

CIDA INC

The Canadian International Development Agency (CIDA), through its Industrial Cooperation Program (INC), provides a bridge between developmental needs and commercial opportunity

Has your company discovered an opportunity in a developing country and found a suitable local partner or client? Does the project improve the host country's ability to provide basic human needs or infrastructure services, protect the environment or support private sector development? If you answered yes to these questions, CIDA INC may be for you.

CIDA INC encourages long-term, mutually beneficial business relations between the Canadian private sector and developing country partners by sharing the costs unique to doing business in a developing country. Upfront investments in training and measures that ensure a positive impact on the environment and social/gender conditions are key elements of successful, sustainable ventures in these countries. The cost-sharing idea is fundamental to the process, as the companies involved retain ownership of their projects and, if profitable in the early stages, some or all of the INC contribution may be repayable.

Proposals, Companies, Countries

INC support is appropriate for projects that are sustainable, fulfill at least one of CIDA's developmental priorities (see sidebar), and meet a number of specific criteria, including:

- The applicant may be a single firm or the lead firm in a group and must be subject to corporate income tax, have been in business in Canada for at least three years, and have had annual sales of more than \$1 million for at least two consecutive years;
- The applicant must hold the proprietary rights to the technology in question or have acquired the right to transfer it to a developing county;
- The applicant must have a track record in the services offered or in the manufacturing of the products for which the assistance is requested;
- The applicant must be prepared to assume part of the costs associated with enhancing the developmental

benefits of its project.

The following countries of Eastern and Southern Africa are eligible for INC projects: Angola, Botswana, Comoros, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Uganda, Zambia, Zimbabwe. Companies as diverse as Design Management Group and Abegweit Seafoods (East Coast), SR Telecom (Quebec), Garland Commercial Ranges (Ontario), TransCanada Pipelines and Ocelot (Alberta), and ND Lea International (B.C.) have received INC support for projects in this region.

Six priorities of Canada's official developmental assistance program:

- (1) Basic human needs
- (2) Integration of women in development
- (3) Infrastructure services
- (4) Human rights, democracy and good governance
- (5) Private sector development
- (6) Environment

Funding Mechanisms

There are two distinct INC funding mechanisms: investment and professional services. Investment is aimed at facilitating joint ventures in the manufacturing and services sectors, and proposals can be submitted at the viability study and project implementation stages. The professional services section is designed to assist consulting and engineering firms in the preliminary and implementation stages of capital projects.

CIDA INC is well acquainted with supporting African endeavours. A good portion of the 10,000 proposals (58% approved) received by INC since the program began in 1978 have involved Africa. In general, complete applications are evaluated within 12 weeks. Firms bidding on capital projects can apply for a Letter of Interest which, if appropriate, is issued within 72 hours. As part of its ongoing efforts to streamline the application process, INC has converted to an automated proposal system; to obtain an application diskette or further information, please contact CIDA INC at the coordinates below.

Louis Verret, Program Manager - Africa & Middle East
CIDA INC
200 Promenade du Portage, Hull, Quebec K1A 0G4
Phone: (819) 997-2069 Fax: (819) 953-5024
Email: louis_verret@acdi-cida.gc.ca
WWW: <http://www.acdi-cida.gc.ca>