



THE BUSINESS OF DEVELOPMENT

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Private Sector Plays Key CIDA Role – Minister

The time has changed when development assistance was a process essentially carried out between governments. The private sector has emerged as a key player in development cooperation.

CIDA continues to encourage greater private sector participation in our development efforts because we have found that the goal of sustainable development is best served when people have a stake in the process, and when mutual benefits can be gained. This applies to Canadians as much as it does to our counterparts in developing countries.

I am pleased to present this feature on CIDA and its Industrial Cooperation (INC) program.

INC is one of the many mechanisms at CIDA for involving Canadians in international development.

Through INC, many innovative Canadian exporters have gained access to new markets, and have been able to share and build upon their expertise with partners in developing countries.

MONIQUE LANDRY
Minister for External
Relations and International
Development

What CIDA Is; What CIDA Does

The Canadian International Development Agency (CIDA), established in 1968, is the federal government agency responsible for implementing Canada's Official Development Assistance (ODA) policies and for administering most of the development assistance budget—\$3.1 billion in 1991-1992. CIDA's mission is to support sustainable development in developing countries. A substantial portion of the ODA budget, as much as 60 cents of each aid dollar, is spent in Canada on the procurement of goods and services required for development projects abroad. CIDA has thus forged working partnerships with Canadians in the private sector for the delivery of Canadian development assistance.

Our aid program is an important link between Canada and more than 100 countries that contain about four-fifths of the world's population. Development cooperation also connects us to the fastest growing markets in the world—the markets of developing countries, notably in Asia. As developing countries

themselves have said: "trade follows aid". The linkages established by our aid program expand our trading relationships. At the same time they promote our private sector's global competitiveness by putting Canadian skills and technology to work in the global economy.

CIDA programs provide incentives to support investment in developing country enterprises, and give many Canadian firms their first chance to break into overseas markets. CIDA programs such as Industrial Cooperation (INC) encourage joint ventures and investment by absorbing some of the costs, and reducing some of the risks, of doing business in new markets.

Canada's aid program promotes our national interests while serving those of the international community. In short, our cooperation in world development helps build a more favourable international environment in which Canadians—and our counterparts in other countries—can prosper.

Canadian Candy Dandy in Thailand

With financial encouragement from CIDA INC, Ganong Brothers Ltd. entered into a joint venture agreement with a Thai company—Rubia Industries, a subsidiary of Berli Jucker, to manufacture chocolate and confectionery products.

INC helped to fund the necessary feasibility studies and market re-

search. The decision was go. The Thai and Canadian partners split the start-up costs and share evenly the ownership of the venture. The factory began production in July 1989, with sales in excess of \$1,000,000 in the first 12 months of operation. Ganong has gained a foothold in the burgeoning Asian

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