

HOW TO GET FINANCIAL SUPPORT FROM CIDA-INC

The objective of CIDA's Industrial Cooperation Program (CIDA-INC) is to produce "developmental impact" in the developing countries in order to help them with their plans to develop economically and socially.

CIDA-INC has several mechanisms which can help the Canadian private sector contribute to that objective, most notably the Canadian Project Preparation Facility (CPPF) and mechanisms in support of investment.

The CPPF is used mainly for pre-feasibility studies by consultants who hope to obtain contracts with agencies other than CIDA for full-fledged feasibility studies on capital projects in ASEAN countries. These consultants also hope to identify opportunities for other Canadian suppliers to compete for goods and service contracts financed by untied funds committed by International Financing Institutions (IFI).

Projects CIDA-INC supports will help:

- to create employment in the target countries (especially for women)
- to generate the target countries' foreign exchange through import substitution
- to create incremental demand for locally produced goods and services
- to produce a favorable ecological impact in the target countries (i.e. reducing pollution)
- to increase the ability of the governments of the target countries to finance their development program by re-enforcing their tax base, and so on.

If you want to establish a joint venture (a manufacturing joint venture or a service joint venture), to license your technology, to set up some kind of co-production agreement or to establish some other arrangement which benefits both you and one or more of the target countries, you can obtain up to \$365,000 from CIDA-INC:

- up to \$15,000 towards the costs of your initial discussions (Starter Study)
- up to \$100,000 towards the costs of reaching a written agreement which is acceptable to you, your investment partner and the investment coordinating authorities in the host country (Viability Study)
- up to \$250,000 to consolidate the technology transfer (Project Support)

To obtain these contributions, you must make a written proposal to CIDA-INC. Your proposal must provide complete answers to all of the following questions:

-who is the company making the application, supported by the CIDA-INC applicant information questionnaire (obtain it from Lance Bailey at (819) 997-0565 or Rick McTaggart at (819) 997-0562) and your most recent financial statement;

-what do you propose to do, and with whom, providing the appropriate narrative and a budget in three columns to show what you propose to contribute to each item of the costs, what your prospective partner can be expected to contribute and what you expect CIDA to contribute;

-how your proposed activity will contribute to the economic and social development of the host country; and

-why the Canadian tax-payer should be expected to contribute (basically, how your activity will lead to employment creation, foreign exchange generation, increased security of strategic imports and so on, in Canada).