

WORKING WITH MULTILATERAL INSTITUTIONS

Canada remains committed to multilateral cooperation. Effective multilateral organizations and mechanisms can and must be important instruments in supporting Canadian values and interests. Multilateral systems, while strained by the changing global environment and demanding persistent hard work, provide the best prospects for an inclusive process to set the rules of international conduct and a forum to promote values important to Canada, including democracy, human development and social justice.

MULTILATERAL INSTITUTIONS: ENHANCED SUPPORT WHERE THEY CAN MAKE A DIFFERENCE

The criteria for greater selectivity—and ongoing, rigorous review—in allocating Canadian resources among multilateral institutions will be:

- Ability to address the MDGs, globally and regionally. These are institutions that are critical to global efforts to achieve the MDGs, either because of the role they play in global governance or because of their ability to mobilize large-scale resources for MDG-related investments.
- Specialized ability to respond to humanitarian demands. Other international institutions play a critical role in delivering humanitarian assistance, particularly in situations where multiple bilateral initiatives are unfeasible for logistical and/or political reasons.
- Specialized functions related to particular Canadian priorities for MDGs. Another set of institutions is sectorally or thematically based. These are agencies that would be supported by Canada based on their unique ability to undertake global and regional programs in Canada's priority and crosscutting sectors.
- Effectiveness of the institution. In all of the above categories, institutions will be assessed on an ongoing basis as to their organizational effectiveness and ability to deliver development results on the ground.

We rely on multilateral organizations to deliver more than 40 percent of Canada's aid program. They are essential in supporting crisis states and indeed are the primary instrument of the global community to respond to the needs of these states, as well as to emergencies and humanitarian crisis. Multilateral organizations also play a central role in achieving the MDGs. They enable us to extend our reach beyond what is possible through bilateral programs in areas such as HIV/AIDS and education. These organizations are also the coordinators of major global initiatives such as Global Alliance for Vaccines and Immunization and the Global Environment Facility that address critical global public goods concerns. These coordination roles encompass broader contexts such as donor coordination and harmonization under the auspices of the OECD. Multilateral organizations have been major players in resolving issues related to the provision of debt relief to developing countries. Our core contributions to these organizations also enable Canada to remain engaged in countries without a full-scale bilateral program.

As is the case for sectors and countries, the Government will pursue a more strategic approach to supporting multilateral institutions. Canada will:

- continue to promote reforms aimed at improved effectiveness as well as transparency in procurement across the multilateral system and within organizations that play an especially important role in advancing poverty reduction;
- work with other member countries and with the institutions themselves to ensure that performance shortfalls are addressed and that resources are allocated where they can have the greatest impact;
- focus greater support on those institutions that are most effective in promoting global governance and contributing to the MDGs and review Canada's contributions to those that are less effective; and
- encourage greater participation by international financial institutions, such as the World Bank, the International Monetary Fund and the regional development banks, in debt relief initiatives, in ways that safeguard their financial viability.