

CIDA Programs Applicable to Turkey

Although Turkey is not a country that is eligible to receive Canadian aid, CIDA's Industrial Co-operation Program (ICP) does apply.

ICP supports the efforts of developing countries to achieve self-sustainable development by encouraging the participation of the Canadian private sector in their industrial development and growth. ICP uses financial incentives to support Canadian private-sector initiatives in long-term business co-operation arrangements and in project definition studies in developing countries. Support is also provided for making contacts and for identifying opportunities through seminars and investment missions. Unlike other government programs, ICP has not been intended for market identification trips or project bidding.

The principal means for Canadian technology transfer to a developing country is through involving Canadian business in viable long-term business co-operation arrangements. In most countries, foreign companies must establish some form of joint venture in order to maintain a long-term foothold in the market. Joint ventures are defined as co-production or production-sharing agreements; assembly operations; licensing agreements; and various forms of equity participation (any long-term collaboration venture going further than short-term sales of goods and services). While providing technology transfer skills, import substitution, job creation, increased export potential, and other assistance to the developing country, joint ventures are a worthy marketing tool to enable Canadian companies to penetrate markets that may otherwise be inaccessible due to high freight costs, severe international competition or local foreign trade regulations.

The Industrial Co-operation Program recognizes that investment is only one of the ways in which Canadian technology and know-how can be transferred to the Third World. In addition to the activities in support of long-term co-operation agreements, the program provides support to Canadian firms to undertake project definition studies.

ICP has been designed so as to complement other programs and services provided by EAITC and Industry, Science and Technology Canada (ISTC), as well as those of the Export Development Corporation and the provincial governments.