

Canada's development assistance is oriented towards aiding the poorest nations, and is focused in three critically important sectors: agriculture and food production, energy, and human resource development. An important element of Canada's commitment to aid the poorest was the government's decision to devote .15 per cent of its GNP in assistance to the 31 least-developed countries, which was announced following the UN conference on the least-developed developing countries in September 1981.

Work began during the year on elaborating a policy in human resource development; one plank of this policy is a program to train agricultural extension workers in developing countries. Recognizing that non-governmental organizations (NGOs) are particularly effective in operating basic human needs programs, an increasing amount of resources was channelled through CIDA's NGO programs. To address the serious balance-of-payments problems of developing countries, a new program of emergency balance-of-payments assistance was put in place; the first beneficiaries were Jamaica, Turkey and Uganda. To deal with other kinds of emergencies, the funds available for disaster and refugee relief were to be doubled.

On the bilateral side, the Secretary of State for External Affairs announced that Canadian aid to the Commonwealth Caribbean would be doubled to \$90 million a year by 1987. The first contacts were made to establish a development program in the People's Republic of China, and a strategy for assistance in Central America was elaborated. Innovative aid programs were initiated in such middle-income countries as Nigeria, Morocco, Brazil and the ASEAN countries. The low-income countries of the Sahel, East Africa, Caribbean, Latin America and the Indian sub-continent remained, however, the principal beneficiaries of Canadian assistance.

## Energy

High world oil prices continued to be a major problem for oil-importing, developing countries in 1981, contributing to chronic balance-of-payments deficits in many cases. While oil prices showed some signs of declining toward the end of the year, it was clear that for many, oil imports would continue to be their chief preoccupation in the energy sector as well as a serious economic problem. It was to alleviate dependence on imported oil that the Nairobi Program of Action, which issued from the UN Conference on New and Renewable Sources of Energy (UNERG) called for international co-operation in the development of indigenous non-hydrocarbon resources.

Canada participated actively in UNERG and in follow-up activities to implement the program of action. Canada also increased its involvement in assistance in this sector by announcing that some \$1-billion worth of aid in the energy area would be disbursed in developing countries in the next five years, including \$250 million allocated to Petro-Canada International (PCI). PCI, a subsidiary of Petro-Canada, was formed to help diminish developing countries' dependence on imported oil by helping with exploration for hydrocarbon resources in their territories. Also at Nairobi, the Prime