

Canadian Co-operation with Economies in Transition

In 1989, Canada provided Poland and Hungary with \$11 million to assist them on the historic process of political and economic reform. Since then, Canada has committed more than \$500 million to economies in transition, extending its support to 26 countries.

This co-operation program is intended to support the transition to market economies, to increase Canadian trade and investment links with the region, and to promote democratic development. The nature of programming depends on the stage of reform the partner country has reached. The program is flexible in that it can respond to rapidly changing regional conditions, as well as to Canadian government priorities and interests.

The program is based on a partnership that includes the Canadian private sector, business and trade associations, all levels of government, non-governmental organizations, educational institutions, and ethnic communities (10 per cent of the Canadian population trace their roots to Central and Eastern Europe). It emphasizes direct links between Canadian organizations or businesses and their recipient country counterparts. Commitment and quality on the part of local partners are essential for the success of projects. Federal funds act as a catalyst to leverage significant project contributions from both Canadian and local partners, resulting in a program substantially larger than government funding alone could sustain.

Bilateral Technical Assistance

Canada's bilateral technical co-operation program focuses on 11 countries: eight in Central and Eastern Europe (Poland, Hungary, Czech Republic, Slovakia, Romania, Estonia, Latvia and Lithuania), and Russia, Ukraine and Kazakhstan. The program provides policy advice, capacity building and human resource development to assist partner countries overcome bottlenecks in the reform process and to promote Canadian interests in the region. Between 1989 and 1996, this program disbursed some \$272 million in support of 1,269 projects, 394 of which are current.

Non-program countries are eligible for responsive technical co-operation projects and assistance under Canada's regional, multilateral, humanitarian and Renaissance Eastern Europe programs.

Renaissance Eastern Europe

Renaissance Eastern Europe is the commercial component of Canada's technical assistance to countries in transition. It is responsive and cost-sharing, and helps Canadian firms develop joint ventures as well as trade and investment opportunities in the region. The program supports venture-specific front-end studies, enterprise-specific training and bilateral business councils. Since 1990, it has committed \$19.3 million to more than 435 projects,