

Bilateral Agencies

The Canadian International Development Agency (CIDA)

Over the past several years, CIDA's fastest-growing activity has been its Industrial Co-operation Program, which encourages a wide variety of linkages between Canada's private sector and that of the Third World. Moreover, the program will gradually double its budget share to 4% of Canadian development assistance in the next 5 years.

CIDA's Industrial Co-operation (INC) Program was created in 1978 to provide financial incentives to Canadian companies interested in entering into long-term business cooperation agreements with developing countries.

When CIDA established the INC Program, it set up several assistance mechanisms so that the Agency and Canadian companies could share the risks and costs of pursuing long-term business opportunities in developing countries. These mechanisms relate to investment, professional services, and specialized activities, which correspond to the three sections of the INC Program.

Investment

The investment oriented programs assist eligible Canadian companies, particularly manufacturers, to conduct preliminary or in-depth studies on the possibility of long-term cooperation agreements with developing country businesses. It may also pay certain costs incurred when a joint venture is set up with entrepreneurs in a developing country. The three mechanisms available are:

- starter study support (up to \$15,000);
- viability study support (up to \$100,000); and
- project support (up to \$500,000).

Professional Services

The services oriented programs help eligible organizations (mainly consulting firms, financial institutions and business associations) to conduct studies and provide professional guidance and advice to potential clients in developing countries.