

The formula is not unlike that of the Export Development Corporation (EDC) — except, naturally, for the element of liberality inherent in the CIDA formula. The multidimensional approach advocated in the “strategy” for 1975-1980 is facilitated by this similarity. For different reasons (involving economics in one case and compliance with development standards in the other), EDC and CIDA have concluded parallel agreements for the benefit of developing countries such as Algeria, Indonesia and Ivory Coast. This co-financing is well suited to the participation of the Canadian, or even the foreign, private sector.

Encouragement of preinvestment and industrial co-operation

In recognition of the importance of investments and industrial co-operation in Third World development, CIDA created a branch in 1970 that strives to facilitate and encourage the participation of Canadian private industry in the progress of productive economies in countries that desire the co-operation of Canada. First of all, an investment-promotion program was established so that Canadian businessmen and industrialists could make exploratory and feasibility studies in the Third World. The costs of an exploratory visit are met by CIDA up to an amount of \$2,500.

For more thorough feasibility studies, CIDA pays the lesser of two amounts: either 50 per cent of the cost of the study or \$25,000.

In 1976, the Business and Industry Division of CIDA extended its activities by launching the Experimental Industrial Co-operation Program. The services of expert advisers were retained to define specific industrial projects in nine developing countries: Algeria, Barbados, Colombia, Indonesia, Jamaica, Malaysia, Peru, the Philippines and Tunisia. On their return to Canada, the expert adviser teams submitted projects to Canadian private industry. After examination, 40 projects were identified, for which the responsible Canadian businessmen had met, or were soon to meet, their Third World counterparts. The forms of collaboration envisaged included participation in joint undertakings, licence agreements, and technical or commercial assistance.

The Business and Industry Division of CIDA, by holding conferences and various other means, informs Canadian business and industrial circles of the possibilities of extending their activities in