

What are the key challenges facing the CFTC?

It is small and it is not likely to get much bigger. In the first half of this decade, continuing fiscal pressures in the large contributing countries have resulted in a 30% decline of CFTC resources in real term. Since then, 22 countries out of 53 have increased their pledges by an average of 33%. Prime Minister Chrétien announced at CHOGM that Canada was increasing its contribution. Nevertheless, the CFTC will remain small compared with other, larger, multilateral organizations.

As the major development arm of the Commonwealth, the CFTC is often pushed into expanding into new areas of co-operation as new issues arise on the Commonwealth agenda. Such pressures have led to a multiplication of programmes and activities. Dispersion is very costly, not only in terms of resources, but more importantly in terms of effectiveness.

Potential for duplication with other technical assistance bodies is also an important issue. For instance, heads of governments decided at CHOGM, last October, to add to CFTC's range of activities by creating the Commonwealth Trade and Investment Access Fund to assist Commonwealth developing countries the process of adjusting to, and taking advantage of, the opportunities of globalization. Other organizations such as UNCTAD, ITC and WTO already provide assistance to developing countries in those areas. The CFTC will need to ensure co-ordination with those important donors to avoid duplication and build on its comparative advantages.

The CFTC in the New Millennium:

The CFTC enjoys a very good reputation among Commonwealth developing countries. Over the past 25 years, its original formula for technical assistance was able to withstand the changing environment of development. Can the CFTC remain unchanged in the face of new external pressures? What should be its role in the new millennium?

The comparative advantages of the CFTC are its speed, its flexibility and its responsiveness to special needs. The sharing of common values, systems, procedures and language is also an asset.

As we move closer to the millennium, we can identify key global trends that impact on development. They include:

- the globalization of the economy and the diminishing importance of development assistance compared to international private financial flows;
- the diminishing role of the state in economic management;
- the increased role of civil society in social and economic development;
- increased attention paid to women and youth as key actors in social and economic development;
- major environmental changes such as global warming and their impact on our societies.