

## Indo-Canadian Development Cooperation

Canada announced its intention to make available to India assistance at approximately the level of the last three years, despite the fact that foodgrain imports which had figured so prominently in recent years' programmes, would not be required by India as far as could then be foreseen. This will allow an important expansion in Canadian non-food aid in response to changing circumstances, although Canada will stand ready to direct funds to food aid if there is need.

In general terms the Indian Government's expressed intention to give priority to increasing productivity and employment in the rural sector meshes well with Canada's Strategy for International Development. It seems apparent that opportunities exist for effective economic cooperation. The task ahead is to transform these opportunities into concrete programmes and projects which will efficiently match Canadian capabilities with Indian needs. During the balance of 1977/78, discussions between officials of the Government of India and the Canadian High Commission are expected to lead to the identification of feasible agricultural projects suitable for Canadian financing.

TABLE II

### Canada/India Net Aid Transfers 1966-67 to 1976/77<sup>1</sup> (U.S. \$ Millions)

Fiscal Year	Gross Disbursements	Debt Service	Net Transfer	Only Larger Net Bilateral Donors than Canada
1966/67	106.9	5.6	101.3	USA (749.9)
1967/68	86.1	6.0	80.1	USA (747.6)
1968/69	94.9	6.1	88.8	USA (430.3) Italy (111.9)
1969/70	78.0	7.1	70.9	USA (401.1)
1970/71	107.1	6.3	100.8	USA (354.6)
1971/72	110.5	7.4	103.1	USA (271.4)
1972/73	91.1	11.1	80.0	UK (101.4)
1973/74	89.1	15.6	73.5	USSR (135.9) UK (105.3)
1974/75	96.4	13.6	82.8	Iran/Iraq (230) USSR (115.7) UK (93.9)
1975/76	99.7	14.8	84.9	Iran, Iraq and other OPEC countries (467.0) UK (103.3)
1976/77	80.8	14.9	65.9	Iran (183.9) UK (149.9)

<sup>1</sup> Source IBRD.

## Canadian Assistance For Third World Development 1976/77 to 1977/78

In the war against world poverty, which has been going on for a quarter of a century now, Canada is playing an important role. Among the wealthy, industrialized countries that provide most of the funds for international development cooperation, Canada provides the fifth-largest flow of official development assistance—\$963 million (or Rs. 866.7 crores) last year. Only the United States, France, Germany and Japan contribute more dollars to the struggle.

Canadian development assistance grew rapidly in the first half of the 1970s, at a rate of 20 per cent yearly. Growth has been about half as fast since then, restrained by a more difficult economic situation, and the emphasis has shifted to qualitative goals set out in Canada's "Strategy for International Development Cooperation 1975-1980". This ambitious policy statement, issued by the Canadian Government two years ago, sets out in 21 points the objectives to be pursued in the remainder of the decade.

It calls for a comprehensive approach to development cooperation covering both aid and non-aid mechanisms, new forms of cooperation, a more focussed attack on key problems, and greater priority for the poorest developing countries.

For the current year, 1977/78 the Government of Canada has authorized an aid programme of \$1.1 billion (Rs. 9,900 crores), more than 60 per cent being for grants and advances to international financial institutions. The Canadian International Development Agency (CIDA), the branch of the Canadian Government responsible for administering the country's development cooperation programme, channelled more than 40 per cent of its funds last year through multilateral organizations—such as United Nations agencies, the World Food Programme, the World Bank and regional development banks.

Another 50 per cent of the funds were used for bilateral (country-to-country)

aid in five main regions of the world. Countries in Asia received half of this bilateral assistance, or \$237 million. Commonwealth Africa received \$93 million, Francophone Africa \$89 million, Latin America \$26 million, and the Commonwealth Caribbean \$23 million.

The balance of Canada's overseas development funds, some \$69 million last year, were used for special programmes. Two of these are particularly innovative efforts to meet Third World needs. The International Development Research Centre, based in Ottawa but with an international board of governors, received \$30 million to sponsor research into the particular problems faced by developing countries. The Non-Governmental Organizations programme of CIDA used \$38 million to help Canada's voluntary agencies respond to the challenge of international development, largely through matching grants to strengthen and expand private initiatives.