

## **PART II, SECTION II**

# **FINANCIAL RESOURCES AND MECHANISMS**

### **Introduction**

Canada recognizes that a key element of international cooperation in support of global sustainable development is the provision of assistance, including financial resources, to developing countries to help them to meet their commitments under Agenda 21. The flow of financial assistance from the developed to the developing world should supplement the mobilization of domestic financial, technical, and human resources in developing countries that is fundamental to implementing Agenda 21. The bulk of Canadian assistance to this end is provided through the federal government's official development assistance (ODA) program. The work of organizations like the Ottawa-based International Development Research Centre (IDRC) and the Winnipeg-based International Institute for Sustainable Development is also important.

### **Innovative Mechanisms**

Canada is increasingly aware that sustainable development requires the establishment and maintenance of strong and mutually beneficial economic relations between developed and developing countries. In its early 1995 foreign policy statement, "Canada in the World", the federal government committed itself to expanding Canada's trade and investment relationships with the developing world.

In recognition of the role of international trade in encouraging sustainable development, Canada has announced its intention to implement fully its commitments under the Uruguay Round of multilateral trade negotiations that concluded in 1994. Of particular interest to least developed countries is the Canadian government's announcement that it will be reforming Canada's General Preferential Tariff to provide better access to least developed countries to the Canadian market. The Canadian International Development Agency (CIDA) has also undertaken a study of the impact of the Uruguay Round on developing countries. One of the goals of this study is to identify a role for ODA agencies in helping to alleviate any negative impacts of the Uruguay Round while assisting developing countries to take advantage of the new trade opportunities arising out of the Uruguay Round. The results of CIDA's study should be available by mid-1996.