Canadian expertise is helping Chile consolidate its progress toward sustainable development. This in turn assists Chile, which has one of South America's most stable and diversified economies, to encourage development among the region's poorer nations.

- Canadian official development assistance to Chile in 1997–98 through all channels was \$2.3 million. CIDA supports a number of initiatives in Chile through its Regional South America Program.
- In 1996, CIDA approved a \$15-million, five-year project for the Southern Cone countries, including Chile. The project transfers Canadian knowhow to help resolve development problems of mutual interest. Seven projects now under way in Chile involve model forests, environmental technologies in waste and wastewater management, renewable resources, pesticide management and use, urban environmental planning, biotechnology and biosafety in agriculture, and health care.
- Chile also benefits from CIDA's regional (multi-country) projects in areas such as Radarsat applications; environmental guidelines for the oil and gas, energy and mineral sectors; and international humanitarian law.
- CIDA's Industrial Co-operation Program has fostered business collaboration between Canadian and Chilean firms in sectors such as manufacturing, communications, health, forestry, and mining services. The program has about 14 projects operating in Chile.
- In 1997–98, CIDA's Partnership Program channelled about \$845,000 through Canadian associations, educational institutions and non-governmental organizations to support 28 projects in Chile that focus on strengthening the capacity of local partners to address development challenges.
- CIDA's Canada Fund for Local Initiatives supports grassroots activities administered by local non-governmental groups. These projects focus on improving the economic conditions and quality of life of groups living in poverty and vulnerable groups such as women, children, and indigenous people.
- The Canadian embassy manages the Local Fund for Public Sector Reform, which supports small but critical activities that help government ministries proceed with larger reforms.