
CIDA subsidizes selected NGO projects up to 50 per cent of their cost. CIDA support ranges from modest grants, such as a recent contribution of \$150 to CARE Canada to buy convector pumps in Malaysia, to a \$140,000 grant towards a \$690,000 Canadian Jesuit Foreign Missions school and housing project in Darjeeling, India.

CIDA has put aside \$16.5 million for NGO support in 1972-73. Of this amount, up to \$6.7 million will go to the Canadian University Service Overseas (CUSO), which received \$4.85 million from CIDA in 1971-72 and which itself raised an additional \$8 million in funds, goods and services to field 1,250 volunteers in 40 countries.

Food aid Apart from contributions to the World Food Program, Canada gives about \$90-million worth of food direct to a dozen needy countries in Asia and Africa every year. It is a way of disposing of surplus wheat, flour, fish, milk powder and other foodstuffs by which Third World countries are helped and price-levels in Canada protected at the same time. The Canadian food is sold to the public in the developing country by its own government, which uses the revenue for further development purposes.

Commodity aid This is a drawing account against which a developing country may purchase definite and agreed-upon raw or semi-processed materials and fertilizers in Canada. Commodity loans are extended in principle to countries with a viable secondary-transformation industry. The materials save them foreign exchange and provide jobs at the same time. CIDA extends some \$50-million worth of commodity loans a year.

Lines of credit To some countries, Canada extends development credit the same way finance companies co-operate with retail stores in Canada. When an item is sold on the instalment plan, the store receives the full purchase amount from the finance company, which in turn collects from the customer over a period.

Under CIDA's line of credit, Canadian exporters can sell development-related items either to the public or private sector in a developing country. CIDA pays the exporter in full and extends an interest-free loan to the recipient country for the amount of the purchase. The buyer in the recipient country arranges reimbursement to his government in local currency. So far Canada has signed agreements for line-of-credit loans with India, Indonesia and Ghana for a total of \$15 million. Seven Caribbean countries have received grants instead of loans for line-of-credit operations, and negotiations with other Third World countries are under way.
