

One Program is Better than Five

By Brian Cox

PEMD, NTS, ANAP, PIPP, GGIP. For the uninitiated, this alphabet soup of acronyms applies to just some of the various funding programs managed by the Department to promote international business development. For those of you at Posts, you've probably heard them referred to as the source of support for your projects but never quite understood what funded what. Even to those more familiar with the names at HQ, the rules of use for each fund can be confusing and are often different for similar activities.

This confusion is just one of the reasons we have decided to consolidate all of these programs into one – the Program for International Business Development (PIBD). PIBD will also permit flexibility in the allocation of funds according to priorities, irrespective of whether they have a geographic, sector or functional base.

Once funds are allocated, geographic managers will not have to be concerned with the artificial barriers that each program presented (eg Pemd funds could only be used for fairs and missions). In the future, funds for investment projects, technology transfer projects and trade promotion projects will all come from the same source.

The move to one program resulted from the *International Business Development Review* ("Red" Wilson) and the Fairs and Mission Program Evaluation.

The Fairs and Missions Evaluation called for:

- Better strategic management of the program, particularly in planning and coordinating event selection, recruitment, follow-up

and evaluation.

- Genuine and continuous business sector involvement
- Improved collection and dissemination of MI/I obtained at fairs and on missions
- Greater program accountability to senior management and to clients especially in fiscal and other resource management, better project evaluation to improve event selection and delivery.

These recommendations can be applied equally to all promotional activities and one program will facilitate this. A Coordinating Committee of Trade Directors, chaired by TFB, has been established to implement them. The Committee will also have the responsibility of recommending to DMT how the Program funds should be allocated.

The Wilson Review has resulted in significant changes to the assistance we provide to Canadian firms. For example:

OUTGOING MISSIONS:

Industry participants must pay all their direct costs, ie; air fares, accommodation, meals, personal interpreters, personal taxi and other costs which business people would normally incur on business travel. This applies to all outgoing business promotion (trade, investment, technology transfer), missions or mission-type activities such as conferences, seminars, or workshops.

In addition, companies must pay a non-refundable participation fee, established by the geographic bureau and calculated on the basis of at least 50% of DFAIT's estimated direct costs for common services. This fee will help to off-set such costs as official hospitality,

group transportation (bus), rental of meeting rooms, and publicity (if required). Non-direct costs associated with recruiting and planning the mission, even if this requires a consultant, will not be included in the calculation.

TRADE FAIRS:

Companies must share the direct cost of the project, in relation to their size, (small, medium or large) and the number of times they have received financial assistance while participating in DFAIT-sponsored events in the country, defined as follows:

Small:

Less than 100 employees (service industry 50, employees)

- (a) First time in country: 33% of DFAIT direct costs
- (b) Second time: 50% of DFAIT direct costs
- (c) Third time: 67% of DFAIT direct costs
- (d) Subsequent: 100% of DFAIT direct costs

Medium and Large:

>100 employees (service industries 50 employees)

On each occasion: 100% of DFAIT direct costs

DFAIT direct cost = cost of exhibit space, stand design and construction, production of graphics, lighting, furniture, on-site (lounge) refreshments etc.

Brian Cox is Deputy Director, Export Programs Division (TPE).

For more information on PIBD, please contact him at 996-1918.