

*CIDA INC***CIDA's Industrial Cooperation Program (INC)**

Since its creation in 1978, the \$75 million CIDA INC program has provided financial incentives to over 1,600 firms from every region of the country. This support has resulted in long-term associations between Canadians and private sector partners in developing countries. These partnerships have proven to be true win-win situations. They allow developing countries to solidify their economic base by providing access to much needed technologies available in the Canadian marketplace. Canadians in turn gain international trading experience, access to larger markets, and downstream sales while creating jobs at home.

CIDA INC reflects Canada's policy of supporting the pivotal role played by the private sector in strengthening the economies of developing countries.

By offering Canadian businesses a broad range of incentives to share resources and problem solving techniques with their private sector partners in developing countries, CIDA INC assists exporters to meet the challenge of displaying, on the world stage, their ingenuity and knowledge for the benefit of host countries and Canada.

Business Development

The two key mechanisms available are **Investment** and **Professional Services** with additional assistance through the **Specialized Activities** program.

Investment-oriented programs offer three different mechanisms which support eligible Canadian companies, particularly manufacturers, to explore possibilities for long-term joint ventures with developing country businesses. Up to

\$15,000 is available for **Starter Studies**, or a preliminary analysis of factors and conditions in a country where a long-term association is being considered. To carry out more in-depth evaluations, up to \$100,000 is available for **Viability Study** support.

Once the concept is finalized, up to \$500,000 can be contributed to **Project Support** as an encouragement to out-of-country investment. INC shares some of the risks not normally associated with similar investments in developing countries.

Professional Service-oriented programs feature five mechanisms to help the Canadian private sector, mainly consulting firms, financial institutions and business associations, to conduct studies and provide guidance and advice to potential clients in developing countries. **Capital Project Preliminary Study** (up to \$350,000) and **Capital Project Detailed Study** (up to \$500,000) are two programs to co-finance (pre) feasibility studies for developing country clients who have lined up financing for their eventual investment projects — usually with one of the International De-

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The INC Program Eligibility Requirements

To be eligible for funding through the INC program you:

- Must be established and operating in Canada and have either sales/revenue performance data for at least two years or annual sales/revenues exceeding \$100,000;
- Must be paying corporate income taxes when you make profits;
- Must have a track record in the services offered or manufacture the products for which assistance is required;
- Must be financially sound and have the necessary human, financial and technical resources to carry out the work;
- Must be registered with one or more International Financial Institution (IFI) likely to finance the downstream work and be able to negotiate a project agreement committing the partner in the developing country without making the Government of Canada a party to this agreement.

The first step for interested groups is to contact the CIDA INC Program Manager for the country you are interested in. Detailed pamphlets on the INC programs introduced here are available from CIDA headquarters in Hull, Quebec, tel. (819) 997-7901, and from CIDA's Regional Advisors, c/o the International Trade Centres (ITC), in Vancouver, Calgary, Winnipeg, Montreal and Moncton, or from other ITCs across Canada.