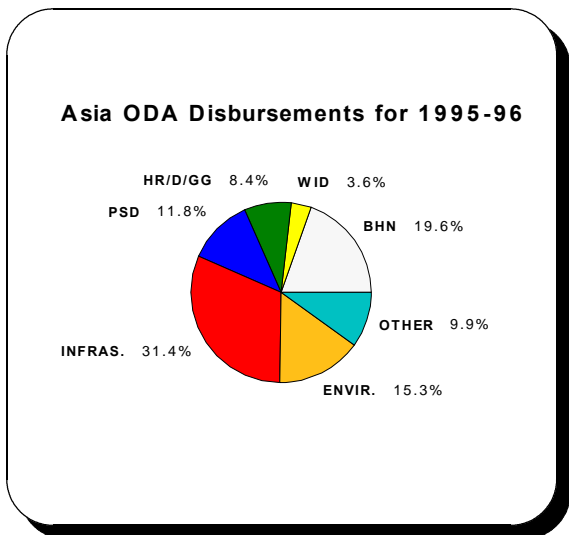
**Infrastructure Services**

**Expected result: Greater capacity to plan, manage and operate transportation networks.**

With Canadian supported training and equipment in Africa, the Beira rail line began operating efficiently. Regional rail traffic has considerably increased. Mali and Senegal received help in building and managing railways.

**Expected result: Increasing the capacity of people and institutions to manage infrastructure services.**

In Bangladesh, Canadian advisors and trainers have helped to develop the skills of hundreds of Bangladesh Rail employees and to improve management procedures and work planning practices. The result is a more efficient service benefiting mostly the poor people living in remote areas. In Tanzania and Zimbabwe, CIDA has upgraded telecommunications systems by improving managerial and technical skills. These systems now operate on a cost-recovery basis.



**Expected result: The maintenance and replacement of physical capital stock.**

**BENEFITS FOR CANADA**

Canada's ODA engagement has enhanced this country's reputation and visibility in Asia. Mutually beneficial exchanges and partnerships have developed. There have been sizeable commercial spin-offs. For instance:

In Malaysia, 36 Canadian joint-venture partners in the Malaysia Enterprise project have earned \$15M to date in revenues, have \$67.4M in contracts in hand, and have directly created 314 jobs in Malaysia and 65 jobs in Canada. Economic spin-offs for Canada from a project in 14 Chinese cities equals \$6 in contracts for every dollar of project value. CIDA's fertilizer program has increased China's agricultural productivity by approximately \$1B and set record sales for Canada, with exports to China increasing fourfold to 20M metric tons.

In Pakistan, the supply of Canadian equipment and spare parts has contributed significantly to Pakistan's Water and Power Development Authority's ability to maintain the power system, and provide more secure water supplies to the country.

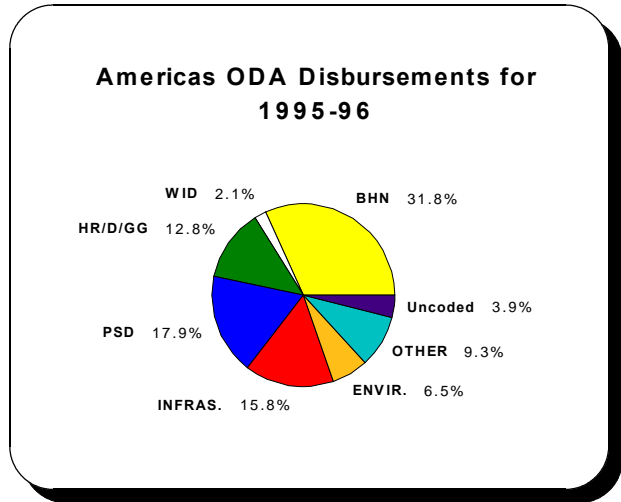
**Expected result: Upgrading of infrastructure to support economic development.**

In St. Lucia, the construction of the Roseau Dam has been completed and the water supply to commercial and residential areas is progressively becoming more reliable.

## Human Rights, Democracy, Good Governance

**Expected result: Contribution to joint efforts to create sound bases for peace negotiation.**

Several important contributions were made towards resolving conflicts by improving communication and co-operation. In Ghana, stabilization of conflict in the North was accomplished through small project initiatives and mediation efforts. In Gaza, 35 refugee families were re-located. This relocation is part of Canada's role in the Middle East peace process and our special interest in refugees. In Mali, an initiative has been undertaken to increase communication between authorities, ex-combatants and local communities.



**Expected result: Support to electoral processes to ensure fair elections.**

Support to electoral processes was provided in South Africa, Niger, Ghana, Benin, Tanzania, El Salvador, Haiti, Gaza and the West Bank. The result was successful steps towards democratization.

**Expected result: Increased capacity of legislative, judicial and executive systems (in selected countries) to become more transparent, accountable and open to public participation.**

In Thailand, support to a key central institution has led to the first-ever open public consultation in the planning process of a five-year plan. In Sri Lanka, support to an investigation committee led to the release and faster processing of many detainees.

In Haiti, knowledge and skills of 40 judges were upgraded. CIDA also worked closely with the Government of Haiti in financing the production and publication of the report of the "Truth Commission". This report brought to light human rights violations that took place between 1991 and 1994 during the exile of President Aristide.

**Expected result: Increased ability of public-sector institutions to formulate equitable Latin America and Caribbean economic and social policies.**

In 1995-96, over 1,100 participants coming from Latin America and Caribbean policy-making institutions or universities in at least six countries were trained.

## Private-Sector Development

**Expected result: Promotion of an appropriate climate for private-sector development.**

In Côte d'Ivoire, product market testing on new export goods was undertaken. Export of papaya to Europe was successfully initiated. Ten tonnes of papaya are exported per week. A centre created for upgrading product quality will play a crucial role in introducing new products. In Egypt and Cameroon, effective support and advisory bodies were developed for local enterprise development.

**Expected result: Improved level of skills conducive to the enhancement of economic productivity.**

In several countries such as Egypt, Cameroon, Burkina Faso, and Benin, successful training programs have been established to improve skills required in the private sector. In the Leeward/Windward Islands of the Caribbean, over 1,600 people received short-term training in education, tourism and agriculture.

**Expected result: Improved advisory and credit services for small and medium entrepreneurs.**

In Benin, over 5,200 employment opportunities were generated in CIDA-supported small and medium enterprises (SMEs), and urban road construction. Improved advisory and credit services have been provided for SMEs in Tanzania, Madagascar, Egypt, Senegal, Benin, Burkina Faso, and Mali. In Jamaica, 14 People's Cooperatives Banks clusters have been established, improving access of small scale farmers to credit and other banking services.

**Expected result: Improved ability of government institutions to develop and implement policies which make it easier for the domestic private sector to develop, and for foreign investments to increase.**

Chinese state organizations in the dairy industry have received training, technical assistance and equipment resulting in new management policies and procedures. The cost-effectiveness of the industry increased and the quantity and quality of milk available to the people were improved.

**Expected result: Strengthened local private sector capacity (with emphasis on small and medium enterprises) to engage in sustainable and equitable development.**

In Sri Lanka, the Small Landless Credit project substantially increased household incomes of 75 percent of the participants and created 402 jobs. In India, Coop Societies with 235,000 members in 5,600 villages were created.

## BENEFITS FOR CANADA

A project providing lines of credit to Bolivia, Colombia, Ecuador and Peru resulted in the equivalent of one year of work for just over one thousand persons in Canada. In addition a company acquired \$24 million in contracts with the help of contacts made during the project.

Sub-contracts were awarded to 142 Canadian enterprises through a project to help develop the oil and gas sector in Bolivia. These companies later acquired 99 "spin-off" contracts worth \$58 million.

CIDA invested \$712,000 in a project to help Brazil develop its environmental management capacity with the help of Canadian RADARSAT satellites. This led to a \$4 million contract for Canada.

A Canadian university acquired a \$4 million contract following a \$1.37 million CIDA project to improve perinatal and maternal health in Bolivia, Peru, Nicaragua and Honduras.

**Expected result: Expanded and viable business linkages between Asian and Canadian industry (with particular emphasis on small and medium enterprises).**

The Thailand-Canada Enterprise project has provided advisory services to 134 firms with ten types of technology transferred, from fibre optics to waste water treatment. In Maghreb, Zambia, Senegal and Côte d'Ivoire, possibilities have been identified to promote commercial linkages through transfer of Canadian technology.

**Expected result: Increased export of agricultural products.**

In Jamaica, several activities have taken place to increase export of Jamaican products such as papaya, processed food and horticulture. Market intelligence information has been collected. Marketing plans for exporters and promotional campaigns have been developed. Trade missions and market visits to Canada have taken place.

## Environment

### **Expected result: Support to prevention of desertification and improved management of environmental resources.**

In the regions of Sahel, the Southern Africa Development Community (SADC), Egypt, and Guinea, several initiatives have been undertaken to increase the awareness of environmental conservation and develop strategies to address such issues. Improved management in forest resources was accomplished in Cameroon. Shared water resource management has been the main emphasis in Jordan and Egypt, where water scarcity threatens the region's long-term political stability.

### **Expected result: Enhanced policy and regulatory capacity to curb the growth of gas emissions and substances contributing to global warming and climate change.**

The Pakistan Environment Program developed policy recommendations for three-wheeled taxi emission reductions that have been accepted by the government and will now be developed into regulations. In India, CIDA is assisting the Confederation of Indian Industry to provide environmental and energy audit services in order to operate in a more environmentally benign fashion.

### **Expected result: Improved co-ordination between various levels to develop, implement, and monitor environmental policies and regulations.**

In India, a project aimed at reducing deforestation and rejuvenating degraded environments has the participation of approximately 20,000 households to date or 100,000 persons. Also, the Association of South-East Asian Nations (ASEAN) Co-operative program in Marine Sciences has established a toxic Red Tide monitoring network which alerts and enables governments to eliminate the distribution and consumption of contaminated seafood.

### **Expected result: Improved natural resources management.**

In Costa Rica, the protected zones of the Arenal Conservation Area have been increased by ten percent and protection strengthened by upgrading the legal status of another 40,000 hectares. (equal to 50 percent of the total area under some form of protection).

### **Expected result: Increasing environment and natural resources management capacity in key institutions.**

In Guyana, a National Fisheries Management and Development Plan was completed and was a major input into the country's National Development Strategy.



The following table provides a multi-year comparison of the Geographic Programs by sub-activity. Please note that figures have been adjusted to reflect CIDA's new program structure described on page 10.

**Figure 12: Resources by Sub-activities - Geographic Programs**

(thousands of dollars)	Actuals 1993-94	Actuals 1994-95	Main Estimates 1995-96	Actuals 1995-96
Africa & Middle East	331,985	330,369	328,815	317,953
Asia	313,006	263,802	270,359	259,139
Americas	144,520	152,238	131,526	141,933
	789,511	746,409	730,700	719,025
Operating Expenditures	31,988	45,043	40,264	41,556
Debt Forgiveness (1)	6,644	37,438	-	11,910
	828,143	828,890	770,964	772,491
Human Resources (FTE) (2)	446	549	565	510

1. The 1993-94 and 1994-95 Actuals include \$6.6 million and \$37.4 million for the forgiveness of debts owed by Latin American countries as a result of the Latin American Debt Conversion initiatives, and by Egypt as a result of the global agreement between the Paris Club and Egypt. In 1995-96, Actuals include \$11.9 million for the forgiveness of debts owed by five Latin American countries as part of the Latin American Debt Conversion initiatives.
2. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## MULTILATERAL PROGRAMS

### SOME EXPECTATIONS AND ACHIEVEMENTS

#### Basic Human Needs

**Expected Result:** Increased focus on poverty reduction by multilateral development institutions (MDIs).

MDIs are making poverty-focused strategies a condition of access to funding. For instance the Caribbean Development Bank aims to have 40 percent of loans linked to poverty alleviation and also requires a focus on gender issues. The African Development Bank's lending is now based on a country's commitment to development sustainability, poverty reduction and good governance. In addition, 65 percent of the funds must be targeted towards agriculture and basic social services. Canada was one of the lead donors in obtaining agreement on the establishment of these conditions. **(Further information on CIDA's activities with the Multilateral Development Banks is set out in the Annual Report to Parliament on Regional Development Banks.)**

**Expected Result:** Timely and effective provision of emergency assistance.

Delivery of rapid and effective emergency relief (\$41.4 million) to victims of war and conflict in the 12 most chronically affected countries, including Rwanda, saving lives and mitigating large-scale suffering.

**Expected Result:** Greater capacity of certain countries to prevent and deal with natural disasters.

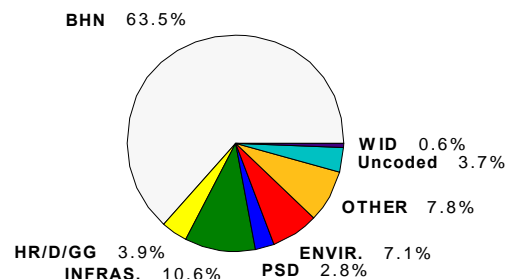
Strengthened disaster preparedness and management capacities in partnership with key organizations in vulnerable communities located in Africa, the Caribbean and Latin America. Such efforts have resulted in decreased calls on the international community for emergency relief.

**Expected Result:** Cost-effective delivery of food and nutrition assistance, especially to the most vulnerable, in a manner that promotes sustainable development.

CIDA worked to reduce iodine deficiency diseases, through support to the Micronutrient Initiative, an internationally funded organization, housed at IDRC.

UNICEF estimates that Canadian funding in 1995 saved over three million children from mental impairment. Also, in Ethiopia, major steps were taken to move from traditional relief-oriented food distribution to targeted food aid programming integrated into community development activities.

**Multilateral Programs ODA Disbursements for 1995-96**



#### Women in Development

**Expected result:** Improved implementation of gender equity policies by multilateral development institutions.

UNDP has set specific targets on achieving gender balance on its staff. Its goal is to achieve a level of 50 percent females in its professional staff by the year 2000. Two projects have already been approved that meet both the focus on women and incorporate a strong element of results measurement in project design.

## Infrastructure Services

**Expected result: Contribution by Multilateral Development Banks to improved access to basic infrastructure services, particularly for the poor and women.**

The Asian Development Bank's new policy on consultation with affected beneficiaries and new inspection function will ensure community input into all infrastructure projects.

## Human Rights, Democracy, Good Governance

**Expected result: Relevant MDIs develop and implement policies on human rights, democracy, and good governance.**

The African Development Bank established governance as an allocation criteria for lending, while the American Development Bank commenced discussion on the issue of excessive military expenditures.

## Private Sector Development

**Expected result: More effective support for private-sector development by relevant MDIs.**

The Asian Development Bank approved a Strategy for Private Sector Development and backed its decision by re-allocating US\$ 600 million in ordinary capital resources.

## Environment

**Expected result: Strengthened environmental programming and consideration of environmental sustainability in all programming by relevant MDIs.**

New Asian Development Bank policies on energy and forestry take environmental policies fully into account.

## Improved Effectiveness

UNDP, UNICEF and UNFPA have taken the first steps towards harmonizing their budget presentation. The effort should lead to more transparent budget information which will help the respective Boards to take better decisions on the allocation of resources. It may also help save administrative expenses and thus free-up programming resources. It will enable CIDA to make appropriate comparisons between the three organizations in regard to the resources allocated to administration and program support. In the final analysis, this should reinforce CIDA's efforts to improve field-level programming.

### BENEFITS FOR CANADA

Canadian consultant trust funds were established at UNHCR (\$250,000) and the Global Environment Facility (GEF) (\$2 million). These funds make it easier for Canadian companies to participate in the projects of these institutions. Similar trust funds were replenished at the World Bank (\$19 million) and the Caribbean Development Bank (\$1.8 million).

Participation of NGOs in activities and governance was facilitated in the World Food Programme, the GEF, the Consultative Group to Assist the Poorest, UNAIDS and ECOSOC.

Canadian stakeholders from both the for-profit and not-for-profit sectors, have improved their knowledge and participation in International Financial Institutions through the outreach activities of the Capital Actions Project Team (CPAT).

Canadian youth participation in humanitarian assistance organizations was supported through the Junior Professional Officer program (\$1 million).

Canadian nationals filled ten senior positions at the Asian Development Bank. They also filled three senior level positions within the African Development Bank, despite the considerable reduction in the Canadian contribution to the last replenishment of that Bank.

**Figure 13: Resources by Sub-activities - Multilateral Programs**

(thousands of dollars)	Actuals 1993-94	Actuals 1994-95	Main Estimates 1995-96	Actuals 1995-96
<b>Budgetary</b>				
Food Aid:				
- Bilateral Food Aid	130,378	128,286	148,800	134,048
- Multilateral Food Aid	189,044	184,561	107,900	126,340
International Humanitarian Assistance	90,633	105,716	73,872	73,456
International Financial Institutions	187,967	351,075	150,000	167,720
Multilateral Technical Cooperation	148,282	134,759	109,000	116,113
	746,304	904,397	589,572	617,677
Operating Expenditures	4,404	5,115	4,154	4,466
<b>Non-budgetary</b>				
International Financial Institutions	11,746	11,750	14,691	8,045
	762,454	921,262	608,417	630,188
Human Resources (FTE) (1)	60	62	52	58

1. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

#### **Consultative Group on International Agricultural Research (CGIAR)**

CGIAR's research agenda contributes to food security, poverty alleviation, environmental protection and private sector development.

More than a third of the world's collection of plant genetic material is maintained by CGIAR centres.

CGIAR pest management programs and control methods are saving crops from destruction while enabling farmers to reduce use of pesticides.

Two-thirds of all rice in developing countries is planted with seeds based on CGIAR varieties.

A CGIAR-Canada Linkage Fund is allowing four Canadian Universities (Laval, Ottawa, Guelph and Saskatchewan) to broaden their knowledge in the global context.

## CANADIAN PARTNERSHIP

### SOME EXPECTATIONS AND ACHIEVEMENTS

#### Basic Human Needs

**Expected Result:** Increased capacity of vulnerable groups to meet their basic needs.

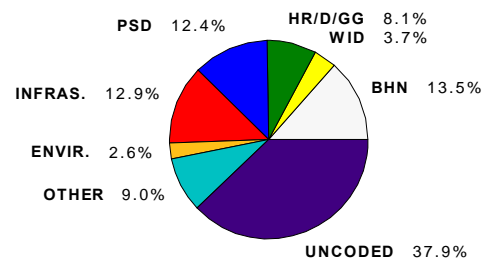
The twelve members of the Canadian Foodgrains Bank, which encompass about 10,000 congregations in Canada, organized three inter-partner delegations, and two food shipments totalling around 5,000 tonnes to support the public distribution systems in Cuba. This system has virtually eliminated malnutrition and ensured very low infant and maternal mortality rates. The Canadian Foodgrains Bank and its partners also provided a total of 12,500 tonnes of pulses and oil valued at over \$12 million to refugees in Tanzania, Goma, Bukavu, Zaire, Burundi and to affected populations in Rwanda.

#### Women in Development

**Expected result:** Increased ability of government institutions, NGOs, women's groups and organizations to reflect and promote gender equity considerations in their policies and activities.

In India, a Canadian NGO unites 1,200 women's groups in a unique structure that creates a greater collective force capable of influencing society, bringing about social and political change for the poorest. This network gives women access to training in using credit. Men now see and appreciate the advantages of better gender balance, and are becoming more and more involved in revenue-generating activities led by women.

#### Canadian Partnership ODA Disbursements for 1995-96



Note: the percentage of uncoded disbursements relates to program support for organizations covering several of CIDA's priorities. Canadian Partnership is currently working towards a means to better capture the breakdown.

#### Infrastructure Services

**Expected result:** More equitable and sustainable provision of infrastructure services in developing countries.

In Ghana, a Canadian university developed, with its local partners, alternative energy sources to electrical power for isolated villages.

#### Human Rights, Democracy, Good Governance

**Expected result:** Strengthened capacity of developing country institutions - governmental and non-governmental - to promote human rights, democracy and good governance. Expanded popular participation in public life in developing countries.

An inter-departmental Peace Building Contact Group, and conferences on Christian/Islamic Dialogue and Spirituality & Development, were funded and coordinated. CIDA was granted the Canadian Institute for Conflict Resolution annual award as a result of these initiatives.

## Private Sector Development

**Expected result: Private sector development that promotes sustainable and equitable development. Increased Canadian investment in the private sector in developing countries.**

Three cooperatives developed the cooperative private sector in 20 countries to the benefit of large numbers of farmers and small business people. Their work included technical and marketing training, improved rural production, sharing of risks, credit access for family and small business, and development of local cooperative organizations. In Peru, INC assistance contributed toward the establishment of an equipment refurbishing service for heavy duty machinery components used largely in the mining sector.

## Environment

**Expected result: Increased ability of developing countries to implement environmentally sound development activities, and to manage environmental and natural resources in a sustainable manner.**

The Environmental NGO Program support to the projects of Canadian environmental and indigenous groups contributed to building the environmental capacity of more than 31 developing country organizations and aboriginal groups in about 15 countries.

### BENEFITS FOR CANADA

On average, every dollar contributed to Canadian firms by INC, since the beginning of the program, generated \$10.88 in developing countries and \$5.50 in Canada.

The program maintains relationships with some 400 Canadian partner organizations conducting over 3,000 projects in virtually every sector and in some 110 developing countries.

Several Canadian colleges and universities have succeeded in securing other funding for projects after they have demonstrated their ability on CIDA projects.

## Strengthened Partnerships

The program emphasizes the collaboration of developed and developing country counterparts across all sectors of civil society. The participatory approach to development, requiring Canadian partners to have counterparts involved from the outset of any proposal, not only builds the human resource capacity in developing countries, but, demonstrates and promotes the acceptance of Canadian values abroad.

The integration of Canadian youth is one of the Government of Canada's main concerns. The program has realized a number of achievements toward this objective. It has developed the "Trade and Globalization" approach within the framework of an interdepartmental committee aimed at recommending a national youth strategy. It has defined the key directions of the Our World Too strategy as a result of an extensive series of consultations. Finally, it has provided financial support for Canada World Youth to facilitate the integration of youth in the work of NGOs.

**Figure 14: Resources by Sub-activities - Canadian Partnership**

(thousands of dollars)	Actuals	Actuals	Main	Actuals
	1993-94	1994-95	Estimates	1995-96
Voluntary Sector and Special Projects (1)	260,533	263,584	208,700	197,826
Industrial Cooperation	72,829	70,631	65,100	67,457
Scholarships	11,556	8,600	8,900	7,640
	<b>344,918</b>	<b>342,815</b>	<b>282,700</b>	<b>272,923</b>
Operating Expenditures	11,348	11,319	10,935	10,705
	<b>356,266</b>	<b>354,134</b>	<b>293,635</b>	<b>283,628</b>
Human Resources (FTE) (2)	155	151	164	136

1. "Institutional Support" becomes "Voluntary Sector and Special Projects" under the new CIDA structure.
2. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## COUNTRIES IN TRANSITION

### SOME EXPECTATIONS AND ACHIEVEMENTS

#### A. BILATERAL TECHNICAL ASSISTANCE

##### Assist the transition to market-based economies

**Expected Result:** Creation/improvement of the institutional framework to support market economies.

Efforts in improving the institutional framework which support market economies are visible in six countries: creation of credit union cooperatives, management and operation of new business development centres, farm privatization, and development of an efficient agriculture industry through privatization. For example, experience and knowledge on international procurement procedures were transferred to a hydropower company. Canada has also been instrumental in assisting the privatization of the Polish aviation services.

**Expected Result:** Increased capacity of public and private institutions/business through the transfer of skills and knowledge.

A trade facilitation office familiarized 288 companies in Central and Eastern Europe with markets in Canada. Total sales results to date are reported to be \$5.7 million.

Trade commissioners from all 15 client countries have received in-Canada training. Entrepreneurship training reached 750 persons in Poland alone.

**Expected Result:** Increased production in key areas.

Achievements have included improving cropping methods, setting up a model farm, improving the genetics of cows, and building linkages between Canadian farmers and recipient country farmers.

**Expected Result:** Policy advice on laws and regulations needed to support market economies.

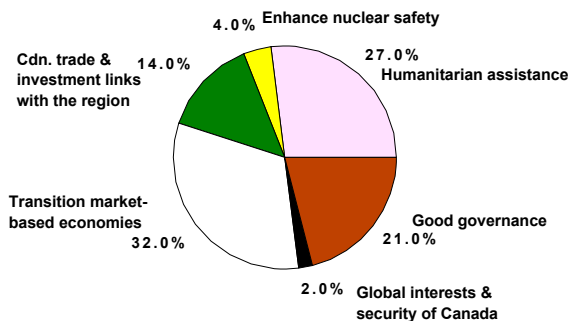
Canada has gained considerable visibility and credibility in providing extensive legal services to Russia in the process of becoming a member of the World Trade Organization. The anticipated presence of Russia in these fora will also show Russia's will to embrace western international norms and practices.

##### To facilitate Canadian trade and investment links with the region

**Expected result:** Joint ventures and trade investment opportunities.

The presence of numerous volunteer advisors under the Canadian Executive Service Overseas (CESO) program has led to increases in sales, exports and new investments totalling almost \$2 million. On one of the enterprise exchange programs, more than 4,000 Canadian companies have been contacted, thus exposing private sector managers from the region to western management practices and ethics.

**Central and Eastern Europe  
Disbursements for 1995-96**



## **To encourage good governance, democracy, political pluralism, the rule of the law and adherence to international norms and standards**

**Expected result: Enhanced capacity of public sector institutions to formulate and implement equitable economic and social policies.**

Ten projects in six different countries/regions are helping to develop the capacity at the municipal, regional and national levels in key sectors such as environment, health and land registration. In Hungary, a project is underway to completely reorganize the public administration of a major city. In Ukraine, 100 graduates completed their Master in Public Administration in a stronger and more capable Institute of Public Administration.

**Expected result: Increased capacity of public institutions through the transfer of skills and knowledge.**

Sending 13 Canadian experts in response to requests from international civilian organizations demonstrated Canadian commitment to the Bosnia peace process and helped ensure the successful conduct of the elections.

In Lithuania, the Ministry of Health was able to prepare a primary health care strategy, and the government has begun to allocate resources to reform the health care program.

**Expected result: Policy advice for the organization and delivery of public sector service.**

Canada has made substantial contributions to high priority reform sectors such as trade policy, judicial independence, nuclear legislation, federal-provincial relations, health policy, oil and gas law, electoral systems and geocartography, banking and finance. The program provides policy advice and assistance in preparing legislative amendments to senior officials. All of these projects are highly regarded by our recipient partners.

## **To enhance nuclear safety**

**Expected result: Reduced risks at Soviet-designed nuclear power stations in Central and Eastern Europe.**

The main project in nuclear safety and engineering was delayed and then redesigned as a result of a rapidly changing environment. It is now fully operational. The result so far is a transfer of knowledge to Russian nuclear power plant operators, designers and regulatory personnel on relevant Canadian practices. As part of an Environmental Site Assessment and Remediation project, 50 percent of the targeted trainees have started their training in Canada, and are learning to undertake environmental site assessment of contaminated soils using modern Canadian technology.

### **BENEFITS FOR CANADA**

Thanks to the program's support, several Canadian organizations, mainly in the private sector, have secured additional contracts, positioned themselves on other markets, or been able to implement their projects through CIDA cofinancing. Funding for these contracts varies from one project to another. Sources include the World Bank, the European Bank for Reconstruction and Development, or equity financing from partners in the region. In 1995-1996, seven new projects generated \$90.7 million in Canadian commercial benefits. CIDA's contribution to these projects totals \$12.7 million. In 1995, the Renaissance Eastern Europe program provided initial follow-up by contacting 100 to 150 Canadian firms that benefited from the Program. The survey showed more than \$45 million in Canadian commercial benefits related to nine projects, including a business mission in 1995-1996 that generated more than \$11 million in sales.



## To promote the global interests and security of Canada

### Expected Result: Reduced threats to international and Canadian security.

By funding the presence of 13 percent of the observers required in a monitoring mission in former Yugoslavia, Canada demonstrated its commitment to international embargo agreements and international objectives with regard to the Balkan war.

## B. HUMANITARIAN AND MULTILATERAL ASSISTANCE

With a disbursement of \$19M, Canada provided relief assistance through the World Bank Emergency Social Fund, the World Food Programme, the United Nations High Commissioner for Refugees (UNHCR), and Queen's University Rehabilitation Clinics in the form of emergency food aid, and medical assistance and supplies. These targeted interventions served mainly to alleviate poverty and post-war related suffering. They also help to reconstitute social programs to victims of the conflict and especially to refugees displaced in the former-Yugoslavia region. Canada was one of the first members of the international community to demonstrate a commitment to the peace building process in Bosnia-Herzegovina, thus contributing to meeting our foreign policy objectives and obtaining international recognition.

Figure 15: Resources by Sub-activities - Countries in Transition (Note 1)

(thousands of dollars)	Main			
	Actuals 1993-94	Actuals 1994-95	Estimates 1995-96	Actuals 1995-96
Bilateral Technical Assistance				63,609
Humanitarian and Multilateral Assistance				25,652
	-	-	-	89,261
Operating Expenditures				6,063
	-	-	-	95,324
Human Resources (FTE) (2)	-	-	-	68

1. This Program was transferred from DFAIT to CIDA through the 1995-96 Supplementary Estimates "A", hence no amounts are shown here. Funding for prior years was obtained by DFAIT from the International Assistance Envelope via an annual Treasury Board submission. The expenditures are included in DFAIT's Bilateral Relations and Operations as part of the Europe Branch activities.
2. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## COMMUNICATIONS

### SOME EXPECTATIONS AND ACHIEVEMENTS

**Expected result:** The provision to selected key publics (including Parliamentarians, decision makers and opinion leaders, youth and journalists) of the information required to understand better CIDA's program priorities and its efficiency and effectiveness in delivering the ODA program.

Parliamentarians received the pocket-sized *Development At A Glance* Card that contained a brief overview of ODA and the benefits of development to Canada. They also received *Developments*, a monthly newsletter on development issues. Positive responses have been received from Cabinet Ministers, Senators and Members of Parliament. For journalists, media materials including press releases, fact sheets, tip sheets and media kits were developed. The placement of OpEd articles in Canadian newspapers columns continued as an important element of CIDA's media relations program. The media tip sheet, *CIDA Update*, provided over 200 international affairs journalists with a summary of story ideas on successful international development activities.

#### For the Youth Market

A 52-minute film called **When the Circus Came to Town** was broadcast to a youth market of over 325,000 on Radio-Québec and CBC Newsworld. The film followed two Cirque du Soleil performers to Brazil to witness their experiences with street kids. Also, 35 vignettes and a 52-minute program on education in Africa were broadcast on Radio-Canada. They reached about a million students across Canada.

**Expected result:** Timely, relevant and more cost-effective communications products and services provided to Canadians in an open and transparent fashion.

Communications Branch responded to 30,000 public inquiries, including 300 comments and inquiries received on the Internet, and distributed approximately 620,000 products/publications. The branch also led in the development and design of the CIDA Web Site and facilitated the posting of information on the site.

**Expected result:** Greater appreciation and understanding by Canadians of global interdependence and sustainable development in relation to CIDA's program priorities.

Major television and video programming initiatives provided CIDA's publics with information on Canada's contribution to international sustainable development. For example, CIDA funding enabled *La Course Destination Monde* to produce 28 shows which attracted 350,000 viewers each week. Similarly, *Le Match de la Vie* was enabled to produce three programs on development projects in Haiti, Peru and the Middle East. These reached about one million viewers per episode. On the print media side, inserts on international development were published during International Development Week in *Maclean's* and *L'Actualité* magazines. The inserts reached approximately 725,000 Canadians.

**Figure 16: Resources by Sub-activities - Communications**

(thousands of dollars)	Actuals	Actuals	Main	Actuals
	1993-94	1994-95	Estimates	1995-96
Development Information Program	4,379	4,726	3,900	2,310
	4,379	4,726	3,900	2,310
Operating Expenditures	7,985	7,338	6,210	5,476
	12,364	12,064	10,110	7,786
Human Resources (FTE) (1)	39	35	38	35

Note 1: Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## POLICY

### SOME EXPECTATIONS AND ACHIEVEMENTS

**Expected result:** Canada's international assistance policies guide CIDA programs, influence Canadian government policies on related issues and influence the international agenda on matters related to international assistance.

Work continued on the Agency's policy framework. An update on the WID/Gender Equity policy was completed, as was the AIDS/HIV strategy. Canadians were consulted in the preparation of an Agency policy on Relations with the Voluntary Sector. As members of Canadian delegations to international meetings and conferences such as the World Summit on Social Development and the Fourth World Conference on Women, Policy Branch officers helped to negotiate action plans that incorporate Canadian development priorities in gender, environment and poverty reduction.

**Expected result:** Adequate understanding of Canadian international assistance policy within the Agency, interdepartmentally and in domestic and international development communities.

The Branch coordinated the development of a coding and counting system permitting the Agency to report on disbursements according to the six ODA priorities. It led the Agency response to the Government's Program Review II. It managed the International Assistance Envelope, and compiled and reported Canadian ODA statistics to international organizations, such as the OECD/DAC, on behalf of all government departments. Also, it completed and submitted the first Departmental Outlook to the Standing Committee on Foreign Affairs and International Trade. To support policy implementation, the Branch developed and delivered training programs in various areas, including sustainable development, human rights, aid coordination, WID/Gender Equity, environmental assessment. The latter was recognized in 1996 by a national awards program for excellence sponsored by Canadian industry. The Branch also managed a well-received Internet service on international assistance issues for CIDA staff and the public.

**At the International Level**

Chaired a group of like-minded countries and succeeded in raising national and international attention to the issue of excessive military expenditures in developing countries. World Bank, IMF, DAC and other donors are now working with Canada to address the issue.

**Expected result:** Identification of and dealing with emerging strategic issues affecting Canada's relations with developing countries and with countries in transition.

The Branch provided scientific and technical leadership and carried out research in support of more effective aid policy and programs (e.g. Trade and Development: Impacts of Uruguay Round) in 15 developing countries. Work was initiated to develop "best practices" and guidelines for elections support, conflict, peace and development, demining, and participatory methodologies.

**Figure 17: Resources by Sub-activities - Policy**

(thousands of dollars)	Actuals 1993-94	Actuals 1994-95	Main Estimates 1995-96	Actuals 1995-96
Operating Expenditures	6,841	6,721	6,410	6,885
	6,841	6,721	6,410	6,885
Human Resources (FTE) (1)	85	85	80	74

1. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## CORPORATE SERVICES

### SOME EXPECTATIONS AND ACHIEVEMENTS

#### PERSONNEL AND ADMINISTRATION

Apart from the achievements already noted in *Part III*, 1996-1997, Personnel and Administration Branch developed and implemented a strategy which led to the recruitment of 20 new employees to rejuvenate CIDA.

A second employee survey was conducted in June 1996. Results showed an increase of 11 percent in the level of staff satisfaction regarding CIDA's management style and human resource management practices.

Day-to-day personnel and administration services were delivered with a concern for transparency and effectiveness, with an authorized complement that was reduced by 19 percent in early 1996-1997 as a result of restructuring.

#### CORPORATE MANAGEMENT

In addition to restructuring to provide better services with fewer people (a reduction of 22 percent), the Corporate Management Branch completed a number of initiatives that have improved overall efficiency and effectiveness in areas such as finance, contracting, information management and technology, performance review, and results-based management. Other activities included regular monitoring of the implementation of management renewal for senior management review and action; common services opportunities with other departments, such as Foreign Affairs and International Trade; and continuous improvements to reports to Parliament and central agencies.

**Figure 18: Resources by Sub-activities - Corporate Services**

(thousands of dollars)	Actuals 1993-94	Actuals 1994-95	Main Estimates 1995-96	Actuals 1995-96
International Centre for Human Rights and Democratic Development	5,000	5,000	5,000	5,000
	5,000	5,000	5,000	5,000
<b>Operating Expenditures</b>				
Agency Executive	2,019	2,238	1,915	2,017
Corporate Management	29,676	20,975	18,590	18,398
Personnel and Administration	17,443	16,075	14,704	15,221
	54,138	44,288	40,209	40,636
Human Resources (FTE) (1)	341	322	331	285

1. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

## Section III - Details by Business Lines Annex

### Project Performance Assessment

The three geographic branches and the Central and Eastern Europe Branch conducted a project-level end-of-year reporting exercise to capture the actual results of projects and compare them with the results, or objectives, initially stated at the planning stage of the projects. The information was then analysed by each branch, synthesized into performance reports, which were submitted to, and reviewed by, CIDA's Executive Committee.

This was, in some cases, the first example of project level end-of-year reporting throughout the branch. It resulted in significantly improved information on program achievements, allowing CIDA to report with more clarity on its performance in this year's *Part III*. It also represents encouraging progress towards internalizing results-based management and continuous performance assessment. More specifically, it means moving towards the implementation of CIDA's Framework for Results which spells out the development and management factors leading to benefits to Canada and recipient countries.

CIDA has made significant progress in focusing on results, but more is required. Because every branch used a slightly different approach, the performance information is not always consistent and comparable. To resolve this problem, the methodologies used by the three Geographic Programs and Central and Eastern Europe will be harmonized into a common core. The unified methodology will be used to produce the information for the 1996-97 Departmental Performance Report. Other difficulties come from the fact that most of the projects being reported on were planned several years ago. So, they do not always reflect CIDA's Results-Based Management Policy adopted in January 1995.

This should greatly improve in future years as new projects are designed according to the RBM approach and incorporate the elements of the Framework of Results and Key Success Factors.

The following explains the methodologies used by the four branches and will allow the reader to understand how the information in Section III was generated.

### Africa and the Middle East

An end-of-year report was completed for every project that recorded disbursements in 1995-96 (488 projects in total - see breakdown in table below). In addition to tombstone data (e.g. approval date, approved budget, the ODA priority being addressed, planned outputs, planned outcomes and planned impact), information collected included data such as disbursements in the fiscal year and to-date, results achieved in the year at the output and outcome level, anticipated results for 1996-97, lessons learned, and other priorities or objectives being addressed (e.g. peace and security). This information was to be based on progress reports, monitoring reports, evaluations and other verifiable sources. Lastly, project managers were asked to rate whether the overall progress of the project was satisfactory or unsatisfactory, in which case, they were asked to explain why. The functions of challenging or quality assurance were left to the discretion of the Program Directors.

Project reports were then analysed by the performance evaluation unit in the Branch in order to prepare the Branch annual performance report to CIDA's Executive Committee. This report analyses investments made by region and by corporate priority. It summarizes the challenges and directions of the program during the reporting period, as well as the results achieved, under each program priority, based on the expected results planned for 1995-96. Lastly, it identifies lessons learned and management considerations.

Number of Active Projects by Priority	
BHN	116
WID	75
INFRAS.	45
HR/D/GG	198
PSD	156
ENVIR.	63

## Asia

An end-of-year report was completed for every project that recorded disbursements exceeding \$100,000 in 1995-96 (238 projects in total). In addition to tombstone data (e.g. project duration, approved budget, the ODA priority being addressed, planned outputs, planned outcomes and planned impact), information collected included data such as disbursements in the fiscal year and to-date, results achieved since the beginning of the project at the output, outcome and impact level, cross-cutting themes (such as WID or environment), lessons learned, and the foreign policy objectives being addressed, (e.g. promotion of prosperity and employment). Lastly, projects managers were asked to indicate (on a to date basis) the percentage of planned outcomes achieved as well as the expected overall performance of the project (e.g. are the outcomes likely to be completely - or largely - completed, or unlikely to be realized, etc. See table below.). Reports were completed with input from CIDA field offices and the Canadian executing agencies. Quality assurance of the data was then performed by the Country Analyst.

The 238 project reports were aggregated and summarized at the priority level. The summary results constituted the main body of the Branch report to CIDA's Executive Committee. The information was also used to produce Country Performance Reports, comparing achievements with planned goals and objectives at the country level. The base of information collected represents a wealth of information that is used not only for reporting, but also for internal monitoring, to take corrective actions when needed, and to draw lessons for future planning.

Expected Overall Project Performance							
Priority	Completely		Largely		Partially		Unlikely
BHN	6	26%	13	57%	4	17%	0
WID	5	42%	6	50%	1	8%	0
INFRAS.	12	46%	13	50%	1	4%	0
HR/D/GG	8	36%	12	55%	2	9%	0
PSD	11	39%	14	50%	3	11%	0
ENVIR.	5	24%	15	71%	0		1 5%
OTHER	12	52%	10	44%	1	4%	0

## Americas

An end-of-year report was completed for every major project, planned and operational, recorded in 1995-96 (153 projects in total, representing 93 percent of overall 1995-96 disbursements). In addition to tombstone data (e.g. approved budget, the ODA priority and related Branch result being addressed, planned outputs, outcomes and impacts), information collected included data such as disbursements in the fiscal year and to date, results achieved in 1995-96 at the output, outcome and impact levels, other relevant results achieved in cross-cutting themes (such as WID/GE or environment), and lessons learned. Project managers were also asked, for a second year in a row, to indicate the percentage of progress achieved on a cumulative basis. This allowed the Branch to track and monitor progress in the reporting year. Reports were completed with inputs from CIDA field offices and executing agencies. Based on this information, the expected overall performance of projects was rated (e.g. was the project likely to meet its objectives as planned, is there a need for corrective actions, etc. See table below.)

Project reports were then challenged by the Program Director with the participation of the performance evaluation analyst of the Branch to ensure consistency, objectivity and substantiation. It also allowed managers to identify corrective actions when projects were not evolving as planned. The reports were then analysed and aggregated to form the Branch Annual Performance report to the Executive Committee. Analysis performed included breakdown of disbursements by regions, priorities and cross-cutting themes; progress by priority; achievements based on planned expected results for 1995-96; and lessons learned in terms both of development and of the performance reporting process.

Expected Overall Project Performance*						
Priority	Will fully meet objectives		Corrective actions taken		Will not meet objectives	
BHN	24	69%	9	26%	2	5%
WID	2	100%	0		0	
INFRAS.	9	75%	2	17%	1	8%
HR/D/GG	28	82%	5	15%	1	3%
PSD	5	46%	5	45%	1	9%
ENVIR.	17	74%	5	22%	1	4%
OTHER	9	90%	1	10%	0	

\*Does not include 26 planned projects.

## Central and Eastern Europe

An end-of-year report was completed for every project that recorded disbursements exceeding \$800,000 in 1995-96 (89 projects in total, or 63 percent of overall 1995-96 disbursements). It is therefore a partial view of the Branch's projects for the period. In addition to tombstone data (e.g. approved budget, the objective being addressed, planned outcomes and planned impact), information collected included results achieved in 1995-96 at the outcome and impact levels, and lessons learned. In addition, program directors were asked to answer a number of questions to make possible an assessment of convergence between project and program directions, meeting of intended results and corrective measures if needed, as well as coherence with CIDA's policy environment. Both sources of information were used to generate the Branch Annual Report to the Executive Committee.

## SECTION IV - SUPPLEMENTARY INFORMATION

### Personnel Requirements

CIDA's personnel costs of \$75.2 million account for 71.4 percent of the total operating expenditures of the program. Information on FTEs by professional category is presented in Figure 20 below, and average annual salary and FTEs by category in Figure 21 on page 65.

**Figure 19: Full-time Equivalents (FTE) Requirements by Business Line/Activity (1)**

	Actuals 1994-95	Actuals 1995-96	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
Geographic Programs	549	510	525	<b>519</b>	519	519
Multilateral Programs	62	58	55	<b>55</b>	54	54
Canadian Partnership Countries in Transition (2)	151	136	145	<b>142</b>	142	142
Communications	-	68	77	<b>85</b>	85	85
Policy	35	35	39	<b>38</b>	38	38
Corporate Services	85	74	76	<b>81</b>	80	80
	322	285	300	<b>291</b>	287	287
	1,204	1,166	1,217	<b>1,211</b>	1,205	1,205

1. Full-time equivalent (FTE) is a measure of human resource consumption based on average levels of employment. FTE factors out the length of time that an employee works during each week by calculating the rate of assigned hours of work over scheduled hours of work. FTEs are not subject to Treasury Board control but are disclosed in *Part III* of the *Estimates* in support of personnel expenditure requirements specified in the *Estimates*.
2. This program was transferred from DFAIT to CIDA in 1995-96.

**Explanation of Change:** The FTE requirements for 1997-98 are six FTEs or 0.5 percent less than the 1996-97 *Main Estimates*. This decrease is attributable to the continued application of reduction measures.

**Explanation of the 1995-96 Actual:** The net decrease of 64 FTEs, or 5.2 percent, between 1995-96 actual utilization and the *Main Estimates* requirements of 1,230 FTEs, is due primarily to a decrease of 132 FTEs, of which 56 FTEs represent the departure of 81 employees attributable to reductions announced in the previous years and to the Program Review Exercise; 76 FTEs due to delays in staffing actions and to controls imposed on external recruitment; and to a utilization of 68 FTEs following the transfer from DFAIT to CIDA, through Supplementary Estimates "A", of 77 FTEs and the salary budget for employees delivering the Countries in Transition Program.

**Figure 20: Summary by Professional Category (FTEs)**

	Actuals 1994-95	Actuals 1995-96	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
OIC Appointment	1	1	1	<b>1</b>	1	1
Executive	93	91	92	<b>88</b>	88	88
Scientific and Professional	109	104	117	<b>101</b>	101	101
Administrative and Foreign Services	691	680	713	<b>724</b>	719	719
Technical	12	11	12	<b>13</b>	13	13
Administrative Support	296	278	280	<b>282</b>	281	281
Operational	2	1	2	<b>2</b>	2	2
	1,204	1,166	1,217	<b>1,211</b>	1,205	1,205



Figure 21: Details of Personnel Requirements

	FTE Estimates 1997-98	FTE Estimates 1996-97	FTE Actuals 1995-96	Current Salary Range	1997-98 Average Salary Provision
<b>OIC Appointment</b>	1	1	1	117,000-170,500	-
<b>Executive</b>	88	92	91	63,300-128,900	84,129
<b>Scientific and Professional</b>					
Agriculture	8	11	10	20,970-70,898	69,398
Economics, Sociology and Statistics	30	32	28	20,600-87,241	63,683
Education	7	10	8	19,270-74,268	62,914
Engineering and Land Survey	32	37	34	29,722-80,521	71,680
Forestry	5	5	5	21,217-73,648	66,253
Physical Sciences	15	16	15	23,056-79,045	64,760
Other	4	6	4	-	90,716
<b>Administrative and Foreign Services</b>					
Administrative Services	133	125	127	17,994-75,002	47,354
Commerce	28	33	31	19,263-79,497	66,646
Computer Systems Administration	18	19	19	24,060-78,759	54,640
Financial Administration	46	48	45	15,981-71,883	56,291
Foreign Services	17	32	23	32,945-65,225	57,405
Information Services	32	31	28	17,849-67,814	56,675
Management trainee	15	7	10	36,201-47,514	39,575
Organization and Methods	5	5	5	17,635-72,700	51,913
Personnel Administration	33	29	29	16,882-69,291	48,137
Program Administration	362	342	321	17,994-75,002	56,443
Purchasing and Supply	35	42	42	16,781-72,700	52,200
<b>Technical</b>					
Drafting and Illustration	2	2	2	20,448-52,986	37,585
Social Science Support	8	7	7	16,608-75,927	39,807
Other	3	3	2	-	41,393
<b>Administrative Support</b>					
Clerical and Regulatory	167	166	165	16,999-41,724	31,467 *
Secretarial, Stenographic and Typing	115	114	113	16,847-41,991	30,809 *
<b>Operational</b>					
General Services	2	2	1	17,489-53,544	27,970
	<b>1,211</b>	<b>1,217</b>	<b>1,166</b>		

\* The average salary includes equal pay.

Note: The Current Salary Range column shows the salary ranges by occupational group on October 1, 1996. The Average Salary column reflects the estimated base salary costs including allowance for collective agreements, annual increments, promotions and merit pay. Year-to-year comparison of averages may be affected by changes in the distribution of the components underlying the calculations.

## Other Information

### Total Cost of Program

The total CIDA program costs, including \$14.4 million for services provided without charge by other departments, are shown in the figure below.

**Figure 22: Total Estimated Cost of the Program for 1997-98**

(thousands of dollars)	Financial Requirements 1997-98		
	Main Estimates	Spending	Authorities
		Statutory Expenditures	Voted Appropriations Non-Statutory Expenditures
Geographic Programs	713,243		713,243
Multilateral Programs	564,196	141,101	423,095
Canadian Partnership	268,647		268,647
Countries in Transition	98,925		98,925
Communications	9,549		9,549
Policy	7,640		7,640
Corporate Services	35,520		35,520
(1)		10,967	(10,967)
<b>Main Estimates</b>	<b>1,697,720</b>	<b>152,068</b>	<b>1,545,652</b>
<b>Services provided without charge by other departments (2)</b>			
Operating Expenditures:			
- Accommodation - Public Works and Government Services Canada	5,898		
- Employee benefits covering the employer's share of insurance premiums and costs - Treasury Board Secretariat	3,664		
- Legal services - Department of Justice	231		
- Cheque issue and other accounting services - Public Works and Government Services Canada	61		
- Employee compensation payment - Department of Human Resources Development	<u>95</u>		
	9,949		
Aid Expenditures:			
- Imputed interest on advance payments - Department of Finance	<u>4,500</u>		
	14,449		
<b>Total estimated program cost</b>	<b>1,712,169</b>		

- Contributions to Employee Benefit Plans and Minister's allowances already included in Business Lines Main Estimates.
- Figure 28, page 76, Reconciliation of the International Assistance Envelope, provides further details on Services provided without charge.

**Figure 23: Transfer Payments by Business Lines/Activities**

(thousands of dollars)						
	Actuals 1994-95	Actuals 1995-96	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
<b>Grants</b>						
Geographic Programs				<b>2,000</b>	2,000	2,000
Multilateral Programs	379,514	301,652	303,338	<b>290,234</b>	268,400	268,400
Canadian Partnership	87,587	66,835	133,852	<b>102,686</b>	94,510	94,510
Countries in Transition	-	250	250	<b>250</b>	250	250
Corporate Services	5,000	5,000	5,000	<b>4,586</b>	4,214	4,214
<b>Total Grants</b>	<b>472,101</b>	<b>373,737</b>	<b>442,440</b>	<b>399,756</b>	<b>369,374</b>	<b>369,374</b>
<b>Contributions</b>						
Geographic Programs	746,409	719,025	734,718	<b>671,578</b>	617,952	617,952
Multilateral Programs	188,388	163,323	146,497	<b>122,279</b>	113,265	113,545
Canadian Partnership	255,228	206,088	148,257	<b>155,797</b>	143,324	143,324
Countries in Transition	-	89,011	100,775	<b>92,380</b>	84,837	84,837
Communications	4,726	2,310	3,879	<b>3,531</b>	3,243	3,243
<b>Total Contributions</b>	<b>1,194,751</b>	<b>1,179,757</b>	<b>1,134,126</b>	<b>1,045,565</b>	<b>962,621</b>	<b>962,901</b>
<b>Other Transfer Payments</b>						
(S) Multilateral Programs	336,495	152,702	146,200	<b>133,201</b>	124,492	124,492
<b>Total Other Transfer Payments</b>	<b>336,495</b>	<b>152,702</b>	<b>146,200</b>	<b>133,201</b>	<b>124,492</b>	<b>124,492</b>
<b>Total Transfer Payments</b>	<b>2,003,347</b>	<b>1,706,196</b>	<b>1,722,766</b>	<b>1,578,522</b>	<b>1,456,487</b>	<b>1,456,767</b>

## Expenditure Breakdown by Business Line/Activity and Object

As a linkage to the Agency's activity and organizational structures, the figure below provides a more detailed breakdown of expenditures than appears elsewhere in this document.

**Figure 24: Expenditure Breakdown by Business Line/Activity and Object**

(thousands of dollars)		1997-98 Estimates					
	Personnel Costs	Other Operating Costs	Total Operating Costs	Grants	Contri- butions	Other Transfer Payments	Total Costs
<b>Geographic Programs</b>							
Africa & Middle East					296,793	-	296,793
Asia					244,030	-	244,030
Americas				2,000	130,755	-	132,755
Operating Expenditures	32,615	7,050	39,665				39,665
<b>Total Geographic Programs</b>	<b>32,615</b>	<b>7,050</b>	<b>39,665</b>	<b>2,000</b>	<b>671,578</b>	<b>-</b>	<b>713,243</b>
<b>Multilateral Programs</b>							
Food Aid				96,835	119,479		216,314
International Humanitarian Assistance				77,078	100		77,178
International Financial Institutions				12,300	2,700	147,139	162,139
Multilateral Technical Cooperation				104,021			104,021
Operating Expenditures	3,752	792	4,544				4,544
<b>Total Multilateral Programs</b>	<b>3,752</b>	<b>792</b>	<b>4,544</b>	<b>290,234</b>	<b>122,279</b>	<b>147,139</b>	<b>564,196</b>
<b>Canadian Partnership</b>							
Voluntary Sector and Special Projects				94,097	94,097		188,194
Industrial Cooperation					61,700		61,700
Scholarships				8,589			8,589
Operating Expenditures	8,773	1,391	10,164				10,164
<b>Total Canadian Partnership</b>	<b>8,773</b>	<b>1,391</b>	<b>10,164</b>	<b>102,686</b>	<b>155,797</b>	<b>-</b>	<b>268,647</b>
<b>Countries in Transition</b>							
Bilateral Technical Assistance					77,130		77,130
Humanitarian and Multilateral Assistance				250	15,250		15,500
Operating Expenditures	5,313	982	6,295				6,295
<b>Total Countries in Transition</b>	<b>5,313</b>	<b>982</b>	<b>6,295</b>	<b>250</b>	<b>92,380</b>	<b>-</b>	<b>98,925</b>
<b>Communications</b>							
Development Information Program					3,531		3,531
Operating Expenditures	2,322	3,696	6,018				6,018
<b>Total Communications</b>	<b>2,322</b>	<b>3,696</b>	<b>6,018</b>	<b>-</b>	<b>3,531</b>	<b>-</b>	<b>9,549</b>
<b>Policy</b>							
Operating Expenditures	5,629	2,011	7,640				7,640
<b>Total Policy</b>	<b>5,629</b>	<b>2,011</b>	<b>7,640</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,640</b>
<b>Corporate Services</b>							
International Centre for Human Rights and Democratic Development				4,586			4,586
Operating Expenditures							
Agency Executive	3,134	851	3,985				3,985
Corporate Management	8,946	6,616	15,562				15,562
Personnel and Administration	4,709	6,678	11,387				11,387
<b>Total Corporate Services</b>	<b>16,789</b>	<b>14,145</b>	<b>30,934</b>	<b>4,586</b>	<b>-</b>	<b>-</b>	<b>35,520</b>
<b>Total Agency</b>	<b>75,193</b>	<b>30,067</b>	<b>105,260</b>	<b>399,756</b>	<b>1,045,565</b>	<b>147,139</b>	<b>1,697,720</b>

## Transfer Payments

CIDA grants, contributions and other transfer payments of \$1,592 million, including non-budgetary expenditures, account for 93.8 percent of CIDA's program expenditures. Further information is given below.

**Figure 25: Details of Grants and Contributions**

(dollars)	Actuals 1994-95	Actuals 1995-96	1996-97 Estimates	1997-98 Estimates
<b>Grants</b>				
Grants for cooperation with countries in transition in Central and Eastern Europe and the former Soviet Union	0	250,000	250,000	<b>250,000</b>
Development assistance to international development institutions and organizations for operations and general programs as well as specific programs and projects, to international financial institutions and for special program and project expenses directly related thereto	146,637,602	128,574,137	122,087,000	<b>118,321,000</b>
Programming against hunger and malnutrition through international development and nutritional institutions, international non-governmental organizations or the International Development Research Centre for the benefit of recipients in developing countries and for special program and project expenses directly related thereto	130,779,444	99,722,074	107,593,000	<b>96,835,000</b>
Humanitarian assistance or disaster preparedness to countries, their agencies and persons in such countries, and to international institutions and Canadian and international non-governmental organizations for operations and general programs and specific programs, projects, activities and appeals and for special program and project expenses directly related thereto	102,096,984	73,355,850	73,658,000	<b>77,078,000</b>
Grants to Canadian, international, regional and developing country institutions, organizations and agencies, developing country governments, their organizations and agencies, to provincial and municipal governments, their organizations and agencies in support of development cooperation and development education programs and to international non-governmental organizations in support of development assistance programs, projects and activities and for special program and project expenses directly related thereto	77,986,904	58,195,189	123,952,000	<b>93,097,000</b>
Grant to the North South Institute	1,000,000	1,000,000	1,000,000	<b>1,000,000</b>
Development assistance as education and training for individuals and for special program and project expenses directly related thereto	8,600,487	7,639,676	8,900,000	<b>8,589,000</b>
Grant to the International Centre for Human Rights and Democratic Development	5,000,000	5,000,000	5,000,000	<b>4,586,000</b>
<b>Total Grants</b>	<b>472,101,421</b>	<b>373,736,926</b>	<b>442,440,000</b>	<b>399,756,000</b>

**Figure 25: Details of Grants and Contributions (cont'd)**

(dollars)	Actuals 1994-95	Actuals 1995-96	1996-97 Estimates	1997-98 Estimates
<b><u>Contributions</u></b>				
Development assistance, including payments for loan agreements issued under the authority of previous Appropriation Acts, to developing countries and their agencies and institutions in such countries and contributions to Canadian, international and regional institutions, organizations and agencies, to provincial governments, their organizations and agencies, and to Canadian private sector firms in support of regional and country specific projects, programs and activities, and for special program and project expenses directly related thereto	746,409,117	719,024,949	734,718,000	<b>671,578,000</b>
Contributions for cooperation with countries in transition in Central and Eastern Europe and the former Soviet Union	0	89,010,669	100,775,000	<b>92,380,000</b>
Development assistance to international development institutions and organizations for operations and general programs as well as specific programs and projects, to international financial institutions and for special program and project expenses directly related thereto	188,140	165,000	100,000	<b>100,000</b>
Programming against hunger and malnutrition through international development institutions, international non-governmental organizations or the International Development Research Centre for the benefit of recipients in developing countries and for special program and project expenses directly related thereto	53,781,845	26,617,651	100,000	<b>100,000</b>
Contribution to the Inter-American Development Bank	2,512,648	2,391,924	2,600,000	<b>2,600,000</b>
Programming against hunger and malnutrition through developing countries, their agencies and persons in such countries, Canadian non-governmental organizations or development institutions for the benefit of recipients in developing countries and for special program and project expenses directly related thereto	128,286,087	134,047,799	143,597,000	<b>119,379,000</b>
Humanitarian assistance or disaster preparedness to countries, their agencies and persons in such countries, and to international institutions and Canadian and international non-governmental organizations for operations and general programs and specific programs, projects, activities, and appeals and for special program and project expenses directly related thereto	3,619,016	100,000	100,000	<b>100,000</b>

**Figure 25: Details of Grants and Contributions (cont'd)**

(dollars)	Actuals 1994-95	Actuals 1995-96	1996-97 Estimates	1997-98 Estimates
Contributions to Canadian, international, regional and developing country institutions, organizations and agencies, developing country governments, their organizations and agencies, to provincial and municipal governments, their organizations and agencies in support of development cooperation and development education programs and to international non-governmental organizations in support of development assistance programs, projects and activities and for special program and project expenses directly related thereto	184,597,066	138,631,103	83,301,000	<b>94,097,000</b>
Incentives to Canadian, international and developing country private investors, institutions, organizations, and governments in support of industrial cooperation programs, projects and activities as well as special program and project expenses directly related thereto	70,631,056	67,456,658	64,956,000	<b>61,700,000</b>
Contributions to Canadian or international communications organizations, other federal, provincial or municipal governments, broadcasters and producers, other donor governments and institutions in support of the development information program involving the production and dissemination of development information, educational materials and related activities	4,725,800	2,310,409	3,879,000	<b>3,531,000</b>
<b>Total Contributions</b>	<b>1,194,750,775</b>	<b>1,179,756,162</b>	<b>1,134,126,000</b>	<b>1,045,565,000</b>
<b><u>Other Transfer Payments *</u></b>				
(S) Encashment of notes issued to the development assistance funds of the international financial institutions in accordance with the <i>International Development (Financial Institutions) Assistance Act</i>	336,494,911	152,702,453	146,200,000	<b>133,201,000</b>
<b>Total Other Transfer Payments</b>	<b>336,494,911</b>	<b>152,702,453</b>	<b>146,200,000</b>	<b>133,201,000</b>
<b>Total</b>	<b>2,003,347,107</b>	<b>1,706,195,541</b>	<b>1,722,766,000</b>	<b>1,578,522,000</b>

\* Other Transfer Payments exclude non-budgetary expenditures of \$13.938 million for 1997-98.

**Figure 26: Appropriated Planned Spending (1)**

(thousands of dollars)	Actuals 1995-96	Main Estimates 1995-96	Main Estimates 1996-97	Main Estimates 1997-98
<b>Budgetary</b>				
Geographic Programs	772,491	770,964	774,165	<b>713,243</b>
Multilateral Programs	622,143	593,726	600,581	<b>550,258</b>
Canadian Partnership	283,628	293,635	292,524	<b>268,647</b>
Countries in Transition	95,324	-	107,548	<b>98,925</b>
Communications	7,786	10,110	10,054	<b>9,549</b>
Policy	6,885	6,410	6,746	<b>7,640</b>
Corporate Services	40,636	40,209	38,671	<b>35,520</b>
	<b>1,828,893</b>	<b>1,715,054</b>	<b>1,830,289</b>	<b>1,683,782</b>
<b>Non-budgetary</b>				
Multilateral Programs	8,045	14,691	11,202	<b>13,938</b>
	<b>1,836,938</b>	<b>1,729,745</b>	<b>1,841,491</b>	<b>1,697,720</b>
Human Resources (FTE) (2)	1,166	1,230	1,217	<b>1,211</b>

1. Includes operating expenditures. For more details see Figure 27 on page 74.
2. Reference Figures 19, 20 and 21 (pages 64 and 65) for additional information on Human Resources.

**a) Variance Analysis - 1995-96 Actuals versus Main Estimates**

**Explanation of changes:** The increase of \$107.2 million, or 6.2 percent, between 1995-96 actual expenditures and the 1995-96 Main Estimates is due primarily to the items below:

Budgetary	(thousands of dollars)
<b>Geographic Programs</b>	
Reallocation of funds to Multilateral programs for Bilateral Food Aid (\$7M) and Multilateral Technical Cooperation for UNFPA (\$2M). In addition, \$5M was received from Bilateral Food Aid and was mainly used to support the fishing industry in the Caribbean and farmers in Nicaragua.	(4,000)
Reallocation to the Solicitor General for the training of police officers in Haiti by the Royal Canadian Mounted Police (RCMP).	(8,000)
<b>Countries in Transition</b>	
Transfer to CIDA of the Countries in Transition program.	106,375
Reallocation of funds to various initiatives, such as Food Aid in Bolivia (\$3M), Radio Canada International (\$4.1M), and IIFIs (\$10M).	(17,100)
<b>Multilateral Programs</b>	
Increase to pay demand notes to IFIs (\$10M approved through Supplementary Estimates "B" and \$7.7M from the Reserve for Statutory Overruns).	17,702
Reduction in grants and contributions for IFIs	(2,702)
Increase to Multilateral Technical Cooperation with the United Nation Agencies.	7,000



Reduction and reallocation of funds from the Bilateral Food Aid program to Multilateral Food Aid (\$19.5M) and to Geographic programs (\$5M). In addition, funds from Geographic programs were used for Food Aid in Algeria (\$3M), and for the shipment of goods in India (\$4M), and from Countries in Transition to respond to Food Aid requests in Bolivia (\$3M).	(14,500)
Increase in Multilateral Food Aid, of which \$6M was for emergency relief to victims of drought in Southern Africa, and \$13.5M was used to support World Food Programme Initiatives	19,500
<b>Canadian Partnership</b>	
Reallocation to Multilateral Technical Cooperation for UNFPA (\$3M) and \$5M for IFIs.	-8,000
<b>Other Expenditures</b>	
Increase due to debt forgiveness for Latin American countries, as a result of the Latin American debt conversion initiative announced at the UNCED in June 1992.	11,910
<b>Operating Expenditures</b>	
Transfer to CIDA of the Countries in Transition program.	6,632
Increase to the operating budget resulting from the carry-forward of 1994-95 funds (Supplementary Estimates "A").	5,492
Reduction in staffing due to constraints imposed on external recruitment (\$2.6M) and savings in operating expenditures (\$2.3M).	-4,947
<b>Non budgetary</b>	
<b>Multilateral Programs</b>	
Some Capital Subscriptions were deferred	(6,646)

#### b) Variance Analysis - 1997-98 Main Estimates versus 1996-97 Main Estimates

**Explanation of Change:** The financial resources for 1997-98 are \$143.8 million, or 7.8 percent lower than the 1996-97 Main Estimates. This reduction is a result of Program Review I. The major items contributing to this reduction are as follows:

Budgetary	(thousands of dollars)
<b>Geographic Programs</b>	
Decrease in Geographic Programs budget.	(61,140)
<b>Multilateral Programs</b>	
Decrease in Bilateral Food Aid budget.	(24,218)
Decrease in Multilateral Food Aid budget.	(10,758)
Decrease in International Financial Institutions budget.	(13,999)
<b>Canadian Partnership</b>	
Decrease in Voluntary Sector and Special Projects budget.	(20,059)
<b>Countries in Transition</b>	
Decrease in Bilateral Technical Assistance budget.	(8,486)
<b>Others</b>	
Decrease in operating expenditures.	(2,263)
<b>Non-budgetary</b>	
Increase in payments for the purpose of capital subscriptions in International Financial Institutions.	2,736

## Details of Financial Requirements by Object

Figure 27: Details of Financial Requirements by Object

(thousands of dollars)	Actuals 1994-95	Actuals 1995-96	Main Estimates 1996-97	Main Estimates 1997-98	Planned 1998-99	Planned 1999-00
<b>Personnel</b>						
Salaries and wages	69,167	69,102	65,548	<b>63,534</b>	61,670	61,778
Contributions to employee benefits plans	9,353	9,086	9,595	<b>10,918</b>	10,598	10,616
Other personnel costs	657	815	622	<b>741</b>	720	721
	<b>79,177</b>	<b>79,003</b>	<b>75,765</b>	<b>75,193</b>	<b>72,988</b>	<b>73,115</b>
<b>Goods and Services</b>						
Transportation and communications	8,839	9,032	7,912	<b>8,539</b>	8,289	8,289
Information	966	883	865	<b>842</b>	817	817
Professional and special services	19,396	16,121	17,361	<b>15,244</b>	14,798	14,798
Rentals	617	642	552	<b>601</b>	584	584
Purchased repairs and upkeep	1,609	1,935	1,438	<b>1,830</b>	1,780	1,780
Utilities, materials and supplies	1,509	1,193	1,349	<b>1,143</b>	1,109	1,109
Construction and/or acquisition of machinery and equipment	2,543	1,947	2,131	<b>1,838</b>	1,780	1,780
All other expenditures (1)	37,606	11,941	150	<b>30</b>	30	30
	<b>73,085</b>	<b>43,694</b>	<b>31,758</b>	<b>30,067</b>	<b>29,187</b>	<b>29,187</b>
<b>Total operating</b>	<b>152,262</b>	<b>122,697</b>	<b>107,523</b>	<b>105,260</b>	<b>102,175</b>	<b>102,302</b>
Transfer payments	2,003,347	1,706,196	1,722,766	<b>1,578,522</b>	1,456,487	1,456,767
<b>Total budgetary expenditures</b>	<b>2,155,609</b>	<b>1,828,893</b>	<b>1,830,289</b>	<b>1,683,782</b>	<b>1,558,662</b>	<b>1,559,069</b>
Non-budgetary (loans, investments and advances)	11,750	8,045	11,202	<b>13,938</b>	18,637	20,146
	<b>2,167,359</b>	<b>1,836,938</b>	<b>1,841,491</b>	<b>1,697,720</b>	<b>1,577,299</b>	<b>1,579,215</b>
Less: loan repayments	(49,713)	(53,175)	(57,100)	<b>(57,200)</b>	(57,200)	(57,200)
<b>Total expenditures - net of loan repayments (2)</b>	<b>2,117,646</b>	<b>1,783,763</b>	<b>1,784,391</b>	<b>1,640,520</b>	<b>1,520,099</b>	<b>1,522,015</b>

1. The 1994-95 Actual includes the forgiveness of debts owed by Latin American countries (\$32.3 million) of which Peru accounted for \$22.8 million, with Honduras, El Salvador, Columbia and Nicaragua making up the balance as a result of the Latin American Debt Conversion initiatives (UNCED, June 1992) and by Egypt (\$5.1 million) as a result of the global agreement between the Paris Club and Egypt (May 1991). 1995-96 Actuals include \$11.9 million for the forgiveness of debts owed by five Latin American countries as part of the Latin American Debt Conversion initiatives.
2. The 1996-97 and 1997-98 non-cash requirements pertaining to capital subscriptions and advances for issuance of non-interest-bearing, non-negotiable demand notes, with respect to Canada's involvement in the Regional International Financial Institutions are presented in the Estimates against Votes L25 and L30 for 1996-97, and Votes L30 and L35 for 1997-98. These items are not included in this table as it reflects only the cash requirements of the CIDA program.

## **International Assistance Envelope (Cash basis) versus Official Development Assistance (Commitment basis)**

Since 1991-92, the International Assistance Envelope (IAE) has served to fund Official Development Assistance (ODA) and other international assistance initiatives. The IAE expenditures presented in the Estimates report the amounts expected to be disbursed during the year (cash basis). The Official Development Assistance portion of the IAE has traditionally been reported to the Development Assistance Committee of the OECD on a commitment basis.

In 1997-98, the total resources for the IAE, as shown in Figure 1 (page 4), are \$2,061 million (cash basis). On a commitment basis, this amount represents \$2,407 million. The main reason commitments differ from budgetary cash requirements is that, for the most part, Canada's participation in the financing of International Financial Institutions takes the form of the issuance of promissory notes. On a commitment basis, the full value of the notes is reported in the year in which they are issued. Cash is drawn against these notes by recipient institutions in future years, as required. On a cash basis, however, it is the forecast of the actual cash drawn during the fiscal year that is reported and not the value of the notes issued.

Commitments also include other items, such as concessional export financing, refugee costs, official bilateral debt relief, the imputed value of Canada's support to trainees from developing countries, and the international development disbursements incurred by provincial governments. Finally, although the IAE includes the financing of the Countries in Transition program (Central and Eastern Europe and the Newly Independent States, \$101.3 million), only part of this amount (approximately \$21 million) is directed toward ODA eligible countries and can be reported as such.

Figure 28, on the following page, reconciles the IAE expenditures on a cash basis to the ODA expenditures on a commitment basis for 1997-98.

**Figure 28: Reconciliation of the International Assistance Envelope (Cash Basis) to Official Development Assistance (Commitment Basis)**

(millions of dollars)		1997-98
	International Assistance Envelope Cash Basis	2,061
Less:	Total program - Countries in Transition	(101)
Less:	Encashment of notes, grants, contributions and cash payments to International Financial Institutions	
	- CIDA	(148)
	- Department of Finance	<u>(223)</u>
		(371)
Plus:	Issuance of notes, grants, contributions and cash payments to International Financial Institutions	
	- CIDA	200
	- Department of Finance	<u>195</u>
		395
Plus:	Other items (projections only):	
	- Imputed Interest Costs (1)	5
	- Foreign Student Support	69
	- Provincial Governments (2)	23
	- Official Bilateral Debt Relief (3)	108
	- Export Development Corporation (Concessional Financing) (4)	34
	- Administration - Other Government Departments (5)	10
	- Refugee costs (1st year stay in Canada) (6)	153
	- Countries in Transition - ODA eligible countries (7)	<u>21</u>
		423
<b>Total ODA (Commitment Basis)</b>		<b>2,407</b>

- Imputed Interest Costs:** This covers the imputed interest on advance payments. CIDA has been exempted from the Treasury Board policy on advance payments for grants and contributions. However, the additional interest charges incurred by the federal government as a result are considered to be an imputed ODA program expenditure.
- Provincial Governments:** International Development disbursements incurred by Provincial Governments in developing countries such as humanitarian assistance and scholarships, are considered reportable ODA expenditures by the Development Assistance Committee (DAC) of the OECD.
- Official Bilateral Debt Relief:** This item refers to debt service relief and/or forgiveness for developing countries of official Canadian debt negotiated through multilateral fora such as the Paris Club. Examples are the debt owed to the Canadian Wheat Board and the Export Development Corporation. This debt reduction will be reported in the Main Estimates of the Department of Finance
- Export Development Corporation (Concessional Financing):** The funding is provided under the authority of Section 23 (Canada Account) of the *Export Development Corporation Act*. Section 23 refers to concessional export financing for commercial sales in developing countries that are not deemed to be creditworthy for other financing from the Export Development Corporation. This financing is reported in the Main Estimates of Foreign Affairs and International Trade under the Export Development Corporation.
- Administration - Other Government Departments:** This item refers to services received without charge from Public Works and Government Services Canada, Treasury Board Secretariat, Department of Human Resources Development, Department of Finance, and Department of Justice.
- Refugee Costs:** The cost to maintain refugees for their first year in their country of asylum can be reported as ODA according to DAC of the OECD.
- Countries in Transition - ODA eligible countries:** Beginning in 1993, DAC recognized that disbursements made in a number of Central and Eastern Europe and Newly Independent States could be reported as ODA program expenditures. In 1997-98, an amount estimated at \$21 million will be directed towards ODA eligible countries.

## International Financial Institutions (IFIs) and Instruments

The IFIs are comprised of the following institutions: the Bretton Woods institutions; the four Regional Development Banks (African, Asian, Inter-American and Caribbean); and other development institutions (such as the International Fund for Agricultural Development, Global Environment Facility and the Montreal Protocol).

**Ordinary Capital Resources:** The IFIs' main instruments (with the exception of the International Monetary Fund) for carrying out their lending programs are the Ordinary Capital Resources (OCR), the concessional funds of the Bank, and technical assistance funds. Member countries subscribe to the shares of the ordinary capital of the IFIs, providing both paid-in capital (in the form of cash or demand notes) and callable capital. Callable capital, which represents the vast bulk of IFI share capital, is composed of resources that are not paid to the IFIs but, in essence, act as a "guarantee" to allow the banks to issue bonds on international capital markets to finance their lending programs. Callable capital, which has never been drawn on by the banks, would only be used in extreme circumstances to repay the bonds, should the IFI liquidity and reserves not be sufficient to meet their financial obligations. Loans to developing member countries from ordinary capital resources normally are made at a rate of interest that is slightly above its costs of borrowing (i.e. market rates), but on terms far better than could be achieved if the borrower approached the market directly. Earnings from operations normally are used to finance reserves, to protect the Bank's financial status, and, in some cases, to help fund its concessional lending facility. As institutions mature and become more creditworthy on international capital markets, the proportion of paid-in to callable capital declines.

In addition to their lending programs, the IFIs possess valuable research and analytical capacities and are at the forefront of policy dialogue in areas of economic and environmental sustainability, poverty reduction and, increasingly, good governance.

The following figure provides information on CIDA's position related to Ordinary Capital Resources.

**Figure 29: Ordinary Capital Resources, as of March 31, 1996**

(thousands of dollars)	Paid-in Capital (1)			Callable Capital (3) (Contingent Liabilities)
	Notes issued		Notes to be issued (commitment) (2)	
	encashed	not encashed		
African Development Bank	92,981	-	-	692,110
Asian Development Bank	174,716	4,552	25,796	2,680,763
Caribbean Development Bank	16,550	5,982	-	66,598
Inter-American Development Bank	202,335	14,859	22,019	5,254,564
	486,582	25,393	47,815	8,694,035

Source: *Public Accounts of Canada 1995-96, Volume 1.*

1. Paid-In Capital subscriptions are made through a combination of cash payments and the issuance of non-interest bearing, non-negotiable notes payable to the organization. Canada's subscriptions to the Paid-In Capital are reported as a non-budgetary asset.
2. These amounts represent a commitment for the portion of the Paid-In Capital to be subscribed to by Canada in future years.
3. These amounts are reflected in US dollars in the annual report of each Bank. For illustrative purposes, these are shown in Canadian dollars, therefore the amount will fluctuate with the foreign exchange rate. These amounts would result in future disbursement of funds only in extreme circumstances, to repay loans should the IFI liquidity and reserves be insufficient.

In 1996-97, replenishment negotiations were completed for the Seventh Replenishment of the African Development Fund (AFDF VII), the Fourth Replenishment of the International Fund for Agricultural Development (IFAD IV) and the Second Replenishment of the Multilateral Fund for the Implementation for the Montreal Protocol (MFMP). The Seventh Replenishment of the Asian Development Fund is also expected to be concluded in 1996-97 while the negotiations relating to the African Development Bank's Fifth General Capital Increase (GCI-V) will probably continue into 1997-98. The negotiation of the Fund Replenishments has been a crucial activity during this fiscal year, given the Canadian objective of reducing its contributions to meet budget constraints while at the same time maintaining policy leverage at the institutions.

**Concessional Funds:** More than 90 percent of Canada's payments to the Regional Development Banks (RDB) are allocated to their concessional funding windows for lending to the poorest developing countries. Lending occurs at very low interest rates, with longer grace and repayment periods. The concessional funds are normally replenished every three to four years as resources become fully committed. CIDA also administers technical assistance funds with some of the RDBs and the World Bank Group to promote Canadian development objectives in areas such as poverty reduction, the environment, and social sectors, and to support Canadian consultants seeking a commercial relationship with the IFIs.

The following figure provides information on the Agency's position related to concessional funds advanced by Canada through International Financial Institutions

**Figure 30: Concessional Funds, as of March 31, 1996**

(thousands of dollars)	Notes issued (1) (not encashed)	Notes (2) to be issued	Total (3)
African Development Bank	413,434	-	413,434
Asian Development Bank	434,245	-	434,245
Caribbean Development Bank	32,634	12,195	44,829
Inter-American Development Bank	5,700	15,408	21,108
International Fund for Agricultural Development	26,485	-	26,485
Global Environment Facility Trust Fund	67,900	37,100	105,000
Montreal Protocol Fund	-	5,666	5,666
	980,398	70,369	1,050,767

Source: *Public Accounts 1995-96, Volume 1.*

1. These notes represent the portion of the concessional funds advanced by Canada to these international organizations which has not yet been encashed by them. Payable on demand, these notes are encashed subject to the financial requirements of these organizations.
2. These notes represent a commitment for the portion of the concessional funds to be advanced by Canada to these organizations which will be issued as stipulated in the agreements with the IFI.
3. These amounts may vary due to fluctuation in foreign exchange rates

## Bretton Woods Institutions

The Department of Finance has the lead for Canada's relationship with the Bretton Woods Institutions. CIDA's role focuses on the development aspects of the Institutions' activities. CIDA's interest is to ensure that the positions taken by Canada at the Bretton Woods Institutions reflect Canada's development objectives and strategies.

**World Bank Group:** This Group is composed of the International Bank for Reconstruction and Development (IBRD) and its associated institutions, the International Finance Corporation, the International Development Association and the Multilateral Investment Guaranty Agency. The World Bank Group funding is reported to Parliament through the Main Estimates of the Department of Finance

CIDA seeks to influence the World Bank in a variety of ways. CIDA plays an increasingly large role in developing Canadian interventions at the Board on developmental policy issues and country strategies, in working directly with policy and operational counterparts at the Bank, and in reaching out to Canadians who have an interest in the Bank. Over the past few years, CIDA has concentrated on a number of Bank issues including the ongoing development and implementation of policies and programs pertaining to Poverty Reduction, Gender and Economic Development and more generally the integration of social dimensions into policy and operational work.

**International Monetary Fund (IMF):** The IMF funding is reported to Parliament through the Main Estimates of the Department of Finance. The Enhanced Structural Adjustment Facility of the IMF provides concessional balance of payments assistance to highly indebted less-developed countries.

## List of Contingent Liabilities

As at March 31, 1996 contingent liabilities estimated at \$4,074,045\* were outstanding against CIDA:

\$367,780 relates to one contract claim;  
\$3,481,265 relates to four claims for damages; and  
\$225,000 relating to one claim for breach of contract.

\* This amount does not include the contingent liabilities related to the callable capital shares of the International Financial Institutions which are identified on page 77.

## References

For additional information about CIDA's programs, activities and operations please visit our Internet site at the following address: <http://www.acdi-cida.gc.ca>

or contact:

Public Enquiries  
Canadian International Development Agency  
Communications Branch  
5th Floor  
200 Promenade du Portage  
Hull, Quebec  
Canada K1A 0G4

Telephone: 1-819-997-5006

Telecommunications  
Device for the Hearing  
and Speech Impaired: 1-819-953-5023

Fax: 1-819-953-6088

E-mail: [info@acdi-cida.gc.ca](mailto:info@acdi-cida.gc.ca)

# INDEX

**A**frica and the Middle East 8 12 17 19 20 61

Agency Executive 10 32 60

Americas 8 12 19 20 21 63

Asia 8 12 18 19 21 62

Auditor General, Office of the 39 40 42

**B**asic Human Needs (BHN) 7 8 20 23 26 35 43 50 53

Benefits to Canadians 38 44 45 47 51 54 56

Bilateral Programs 17

Business Line/Activity and Organization Structure 10

**C**anada in the World 2 34

Canadian Partnership (Branch) 8 25 53 54

Central and Eastern Europe (CEE) (Branch) 2 7 8 12 27 34 61 63

Communications (Branch) 8 29 58

Concessional Funds 78

Conflict prevention 12

Consultative Group on International Agricultural Research (CGIAR) 52

Contract management 32

Contracting 9 33 38 60

Corporate Management Branch 8 32 60

Corporate Services 8 32 60

Countries in Transition 27 55 57 64

**D**evelopment Assistance Committee (DAC) of the OECD 6 8 16 34

Development Information Program (DIP) 29 58

**E**mergency Assistance 23 24

Environment (Envir) 7 8 20 23 26 36 48 51 54 59

**F**inance, Department of 3

Food aid 23 24 35 57

Foreign Affairs and International Trade, Department of (DFAIT) 3 12 28 34 39 60

Foreign Policy Statement 7 34

Framework of results and key success factors; framework for results 39 61

Full-time equivalent (FTE) 17 23 25 27 29 31 32 49 52 54 57 58 59 60 64

**G**eographic Programs 8 17 43 49

Global Environment Facility (GEF) 51

Grants and Contributions 13 14 68 69 71

**H**uman resources 9 33 38 39 60

Human Rights, Democracy, Good Governance (HR/D/GG) 7 8 20 23 26 36 46 51 53

Humanitarian assistance 24 35 57



**I**ndustrial Cooperation (INC) Program 25 54  
Infrastructure Services (Infras.) 7 8 20 23 26 35 45 51 53  
International Assistance Envelope (IAE) 2 3 5 12 31 59 75  
International Centre for Human Rights and Democratic Development (ICHRDD) 8  
International Development Research Centre (IDRC) 3 12 50  
International Financial Institutions (IFIs) 12 22 77  
International Humanitarian Assistance (IHA) 12

**M**ultilateral Development Banks (MDBs) 50 51  
Multilateral Development Institutions (MDIs) 22 23 50  
Multilateral Development Organizations 38  
Multilateral development system 24  
Multilateral organizations 12 24  
Multilateral Programs (Branch) 8 22 35 50 52

**N**ewly Independent States (NIS) 7 27  
Non-governmental organizations (NGOs) 8 12 22 25 26 28 29 38 51 53 54

**O**fficial Development Assistance (ODA) 2 4 6 16 17 31 34 38 59 75  
Organization for Economic Cooperation and Development (OECD) 2 6 8 16 31 34 59

**P**ace and conflict resolution, peacebuilding 2 12 31  
Performance assessment 61  
Performance measurement 33 39  
Performance review 6 8 32 33 38 39 60  
Personnel and Administration Branch 8 32 60  
Policy (Branch) 8 31 59  
Poverty reduction 6 7 12  
Private-Sector Development (PSD) 7 8 20 23 26 36 51 54  
Program review 12 59 64  
Public Works and Government Services Canada (PWGSC) 3 4 66 76

**R**esults-based management (RBM) 6 8 32 33 38 39 60 61

**U**NICEF (United Nations Children's Fund) 12 19 24 43 50 51  
United Nations (UN) 22  
United Nations Development Program (UNDP) 12 44 50 51  
United Nations High Commissioner for Refugees (UNHCR) 51 57  
United Nations Population Fund (UNFPA) 12 51

**W**omen in Development (and Gender Equity) (WID) 7 8 20 23 26 35 44 50 53 59  
World Bank Group 78  
World Food Program (WFP) 51

**Y**outh 1 29 30 36 54 58