

The World Bank (International Bank for Reconstruction and Development) and its affiliates the International Development Agency and the International Finance Corporation continued to receive substantial Canadian support throughout 1969. The World Bank plays a key role in the development process, not only through its loans but through its role as a useful forum for consultation on aid questions through its consortia and consultative groups organized for particular recipient countries. The Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) is another important co-ordinating body, where the donor countries gather to consider common problems and means of expanding and improving the development assistance they offer. In October 1969, Canada expanded still further its already substantial involvement in regional development banks by becoming signatory as a non-regional member to the agreement establishing a Caribbean Regional Development Bank. Canada is an active member of the Asian Development Bank and uses the Inter-American Development Bank as a vehicle for capital assistance to Latin America.

A dynamic source of Canadian financing for developing countries will be the Export Development Corporation, which was established towards the end of 1969 as a successor to the Export Credits Insurance Corporation. The long-term credit facility provided for Canadian exporters by the Export Development Corporation serves the dual purpose of encouraging the export of Canadian products and permitting the developing countries to purchase the capital goods they require with long-term financing. The Export Development Corporation will also administer a new investment insurance facility designed to encourage Canadians to invest in developing countries. As the use of these credits involves foreign policy as well as developmental considerations, the Aid and Development Division is responsible for assisting both the Departmental director at the monthly meetings of the Corporation's Board of Directors and the Director-General of the Office of Economic Affairs, who represents the Department at the weekly sessions of the Committee of Alternate Directors.

The growing appreciation of the relevance of trade to the requirements of international development is reflected in the declaration of the Pearson Report that "only the evolution of their trade with other nations ... will enable the developing countries to grow without the help of concessional finance". Canada is participating in the international formulation of a number of measures designed to increase the developing countries' foreign-exchange earnings, either through assuring equitable and stable prices or improving the access for their goods to foreign markets. Under the aegis of the UNCTAD and the OECD, considerable progress was made during 1969 on the creation of a general scheme of tariff preferences for the products of developing countries. Canada was one of the industrialized countries that submitted an indicative proposal of tariff preferences for discussion within the OECD. Early in 1970, the site of the discussions will shift from the OECD to the UNCTAD, and it is possible a scheme of tariff preferences will come into effect in 1970. An International Sugar Agreement, to which Canada subscribed, came into effect at the beginning of 1969, and work on various other commodities of interest to developing countries continued throughout the year in various working and study groups organized by the UNCTAD, the FAO and the General Agreement on Tariffs and Trade (GATT).