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add to the developmental impact of our assistance, we shall untie partially bilateral loans by allowing developing countries to compete for contracts and by selectively seeking procurement in other donor countries when this practice will bring demonstrable and significant benefits. Finally, we have become increasingly aware that the pattern of bilateral assistance in past decades -- the often unco-ordinated "sprinkling" of both financial and technical resources on a large number of recipient countries by most donors -- has been somewhat ineffective. It should surprise no one, therefore, that Canada has decided to concentrate its assistance on a limited number of countries to achieve a greater geographic concentration of its programs -- and thus greater efficiency.

But, lest some of you be concerned about impending cut-backs to existing bilateral programs, I hasten to add that these new guidelines will be implemented with the flexibility that pervades the new strategy, and that all present commitments will be honoured. Indeed, too sharp a break with current practices would defeat the essential purpose of this policy review. Interdependence, after all, is not limited to relations between developed and developing countries; and the poorest countries of the world would hardly be better off if too brutal a shift of Canadian assistance from their slightly more affluent neighbours were to weaken the latter's ability to contribute to overall development through regional trade and co-operation.

Consequently, I invite all of our partners in international development to read this policy document carefully and to discuss in coming weeks its long-range implications for their countries with the appropriate officials in CIDA and External Affairs. I should add that we should also welcome discussions with other donor countries on the new strategy's basic orientations and implementation, as well as on the more general problem of co-ordinating bilateral assistance programs.

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