

## **Canadian Official Development Assistance**

Official development assistance has been identified as the main source of external funding to assist developing countries in the implementation of Agenda 21. Canada remains committed to reaching the target of 0.7 percent of the gross national product for ODA that was confirmed at UNCED as a long-term goal. The financial resources needed to attain this goal will be dependent on a strong Canadian economy.

"Canada in the World" states that the purpose of Canada's ODA is to "support sustainable development in developing countries, in order to reduce poverty and contribute to a more secure, equitable and prosperous world". With this in mind, Canada will continue to direct most of its ODA to low-income countries. Canadian ODA will concentrate resources on six priorities: basic human needs; women in development; infrastructure services; human rights, democracy, and good governance; private-sector development; and the environment. Within the framework of these priorities, assistance will be targeted where it will be most effective in encouraging self-sustaining, environmentally sound development. The goal will be to promote long-term, mutually beneficial relations between Canada and the countries of the developing world.

## **Multilateral Development Assistance and Funding Mechanisms**

Canada believes the establishment of an international financial and economic system that is conducive to sustainable development must be a cornerstone of efforts to implement Agenda 21. Canada strongly supports efforts to reform international organizations to ensure effectiveness and efficiency in the promotion of global sustainable development. At the eighteenth United Nations Environment Programme (UNEP) Governing Council, Canada actively supported UNEP's efforts to refocus its program to achieve these ends.

Moreover, Canada has been active in the follow-up to the 1995 G-7 Summit, which addressed the issue of reform of international financial institutions. Canada views multilateral development banks as fundamental to the implementation of sustainable development. The Global Environment Facility (GEF) is also a key vehicle to help meet common environmental challenges in the areas of biodiversity, climate change, international waters, and ozone depletion. To support that work, Canada has pledged to contribute \$111.1 million to the 1994-1996 replenishment of the GEF.

Further debt relief is essential if severely indebted countries are to effectively mobilize resources for sustainable development. In the G-7 and the Paris Club (the group of major international lender governments), Canada has been a strong proponent of debt relief and has been encouraging other creditor countries to consider mechanisms to ease the debt burden of developing countries, which severely hampers their efforts to develop in a sustainable manner. It is this sort of cooperation between developed and developing countries that will ensure that the resources needed for the implementation of Agenda 21 are available and can be mobilized effectively in meeting our common challenges.