



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Foreign Affairs and International Development

FAAE • NUMBER 015 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Thursday, May 19, 2016

—
Chair

The Honourable Robert Nault

Standing Committee on Foreign Affairs and International Development

Thursday, May 19, 2016

• (1530)

[English]

The Chair (Hon. Robert Nault (Kenora, Lib.)): I'd like to bring these hearings to order.

Pursuant to Standing Order 108(2), we'll continue with our study of the Canadian government's countries of focus for bilateral development assistance.

Just for the information of colleagues, the department put this out yesterday. It's the international assistance review discussion paper. If you haven't had a chance to look at it, I recommend that you have a peek at it, because it's the beginning of the department's review, which of course will dovetail into our discussions here.

This afternoon for the next hour we want to hear from the Canadian Foodgrains Bank, the Canadian Council for International Co-operation, and Oxfam Canada.

I'd like Jim Cornelius to do his presentation. We'll go to Fraser after that. Then we'll go to Kelly and her colleagues.

Please start, Jim.

Mr. Jim Cornelius (Executive Director, Canadian Foodgrains Bank): Thank you very much for providing this opportunity to appear before this committee and share our perspectives on the effective delivery of Canada's development assistance.

Let me begin with a brief introduction. Canadian Foodgrains Bank is a partnership of 30 Canadian church bodies that are working together to end hunger. We have deep roots in the Canadian agriculture and rural communities. We are the Government of Canada's primary Canadian partner in the delivery of its food assistance into contexts of crisis and acute food insecurity.

We also work, though, with communities and households facing chronic hunger, supporting their efforts to develop more productive and resilient livelihoods. Last year we were able to provide support to over a million people in over 35 countries.

I grew up in Kisii, in Kenya. I have worked on issues of development for most of my life and career. I'm encouraged by the substantial progress that I have witnessed over these years. When I go back to Kisii, a rural part of Kenya, I see huge progress in that part of the country compared to when I was a small boy.

That same progress I see in many parts of the world. Globally the rate of extreme poverty has fallen from 35% in the early 1990s to less than 10% today. That's a very short time in the context of human history. We have seen significant progress in many other social

indicators. I'm persuaded that development assistance has made a critical contribution to this progress. It is by no means the only contribution, but it has made critical investments and contributions.

I was recently at a funeral for a woman named June Deacon, a Canadian teacher, who spent most of her working life working on the education of girls in the Kisii area. I've run into many girls who have benefited from her service. The contributions they've made to the development of that country are substantial.

While we celebrate this progress, we're deeply conscious that the work is not done and that we must make sure that no one is left behind. Also there are serious challenges and risks facing the world and the communities we work with, which could see progress that is being made halted or even reversed. Climate change is already disrupting and threatening the livelihoods of the smallholders we work with. We're seeing that because we often work in marginal areas where this is having a big impact.

The status quo is not going to get us where we need to go. As we chart the road ahead, I'm persuaded that there's still a critical role for development assistance in helping us collectively achieve the ambitious sustainable development goals that the world has set for itself.

In this regard, I welcome Minister Bibeau's announcement yesterday of a public review and consultations to review Canada's international assistance policy and funding framework. We understand that this committee's study on countries of focus will contribute to this policy review. My comments today are presented in this context.

From our perspective, a review of the countries-of-focus approach must be built on the principle that Canada's official development assistance is expected to contribute to the reduction of poverty. That's the primary objective as specified in the Official Development Assistance Accountability Act.

We are delighted to see that the broader policy review initiated yesterday is committed to finding ways for Canada's international assistance to be focused on effectively helping the poorest and most vulnerable people. As long as any framework regarding countries of focus keeps this core principle of poverty reduction central to its purpose, I think there are various ways such an approach can be effectively framed and deployed. There's no one sort of magic solution in that regard.

From our understanding, a key rationale for having the countries-of-focus approach is to respond to the criticism that Canada's aid was too spread out and fragmented. It was thought that concentrating Canada's bilateral aid in fewer countries would improve the effectiveness of the aid and give Canada more leverage with partner countries.

We're not aware of any evaluations that have been conducted that substantiate the case that a countries-of-focus approach is actually leading to more effective aid programming. We've been interested, but have not seen any such evaluations. The studies may exist, but we certainly haven't seen them.

However, we do accept that a program that focuses on a smaller number of countries is more efficient for delivery in terms of field staff and processes. With fewer places for field staff work, there don't need to be as many staff to manage it, and that is a positive thing.

• (1535)

There are benefits to having more predictable and stable funding at a country level over time, which the countries-of-focus approach can facilitate. So that's a positive.

However, given the modest volume of Canada's aid at the country level, even with the countries-of-focus approach we're skeptical that this leads to substantially more leverage in terms of engaging those countries themselves. We would argue that a more important issue is the level of Canada's overall aid program. A significant increase in Canadian development assistance will be needed for Canada's voice to carry more weight in international circles. Simply focusing reduced aid, resources, in a few countries will not be sufficient.

While there is merit in identifying countries of focus, we would argue that this should not become a rigid programming framework with percentages and dollar targets. The world and the circumstances that we are facing are changing too fast for these types of rigid formulas.

This is particularly the case in dealing with fragile states, and the fragile context, which if not addressed, could turn many countries into fragile states. There must be flexibility to address these evolving contexts without having to go through a formal change in the countries of focus. If it's a very formal process, it makes those types of changes difficult. If 90% of bilateral funding must go to countries of focus, this can considerably constrain needed action as the world evolves.

Also, there are often times when regional approaches are needed that do not fit neatly into specific bilateral country programs. The Syria crisis right now is a good example. Jordan is a country of focus. We can provide assistance to Jordan, and some of the hosting of the refugees. But Lebanon is not, so that puts constraints there. They're both facing similar challenges.

What criteria should guide the selections of countries of focus?

As noted earlier, the first and overriding criteria must be levels of poverty. However, we recognize that most of the poorest people in the world often live in middle-income countries. While those countries have domestic resources that can and should be mobilized to reduce poverty and social needs, we can see a legitimate role for Canada to be involved in some of these countries.

However, we think that the level of funding doesn't need to be at the same level as in countries that have much fewer domestic resources. It can be smaller amounts of funding more carefully targeted to help that country use its own resources to effectively reduce poverty.

We also see value in maintaining longer-term programs with existing partner countries; not changing all the time, but staying with some of the same partners over an extended period of time. In cases where partner countries have successfully moved to the status of middle-income countries, there would be some value in maintaining some level of bilateral program to further support progress being made.

Nevertheless, in our view, the largest amount of bilateral aid should go to countries with the highest rates of poverty and more limited domestic resources to effectively reduce poverty.

One of the dangers we see in a countries-of-focus approach has been the temptation and desire, at times, to force other funding streams at the department to be aligned with the countries of focus. The argument has been that this will lead to more coordination and synergy in Canada's aid program. We think this approach could actually reduce the impact of Canada's assistance being provided through other funding streams.

For example, Canada has had a long-respected, responsive program that has supported the work of Canadian NGOs. The diverse civil society groups supported have built expertise in various areas and have developed deep partnerships in many parts of the world over long periods of time.

If Canadian civil society is told that the only programs Canada will fund must be aligned with the bilateral countries of focus, and the particular thematics the government has at that time, it will foster a culture of simply going where the money is, chasing the government's constantly changing countries of focus and priorities, rather than civil society organizations building long-standing, focused priorities in their area of expertise.

In our view, fostering a robust Canadian civil society with its own priorities and areas of expertise contributes to effective programming and provides a visible Canadian presence in many countries around the world where there may not be a bilateral presence. When the government countries of focus or thematic priorities change, as they have and will, there will be already existing Canadian expertise, knowledge, and capacities in the new areas.

• (1540)

In our view, the countries-of-focus approach should be limited to the bilateral program.

We think having some thematic priorities is also an important way for Canada to increase its impact and influence. As an example, Canada was able to extend its global impact and influence through the focus on maternal, newborn, and child health. This allowed for the development of expertise and the exercise of Canadian leadership in some key areas.

Many of the actions required to address development in the current environment go well beyond specific country programs, so there is merit in developing some thematic priorities and having funding flexibility to support these types of initiatives. We have been strongly supportive of the current sectoral theme focused on increasing food security. When looking at issues of poverty and vulnerability, population groups facing hunger are often among the most vulnerable, and any time surveys are done among the poorest populations in the world, issues related to food are usually one of the top priorities named.

In reviewing the background discussion document for the international assistance policy review, we note that of the three existing priorities, the theme of food security is the one that's seemingly disappeared as an independent policy area. While the elements of the food security theme can be captured under the other policy areas outlined, there is a risk that important food security issues get lost in the new framing. It will be important to lift them up under the different policy areas during the policy review.

This is particularly true in the case of agriculture. Our major concern is that the important issue of agriculture development, particularly for smallholder farmers, could receive even less support. Already Canada's support for agriculture development has been declining. Extreme poverty and high levels of vulnerability are still concentrated in rural areas among population groups that often depend on agriculture in various ways for their livelihoods. These households and communities are also facing new threats related to climate change. It will be vital that agriculture feature prominently in the new international assistance policy, and it could be effectively featured under the policy area looking at clean and sustainable economic growth and climate change. Economic growth in the agriculture sector has been shown to be significantly more effective in reducing poverty than growth in any other sector of the economy. Agriculture will be one of the sectors most affected by climate change, and it also needs to be part of the solution. I would urge this committee to lift up the importance of agriculture development in the new international assistance policy.

Thank you for your attention, and I welcome any questions you may have.

The Chair: Thank you, Mr. Corneliu.

We'll go to Mr. Reilly-King for his presentation.

Mr. Fraser Reilly-King (Senior Policy Analyst, Canadian Council for International Cooperation): Thank you very much to members of the committee for inviting the Canadian Council for International Cooperation to appear before you on this study on countries of focus. As Mr. Nault and Jim have mentioned, the study is very timely, given the launch yesterday of the international policy review.

As many of you know, CCIC is Canada's national association of civil society organizations or CSOs, working globally to achieve sustainable human development. Our 80-plus members represent a broad range of CSOs working on international development and humanitarian assistance, from faith-based and secular organizations to co-operatives and unions to professional associations.

I want to go straight to discussing the study, the countries of focus, and their effectiveness.

To have impact on anything, some degree of focus is necessary. Canada now has 25 countries of focus, and this reduced number of country-to-country partnerships, a shifting from I think around 47 countries to 25, was in fact welcomed by the OECD when it conducted its peer review in 2012 of Canada.

However, as members of this committee know, the geography of poverty has shifted. Poverty is pervasive not just in low-income countries but also in low- and upper-middle-income countries. In fact, many estimate, and I think somebody referenced this in committee hearings on Tuesday, that around 70% of the world's poor live in middle-income countries. Furthermore, inequality is getting worse, both within and between countries.

What are the implications of this and other considerations for this study? I have 10 brief points that I would like to make for the committee to consider.

First, there is no perfect mix of countries. In my perspective, Canada has a well-balanced mix of fragile states, least-developed countries, and low-income and middle-income countries. From our perspective, don't change it, but do learn from it.

As I think Jim has suggested and maybe CARE the other day, the committee, for example, could recommend to Global Affairs Canada to conduct an ongoing monitoring and evaluation of the countries-of-focus model, highlighting outcomes both intended and unintended. As far as I'm aware, nothing of that type has been done to date.

Equally, we might want to go further and give some thought to how we engage with regional institutions, so that our efforts in countries of focus are reinforced by these regional synergies—such synergies are important, and this is a point that came up, I think—ensuring that, since countries operate also in regions and sub-regions, we ask how we can ensure that there's stability and security in those regions and that our efforts in countries aren't lost by regional instability.

Second, as Jim and many others have pointed out, the focus of our efforts should be less on poor countries and more on poor people, regardless of where they live. In fact, as Jim has also noted, the principal purposes of Canada's official development assistance as defined by the Official Development Assistance Accountability Act are to reduce poverty, to promote international human rights and their realization, and to respond to the voices of the poor.

This focus is consistent with the minister's mandate to focus on reducing poverty and inequality and also consistent with the newly created Office of Human Rights, Freedoms, and Inclusion that was announced yesterday.

Third, as the new 2030 agenda for sustainable development in the sustainable development goals or SDGs has signalled, we must leave no one behind. This means that we must focus our efforts not just on poor people but on the poorest and most marginalized: women and girls, people with disabilities, indigenous people, the urban and rural poor, and the people who are discriminated against because of their caste, religion, ethnicity, or age. Again this is consistent with the minister's mandate.

Fourth, a thematic focus may be helpful, but our priorities must be self-reinforcing, both within our approach to development in the framework of the sustainable development goals, but also within the department, in all of Global Affairs Canada, and across government. The new SDGs challenge us to move outside of our silos, pushing for both stand-alone goals and cross-cutting objectives, such as on women's rights and gender equality and, I would argue also, on climate change. This will require new ways of working and thinking, new collaboration and partnerships, in a whole-of-government, whole-of-Canada strategy, if you will. Our development endeavours must be reinforced, not undermined, by our diplomatic and trade efforts.

● (1545)

Fifth, we must be responsive to people's needs and realities. A focus on specific countries or themes should not be to the exclusion of evolving human needs. Regardless of the focus chosen, there should always be some flexibility to account for unanticipated developments.

How? I would suggest that the government should work with a diverse range of actors in developing and implementing Canada's international assistance. If, for example, Canada's multilateral approach is to support cohesion and stability at a regional level, its bilateral approach could be more focused and directive, along the lines that Jim was suggesting, and then its approach to civil society could be more flexible and responsive. This is also in keeping with the government's civil society partnership policy.

What we need, then, is a diversified portfolio of tools and approaches that will reduce risk and enhance efficiency in our response.

Sixth, and this is very important, it's about their priorities, not ours. Alignment with developing country priorities, democratic ownership of these priorities, and harmonization of our efforts with other donors have been recognized over the past 15 years as key determinants of effective delivery of aid. Developing country governments and their CSOs are generally best placed to understand the realities of their own citizens.

We need to support their solutions, not promote ours. Yet Canada's 2012 peer review by the OECD noted how far Canada had fallen from aligning its support to the priorities of the countries in which it was operating. That same year, Canada allowed its aid effectiveness action plan to conclude without developing a new one.

We need a new action plan, and we need country partners, not us, to lead the way in defining their priorities for implementing the sustainable development goals.

Seventh, it's not just about governments. The 2030 agenda has emphasized that all development actors have a role to play—civil

society, parliamentarians, local government, the private sector. Accordingly, Canada must rebalance the recipients of Canadian ODA or aid away from the strong bias in favour of multilateral institutions of recent years towards a clear balance between multilateral, bilateral, and civil society, among others. In fact, in its 2012 peer review the OECD underscored the importance of strengthening civil society organizations in Canadian countries of focus.

Eighth, and again I can't underscore this enough, ensure predictability. This speaks to my point about there being no perfect mix. Let's stick with our existing mix of countries. In recent years, frequent shifts in the countries of focus, in my view, have made Canada a liability. Sustained and long-term investments in partners will not only generate greater impacts but will generate greater predictability. As the OECD has noted, such predictability can allow Canada to support the reform and strengthening of country systems so as to improve the management of public administration and public funds more broadly.

Ninth, bring the Canadian public along. Investments in public engagement and a strategy for the government will not only help connect this universal SDG agenda for the world with Canadian realities, but will build the public's understanding of the complexity of international development and in turn build their support for our endeavours.

Tenth, and this is my final point, walk the talk. Greater impact comes not only with greater country or thematic focus, alignment, and responsiveness, but with increased and targeted investments that reflect Canada's ambitions. In 2014 Canada was among the top three donors in just nine of its 25 countries of focus. We've calculated that an additional \$60 million could make Canada a top three donor in half of its countries of focus, based on 2014 numbers. Similarly, if women's rights is a priority, you might be surprised to learn that Canada dedicated only \$5 million per year to women's rights organizations in 2014. By contrast, that same year Norway dedicated \$120 million.

To summarize, the countries-of-focus model is one tool by which Canada can focus its bilateral international assistance partnerships, but as with any tool, we need to use the model well in order to maximize its effectiveness. It should be a tool that is balanced with other tools, issues, and players in multilateral efforts that can address regional needs and dynamics as well as with responsive programming that can be championed by civil society partners.

Our overarching emphasis must be upon reducing poverty and inequality, upon the poorest and most marginalized, and upon people—their needs, their rights, their assets, their abilities, and their priorities.

•(1550)

We must be consistent and predictable as well as flexible in our approach, and we must match our policy priorities across the government both at home and overseas to our practice with commensurate investments in countries, institutions, themes, and above all people.

Thank you for listening. I look forward to your questions.

•(1555)

The Chair: Thank you very much.

Now we'll go to Oxfam Canada.

Ms. Polzot, go ahead, please.

Ms. Christina Polzot (Manager, Program Development, Quality and Knowledge, Oxfam Canada): *Bon après-midi tout le monde.*

Honourable members of the standing committee, thank you for the opportunity to testify before you today.

My name is Christina Polzot, and I'll be testifying in conjunction with my colleague Kelly Bowden.

Oxfam is part of a global confederation and movement for change working in more than 90 countries to mobilize the power of people against poverty. Our mission is to build lasting solutions to poverty and injustice with the focus on overcoming inequality and improving the lives and promoting the rights of women and girls. Oxfam's origins date back to the mid-1940s when our organization was formed to support struggling women and girls during World War II. Since our origins, the geography of poverty and inequality has significantly shifted, and our modern day organization faces new challenges that require flexible and mixed approaches to build a just world without poverty. Therefore, we welcome the Government of Canada's review of its international assistance framework and this committee's study on the countries of focus.

Oxfam is heartened to see the significant improvements in global poverty levels achieved over the last two decades, during which 660 million people have risen out of poverty, but we are also troubled by the significant growth and the divide between the rich and the poor that has happened over that same period, both within and across countries, and by the continued discrimination against women and girls, which remains a fundamental challenge to eliminating poverty.

Allow me to expand on these two critical issues—inequality and women's rights. According to a recent Oxfam report entitled “An Economy for the 1%”, most countries have higher inequality today than they did a few decades ago, and an estimated 73% of the world's poorest people now live in middle-income countries. Since the year 2000, the poorest half of the world's population has received just 1% of the total increase in global wealth while half of that increase has gone to the top 1%. Had inequality within countries not grown during that period, an extra 200 million people would have escaped poverty. Today's extreme economic, social, and political inequalities undermine growth and progress. Inequality keeps poor people poor and powerless, and weakens the capacity of economic growth to eradicate poverty. Inequality creates deep social problems and denies people dignity and voice. That in turn deepens social

frustration and the likelihood of conflict. Unequal societies are more vulnerable to economic shocks as well as to the impacts of climate change. So despite the very clear link between poverty and inequality, development efforts have failed to address inequality.

Even in regions and countries where significant poverty reduction advances have been achieved, such as in Zambia, there remain significant populations living in pockets of extreme poverty. Despite this, Canada decided to end its bilateral assistance program to Zambia in 2013, and due to inequality, extreme poverty in Zambia has increased from 64% to 75%. One of the most serious and pervasive forms of inequality is discrimination against women and girls, which remains one of the most fundamental obstacles to the eradication of poverty.

According to the UNDP, the majority of the 1.2 billion people who live in extreme poverty today are women and girls. Women and girls do 60% of the world's work and produce half of the world's food, yet they earn only 10% of the world's income and own only 1% of the world's property. Women are most affected by the impacts of climate change, and violence against women has been identified as one of the key reasons why development is lacking.

These complex and interconnected trends around inequality and women's rights give rise to some clear implications for Canada's bilateral development assistance. It is not possible to effectively tackle poverty without also tackling inequality, particularly gender inequality. Therefore, addressing inequality should be a core objective of Canada's development efforts.

Herein lies the opportunity. Inequality should be the lens that guides where Canada focuses its bilateral development assistance.

•(1600)

Given that the world's poor and most vulnerable are found in diverse types of countries, particularly in ones where inequality is high, Canada should take a mixed approach and focus on a mixed portfolio of countries. In other words, Canada should focus on working with the poorest of the poor regardless of where they live, whether they are fragile states, least-developed and low-income countries, or middle-income countries.

Using inequality as the guiding framework, I'd like to speak specifically about three aspects of Canada's bilateral development assistance: first, the need to tailor our efforts to the different types of countries and contexts of operation; second, the importance of championing an overall thematic approach more than a country-based approach; and third, if the current countries-of-focus model is maintained, then there should be a better balance between the percentage of Canada's bilateral development assistance targeted toward those countries versus other countries.

Let me first address the issue of taking a mixed approach. Those who live in least-developed and low-income countries face distinct challenges and should be a focus of Canada's bilateral development assistance. In these countries, we should focus our approach on promoting social policies around health and education, with a particular focus on women and girls. Three-quarters of the world's poor now live in middle-income countries, where we need to adopt a broader range of development approaches, including a focus on civil society strengthening, protecting civil society space to hold governments to account, and the empowerment of women and marginalized groups, including youth.

We know that creating and implementing good public policy is crucial to closing the inequality gap. This is why ensuring a strong civil society in middle-income countries is so central to the inequality problems in those countries. Existing inequalities are worsened in conflict-afflicted countries and regions, where already marginalized people, particularly women and unemployed youth, are further marginalized. Inequality in fragile states and regions drives a lack of social cohesion, which in turn deepens social frustration and further increases conflict and social instability. Addressing inequality plays a key role in addressing the root causes of fragility and instability.

Given the vulnerability of people caught up in crises, and widespread evidence of sexual violence against women and girls in these contexts, Canada's humanitarian approach in fragile states and regions should focus on the protection of all people from serious human rights violations, particularly the protection of women's rights and of civil society space. This approach is consistent with the SDGs' commitment to "leave no one behind", and with the objectives set out in Minister Bibeau's mandate letter.

Our second recommendation is that the Canadian government focus its bilateral development assistance around an overarching thematic approach rather than a country-based approach. Canada's global program on maternal, newborn, and child health has provided evidence of success when applying a thematic approach. Defining Canada's thematic priorities should be based on current and emerging needs, sectors most relevant to the SDGs, complementarity with other donors, and dialogue with partners in the regions and countries of engagement. Canada's overall sectors of focus should also reflect and draw on our core competencies within the development assistance program, should integrate a measure of longevity to ensure predictability of funding, and should mitigate frequent changes in focus that are disruptive to partners and to the communities with which we work.

Based on our current analysis, and the core historical competencies of Canada's development assistance, we suggest that its overarching thematic focus be on gender equality, with particular emphasis on promoting the rights of women and girls. Canada has shown great leadership on these issues in the past and has made significant contributions to country-level partners through the provision of technical expertise in country via gender advisers and through Canada's gender funds, which were a flexible and locally based funding mechanism for women's rights organizations overseas. These approaches, which are consistent with Canadian values, are a testament to our historical leadership on women's rights and gender equality.

Lastly, we recommend that if the countries-of-focus model is maintained, there be a reduction in the proportion of Canada's overall bilateral development assistance that is targeted toward those countries. There should be more flexibility in the system that allows for responsive and innovative programming.

• (1605)

This is especially important for Oxfam and other organizations, as Jim was explaining, that are committed to long-term partnerships and capacity-building of local civil society organizations as key agents in tackling inequality. This type of work requires flexible, stable, and long-term funding regardless of the country. As such, our recommendation would be that there be a greater percentage of funding earmarked for non-focus countries in support of local partner capacity-building and regional approaches that address shared challenges across borders.

In conclusion, Canada should focus its international development assistance and that focus should be on the poorest and most vulnerable, regardless of where they live. Different types of development approaches will be needed in different countries enhancing innovation, responsiveness, and collaboration. Canada has the opportunity to show leadership and demonstrate commitment to making inequality and women's rights as mission critical in rendering Canadian development assistance more effective.

This testimony would not be complete without stressing that agenda 2030 and the SDGs should be our guiding framework, as well as the spirit of the Official Development Assistance Accountability Act. As you can see, there are many opportunities, and I thank you for allowing me to share some of them with you today.

Thank you, and we look forward to your questions.

The Chair: Thank you very much, all three presenters, on behalf of the committee.

In the short time available to us, colleagues, we'll go straight to questions, and I'll start with Mr. Kent, please.

Hon. Peter Kent (Thornhill, CPC): Thank you to all of you and thanks to your organizations for the wonderful work that you have all achieved in and beyond countries of focus and for the straight talk today. Very often NGOs in testifying in policy considerations tend to walk a very discreet middle path, not wanting to be offside from the ultimate policy decision that's taken.

Given the political ingredient in development assistance for either natural disasters—Haiti, the earthquake, a very significant part of our funding envelope, both bilateral and otherwise, has gone there—Afghanistan, which in the current year is the largest recipient; and for your suggestions that the focus be on poverty where it exists, not on impoverished countries. I'm just wondering, for the purpose of the country of focus bilateral aid envelope, whether 25 is too large a number. Should it be smaller with a better division of resources to focus on the countries of focus? I'd like to ask each of you, and if so, 15 countries, 20 countries?

Mr. Fraser Reilly-King: As I said in my statement I don't think there's a perfect mix in the number of countries. The real importance is predictability and consistency. Canada changing every four years which countries it's working in is not helpful to the international community. You all know this very well, but as a government you need to know where your revenue is coming from, especially if it's aid; you need to plan budgets. It's much more helpful if you can plan for five years rather than not knowing if you're suddenly going to be dropped because a new government has been elected in Canada.

My emphasis would be on sticking with the existing list of countries of focus. But I think also, as Jim has suggested, if Canada wants to have an impact, then it's going to have to increase the amount of money it dedicates to those countries of focus.

Mr. Jim Cornelius: Yes, I agree with Fraser. I don't think it matters whether it's 15 or 30. We have a list. Stick with what we have right now. Saying 90% of aid resources have to go to that list gives very little flexibility in the bilateral system unless there are significantly more resources there. That's where I have concern, it's more with that 90% number, saying it has to go to those ones. I don't see sufficient flexibility there. I wouldn't want us to suddenly say we're going to come up with a whole new list. That's one of the dangers of changing governments that we all wrestle with from our end because they have to do something different from the last guys. Sometimes just building on what the last guys have done makes good sense from our point of view.

• (1610)

Ms. Christina Polzot: We would reinforce the fact that we need to target the poorest and most vulnerable regardless of where they are, whether they're in Haiti or in Afghanistan or in other countries. I would also say that in some countries it is possible to do more with less, so it's really about what we do in those countries rather than where we work. Oxfam has done a lot of work in Guatemala, for example, which is not a country of focus. We've done a lot of work on violence against women and girls, on changing attitude norms and behaviours that underpin violence against women and girls, and because that's behavioural type change work it's long-term work, but it doesn't require a lot of resources, and it's very critical and important work. It's not work that requires infrastructure and a big investment. So in certain contexts, you can do a lot with less money, particularly in contexts where you can harness and build upon local capacity, work with local governments, and work with local stakeholders that are present in those contexts as well.

Hon. Peter Kent: I have just a very brief second question. Do you believe that there needs to be greater education of the Canadian public both by government and by organizations like yours to look at middle-income countries rather than simply the LDCs? The material that people receive in the mail, whether email or snail mail, generally emphasizes LDCs rather than the middle-income countries. I know that Canadian Foodgrains Bank, for example, has significant projects in India, which is not a country of focus but which has incredible poverty. Is it a matter of education? Again, to play to some of the testimony we've heard in the past, should Canada, with an awareness of what other countries are doing with development aid, better pick the number of countries it's working on and focus on those areas of focus in those countries or those regions?

Mr. Jim Cornelius: I spend more time talking to the public than I do to members of Parliament here, although I enjoy this very much.

One of my jobs is to talk to the public, and they're interested in poverty. Most of them don't know which country is an LDC and which is a middle-income country and all that. In the public mind, Calcutta is a poor country at one level. So from the public's point of view, it's about people living in desperate situations which they want to see something done about. It is up to us then to talk about what needs to be done and the best way to work. Let's use the case of India. People talk about India being a rising tiger with all its domestic resources. We completely agree that India has huge domestic resources that it should be more effectively using to address poverty in that country, absolutely. But the work that we often are engaged in is in fact working with local groups to engage their own governments, and their policy-makers, to help build up confidence in the marginalized groups, in the castes who feel that by nature they are not destined to live a better life. So you work on those attitudes and things. That's the work we can do that can then shape what happens with domestic resources. A big bilateral aid program may not be what's needed, but working with groups like ours or others in that context might be. I think the public is focused on poverty, and if the government focuses its efforts there and frames it that way, the public doesn't make all the other distinctions.

• (1615)

The Chair: Thank you.

We'll now go to Mr. Fragiskatos, please.

Mr. Peter Fragiskatos (London North Centre, Lib.): Thank you, everyone, for coming today.

One of the mysteries of the countries-of-focus approach—and I think it's a mystery not only for me but for colleagues around the table—is how states are actually selected for the countries-of-focus list, and taken off the countries-of-focus list. Have any of your organizations been consulted when this happens? I was quite interested particularly in the Zambia incident that you talked about in 2013. Did Oxfam hear from the Government of Canada on that? Was there any consultation at all? That question extends to everybody starting from Oxfam on down.

Ms. Christina Polzot: I'm speaking from Oxfam; we were not consulted. I wasn't with Oxfam at the time when the original countries-of-focus list was developed in 2009, I believe. I don't think the consultations were extensive; and definitely on dropping Zambia from the countries-of-focus list, we were not consulted.

Maybe, Fraser, you can speak to previous consultations.

Mr. Fraser Reilly-King: I believe that in fact most NGOs weren't consulted, and most of the countries that got dropped were also not consulted.

Mr. Peter Fragiskatos: Even though your NGOs are on the ground, working, know the terrain well, there is no consultation, none at all.

Mr. Fraser Reilly-King: Exactly. You may have long-term partners there, and you've just learned that you're not going to be able to renew programs.

But I think the surprising thing was the reaction for many of the high commissions and embassies here in Canada when they learned that their countries were dropped as countries of focus through a press release.

Mr. Peter Fragiskatos: Mr. Cornelius.

Mr. Jim Cornelius: No, we were not consulted. It was very much an internal process. It was as much a mystery to us as to you, and I have never spoken to anyone who was able to give me really good insight into exactly how it happened.

Mr. Peter Fragiskatos: We're very happy to have the opportunity to consult with you today, at the very least.

Mr. Fraser Reilly-King: Sorry, can I quickly add just one thing?

One element that's very important in your aid relationship, and this is as true for civil society organizations as countries, is aid exit, if you want. It's part of our code of ethics for our members. You need to let the partners that you're working with know that you have a plan for eventually getting out of the country or getting out of the partnership, and you plan for that exit so that they can build their capacity, build their resources.

Mr. Peter Fragiskatos: You're saying the lack of consultation has actually forced NGOs to inadvertently violate their own code of ethics.

Mr. Fraser Reilly-King: I guess you could say that, yes.

Mr. Peter Fragiskatos: No, that's a problem.

Question number two. This was touched on by Mr. Cornelius, but I'm sure everyone will want to comment. Could you speak more about poverty reduction and that needing to be the specific focus of ODA. For me, and you touched on it, Mr. Cornelius, the official development assistance act, passed in 2008, established the overall purpose of Canada's ODA, that it would focus on poverty reduction. I would think that this act would guide our approach rather than a countries-of-focus approach that seemed to have built in a high priority on strategic objectives. Granted, poverty reduction was there.

Could you touch on that?

Mr. Jim Cornelius: I would agree with Fraser here in some sense. No matter what country you chose, you can particularly focus on poverty issues in that country. We're not going to get into whether it's a high income, middle income, low income or that. Some of these countries have very deep pockets, a chronic poverty that could be addressed.

The issue for us is, why are we working in that country? And if we are choosing to—and the reasons why can be mysterious—if we are there, then let's make sure the program is designed to address poverty. It's not designed because it might be of use to Canadian mining companies or to some other commercial interest, but it is very focused on poverty reduction.

We think that if you actually do good work on poverty reduction, dealing with inequality, that country becomes more prosperous. Canada wins from that too. There will be lots of commercial opportunities coming out of that in the bigger sense. It's not directly tied to more narrow commercial interest, but it's very focused on it. If you have other interest there, you can quickly lose sight of the

poverty piece, and it really doesn't become poverty-focused programming. That will be the seal.

• (1620)

Ms. Christina Polzot: I would fully agree with what Jim has been explaining. I would also say that at Oxfam we take a very strong inequality approach because inequality is the main driver of poverty, and inequality is a main driver of fragility as well. Even within countries it's looking at where those deep pockets of inequality are, and where the poor and most vulnerable are within a country, and of course across countries and regions as well.

Mr. Peter Fragiskatos: Fraser, you said, and I quote from your presentation, let's promote their solutions not ours.

What you're really touching on, I think, is the whole concept of decentralization. We heard from witnesses—Stephen Brown, for example—on Tuesday, from the University of Ottawa. He and the others who testified talked about the need for development systems to be decentralized, to allow local actors on the ground, working in conjunction with NGOs that have been on the ground and know the country well, to develop their own solutions.

Could you touch on this? I think you made a point that there was a finding that Canada hadn't been living up to this. Was it the OECD that ruled on that?

Mr. Fraser Reilly-King: Through its development assistance committee, the Organisation for Economic Co-operation and Development brings together all industrialized donor nations. There are 28 members. Canada is one of them.

Over the past several decades they've identified core principles that are key to the effective delivery of aid, and outcomes that will have a positive impact on reducing poverty. These include aligning with a developing country's national plans, and ownership of those national objectives. I think that, to some extent, decentralization could play an important role. Regardless of its countries of focus or the themes it picks, Canada must align those themes—or tailor them, as Christina said—to national needs and priorities.

We started to do that through the decentralization of Global Affairs Canada. I think part of the challenge is that the decentralization focused a lot on putting more staff into the field, but the decision-making authority and the power over funding remained very much in Ottawa. If we can shift some of the decision-making authority to the field, where they have a better sense of local realities and needs, and can collaborate between civil society organizations or partner country governments, I think that would be effective as well.

The Chair: Thank you.

Mr. Aubin.

[*Translation*]

Mr. Robert Aubin (Trois-Rivières, NDP): Thank you, Mr. Chair.

I would like to thank each and every one of you for being here. Your testimony is always very interesting. We have heard from representatives of other organizations since the start of this study, but I have to admit that it is starting to give me the kind of headache that a child gets when trying to put a square peg into a round hole.

Many of you support the countries of focus approach, or are not opposed to it. At the same time, you are saying that considerably more flexibility is needed, or even a thematic approach. You are in favour of a clear policy to combat poverty and pockets of extreme poverty. You are all saying that international aid should be long-term. I agree with you on these basic principles. Nevertheless, I am left wondering what we can do when I hear Minister Bibeau and the Prime Minister say that the 0.7% objective is too ambitious and that the budget increase will be modest, at least for 2016.

I admit that, in the short term, I was happy to hear about a mixed approach, and it would be interesting to hear more about that from you. It was also interesting to hear Mr. Reilly-King's comments about an exit strategy. In my opinion, in the short or medium term, the flexibility we'd like to give ourselves will be based on the 90% of funding that we currently provide to countries of focus. A progressive exit from some countries would allow us to recover some resources that could be used elsewhere.

Like you, I would like to see our international development budgets grow more quickly, but, in the meantime, how do we make do with what we have in order to work more effectively towards the objectives that you too would like to achieve?

• (1625)

Mr. Fraser Reilly-King: If I may, I will answer in English because I always have trouble with technical terms in French.

[English]

Mr. Robert Aubin: I can understand that so well.

Mr. Fraser Reilly-King: I want to say I think aid is an essential piece of fighting poverty. Much like you, I would insist or hope that Canada over the next five to 10 years...one of the key outcomes of this review is to establish a timetable for how it's going to increase its ODA, but it's also important to keep in mind that while ODA is the most immediate source or resource for tackling poverty, governments also have domestic resource mobilization. We collect taxes here in Canada. We collect tariffs, etc. We need to strengthen the ability of countries to collect those revenues.

One of the biggest challenges in sub-Saharan Africa is that sub-Saharan African leaks every year \$160 billion in revenue through tax evasion and through the practices of multinationals. The amount of money that goes into Africa in the form of aid is probably less than half of that.

I think if we can fix the tax evasion in countries, and insist on companies paying their royalties, paying increased royalties, and paying their taxes, then that would help a lot.

The SDG agenda, the sustainable development goal agenda, tackles 17 different issues, including oceans, natural resource management, poverty, food, and security. Canada has committed to implementing this agenda at home as well. That's going to engage a whole range of different departments. We need to ensure our efforts to tackle poverty internationally aren't limited to the department of development, but that we can insist on certain coherence across all of government. There's a role for the justice department to play in terms of helping instill a rule of law in countries. There's a role for our diplomatic side, in foreign affairs, to promote space for civil society to perform actions, to monitor governments, and support civil

society in holding their governments to account. I think we need to also think about how other government departments can support a sustainable development agenda, internationally and domestically, beyond just our international development department.

Ms. Christina Polzot: If I may add, Oxfam does quite a bit of work on tax evasion, and I'll let my colleague Kelly speak to that.

Another way to be effective is to focus on women and girls. There is a lot of evidence that if you invest in women and girls there will be a multiplier effect. Women and girls are a lot more likely to reinvest in their families, and their communities, and their households. The impact will be greater by putting women and girls at the heart of all that we do.

I would second Fraser's comment that we need to work with local governments. A lot of the countries where Oxfam works are middle-income countries. There are a lot of resources available at the local level, but what we try to do in those countries is work with civil society and build the capacity of our local civil society partners, so they can hold their governments to account and ensure their governments are investing in social programs that meet the needs of the poorest and the most vulnerable. That's another way to multiply your impact with the limited resources we have.

Ms. Kelly Bowden (Acting Director, Policy and Campaigns, Oxfam Canada): To briefly echo previous comments, the Global Alliance for Tax Justice has done research that shows that for every \$1 of aid invested in tax infrastructure in developing countries it generates \$350 of domestic resources. I think there's a potential there in terms of understanding from a system-strengthening perspective how looking at domestic mobilization can be a key element.

The Chair: Mr. Levitt, please.

Mr. Michael Levitt (York Centre, Lib.): Ms. Polzot, I think my first question is going to be for you because I want to explore a little the notion of what you called core competency. I would call it comparative advantage.

Looking at this idea of a thematic approach, and how that would radically alter the nature of our international development process and plan, how would you see that playing out, and why is that going to lead to a greater advantage in us getting our resources to those who are most vulnerable and dealing with issues like inequality?

•(1630)

Ms. Christina Polzot: I would just say that gender equality and women's rights have been championed extensively by Canada in the past, so definitely we have a comparative advantage there. I just returned to Canada about nine months ago from a four-year posting abroad, and in all of my conversations with government partners in the country I was in and with civil society partners, they always recognized the leadership role Canada has played in promoting gender equality and women's rights.

I think we need to build on that. That is not to say that we shouldn't work on other themes, but we are advocating for women's rights and gender equality to be at the centre of all we do, whether it be food security programming or climate change programming, or programming in other sectors.

There have also been some mechanisms in the past that have allowed civil society organizations, particularly women's rights organizations in the countries we work in, to access flexible funding from the Canadian government, such as the gender funds that were available until three or four years ago. These are valuable resources for civil society organizations that are doing front-line work in promoting gender equality and women's rights, and we would advocate for the reinstatement of such flexible funding mechanisms.

Mr. Michael Levitt: Gentlemen, can you share a perspective on this kind of change of focus to a thematic approach, and your feelings about it? Would it be more effective? Is it something that can work in tandem with what we're doing now?

Mr. Jim Cornelius: I don't see these as either-or. We already have three themes now, and we have a country-of-focus approach now. They're not mutually exclusive. I don't want us to get into a sort of box whereby it's either this or it's that. I think we can have countries of focus.

I see value, however, in some thematic focuses that allow us to build expertise across Canada. I think Canada gets—how would I put it? If you just want to look in crass commercial terms, it's more brand awareness—more influence globally through a thematic approach than through these country approaches.

The country approaches are good—they can deliver good programs—but they don't actually create a lot of sort of global profile for Canada in themselves, whereas these thematic things allow us to be engaged in conferences and in some of the critical issues in which Canada is taking a leadership role. This makes a difference in terms of Canada's presence in the world.

Mr. Fraser Reilly-King: I would add that one of the welcome things to come with the new Liberal government is its focus on continuity with change. We've had 10 years of working around maternal and newborn child health and support for food security for growth, so let's build on that. I think the policy review should focus on the way we can build on what we've already generated without making too many changes.

As Christine has mentioned, regardless of the themes we pick we need to look at the countries we're focused upon and tailor these themes to the needs, to what the people we're working with actually require, and pull those elements from the themes.

One other comparative advantage, and maybe this is a little bit self-serving, is that Canada has a rich experience in civil society organizations working in international development. We have 85 members. We know there are approximately 5,400 organizations across Canada working on international development, with centuries of experience and expertise. I think that's a real comparative advantage; we were recognized, in the decades of the seventies, eighties, and nineties, when there was responsive programming, when civil society organizations could innovate and deliver and work with front-line workers to make a huge impact.

Mr. Michael Levitt: As a follow-up question, we just finished a study on women, peace, and security. A theme that came up time and time again from a number of speakers was the importance of accessing local, grassroots experience and knowledge within the countries and the sense that we were hit-and-miss in achieving that. Do you have any suggestions, as we review the process, for incorporating local actors into our bilateral assistance; for the way we can build it in and achieve a greater degree of success in doing this?

Mr. Fraser Reilly-King: Christina or Jim can probably add more, but I would say that we're already doing it. All of our members work with local partners. They work with their experience and their expertise.

•(1635)

Ms. Christina Polzot: Yes, I would say it's critical to continue working with local partners who are focused on working with civil society in the countries. In every country Oxfam works in, everything we do is with local partners. We do not do anything is isolation or do any direct implementation. It is critical to continue supporting Canadian civil society organizations that work with partners overseas.

Also, one of our mandates is to channel institutional funding to civil society organizations in the countries in which we work. Sometimes the accountability mechanisms for institutional funding are a little bit too heavy for local partners to manage. This is one support that we can provide to our partners as well. We can access the funding, channel it to them, and then help them with the accountability mechanism.

We think that having local funds, flexible funds, which don't have to be very large scale—the gender funds were not very big funds, the Canada fund is not a very big fund—for local organizations is critical, and it's accessible right there in-country, and the accountability and reporting mechanisms are a bit lighter. We would also recommend, then, that this be looked at and reinstated, if possible, because it's very useful funding for local partners.

Mr. Jim Cornelius: On the bilateral program, I made the case before around responsive programming; I think that's a whole other stream.

But if you're looking at the bilateral programming, which is meant to be country to country, there are challenges. The country partner governments actually don't want money to go to local civil society. They put in place all sorts of barriers and constraints that make it difficult for some of the bilateral programs. There are ways, however, in which Canadian partners can help with some of this. We have long-standing partnership arrangements. We can help in ways that the direct bilateral programs can't on their own, just because of constraints.

There are some country environments in which it's quite possible for the bilateral program to set up fairly robust support for local groups. We would encourage that; we think it's great. Aid doesn't have to always be channelled through a Canadian partner. If we can create local funds and various structures, I think those are good.

We work in many environments in which the space for local civil society is getting smaller and smaller. We feel the space constraints on us as international NGOs. That worries me less; it's the constraint on space for the local groups that is worrisome. The governments are trying to control it. It's important that we find avenues to continue to support those people, because they need support and resources if there is going to be a vibrant economy and a vibrant social fabric in those countries.

Mr. Michael Levitt: Thank you very much.

The Chair: Thank you.

Colleagues, I'll have to leave it there today.

I want to thank Canadian Foodgrains Bank, the Canadian Council for International Cooperation, and Oxfam Canada for making this presentation. Time goes by a little too quickly, but I very much appreciate the opportunity to dialogue and we want to do a lot more of it, I'm sure.

Colleagues, we'll just take a small recess to set up for our next witnesses and then will carry on with our witnesses of the day.

Thank you.

•(1635)

(Pause)

•(1640)

The Chair: Colleagues, we're going to resume.

I want to thank all of you. We're going to try to keep this on schedule, as hard as it may seem.

In the video conferencing, if we have this right, we have the Asia Pacific Foundation of Canada, with Eva Busza. As well, we have John McArthur, professor, Brookings Institute, and and we have Philip Oxhorn, professor of political science at McGill University.

Philip, you're going to start. You're first on the list, so I want to turn the floor over to you for your opening remarks. Thank you for coming.

•(1645)

Dr. Philip Oxhorn (Professor of Political Science, Founding Director of the Institute for the Study of International Development, McGill University, As an Individual): Thank you. It's a pleasure to be here.

The first thing I want to say is that obviously priorities have to be set. There are more needs than there is money to fund them, so the question is what the criteria are for setting priorities.

The three alternatives are geographic, Canadian expertise, and Canadian security and economic interests. I think what's important and what I want to emphasize is the need to find a balance.

For me, the place to start is with Canadian expertise. What can Canadians do well? I think it's important to be branded in that way, not as friends, not as good people or whatever, but in terms of expertise and success.

After that I think it's important to include geographic considerations. It's important because we can focus on countries in most need, such as the poorest countries in Africa, but also those in which Canada has established relationships; those, for example, in the English-speaking Caribbean and other areas linked with the Commonwealth.

Finally, and I think least important from my point of view, it's security and economic interests. The reason I put them at the end is not to say that they're unimportant, because obviously they are and they can't be ignored, but that Canada needs to protect its good image. If Canadian aid is seen as being too self-serving, too instrumentalist or opportunistic, it's going to undercut the value of that aid and Canada's position in the world of donor countries.

There is an almost infinite number of possible areas in which Canada has expertise that is relevant. I think one important area to start with is governance. Under governance I would include corporate social responsibility, trying to set up a framework that will allow corporations to play a more important, more positive role in contributing to sustainable development.

In particular, given Canada's economy, I think it's important to recognize the role that the extractives play and the importance of establishing better norms for corporate social responsibility in that area. It's also important to remember that we use "corporate social responsibility"—or I do—loosely. What I'm really talking about is the role that the private sector needs to play in promoting development. Canadian bilateral aid can play a big role in facilitating it. Why does the private sector need to play a role? That's where jobs are. If you don't have productive, resource-generating enterprises, you're not going to have anything that's sustainable, much less development.

The next area I would include under governance is courts and policing. These are areas in which Canada does quite well. If you look at all of the statistics, its court system and its policing system are as good as you're going to find anywhere. And yet these are often very important needs in many developing countries. Canada has a long history of helping countries develop their own court systems and their own policing systems, and that should be emphasized more and more.

I think, too, that something that's under-appreciated about Canada is that Canada does a very good job of maintaining a real welfare state with really useful, beneficial social policies at the same time as it is able to maintain relatively stable fiscal and monetary policies. Don't forget 2008. Canada did quite well during 2008, and unlike other countries, including the neighbour to the south, it has maintained a level of public services that I think is exemplary.

These are the kinds of lessons that need to be translated and adapted to the experiences of many developing countries, including countries such as Brazil, such as Venezuela, that are relatively high- or middle-income countries, yet are going through massive crises because of poor policy-making.

Under governance I would also include managing an economy—in this case, Canada's—that's increasingly dependent on the extractive sector. There are plenty of lessons to be learned that can be used as best practices and can be adapted to help developing countries deal with their own challenges.

A second general area, after governance, would involve maternal, newborn, and child health. That's really important. It was started under the previous government. I think it's something that we need to continue, but with two important changes. The first change is that it needs to take a gender perspective, and by that I mean simply treating women as women, situating them within societies dominated by men. In other words, we don't want to look at women and maternal health as a way of achieving other goals. We want to look at it as a goal in and of itself.

The reason for that is very simple. Not only does it contribute to more just societies, but it also contributes to achieving other benefits that will become sustainable in the future. We're talking about children, child care, all sorts of things that flow from societies that are more just and more equal.

The third and last one, which I'll mention just briefly, is food security. This is something Canada has particular expertise in for a number of reasons, including the fact that it has a vast agricultural sector. Also, through IDRC administrative projects it has done a lot already in food security. I've been involved in several of those projects, and they definitely need to be continued.

•(1650)

I think it's also important to understand these areas of expertise Canada enjoys all directly contribute to achieving the SDGs, the sustainable development goals. When you have the huge number of challenges entailed in meeting the SDGs, they ultimately come down to good governance; to the rule of law, policing, and good courts; and to maintaining a welfare state and social policies that correspond to the level of economic development and needs of the people in the

countries we're talking about, but also more just and equal societies coming from the perspective of dealing with gender.

If you look at it in that sense, it's something that also applies in a greater or lesser degree to low-income and middle-income countries. In particular, middle-income countries are not doing well on basic governance issues, as we see in Latin America, in South Africa, and in other middle-income countries. This is an area where Canada's expertise can also go far in adapting to the needs and expectations of the people Canada is trying to help and working with their civil society organizations, as well as their governance.

I thought I would keep my comments relatively brief to allow more time for questions.

The Chair: Thank you very much. We appreciate that.

I'll go to Eva Busza from Vancouver, British Columbia, where I wish I was.

Go ahead, Eva.

[*Translation*]

Mrs. Eva Busza (Asia Pacific Foundation of Canada): Hello, Mr. Chair.

Members of the committee and colleagues, thank you for the opportunity to be here today and to take part in this important discussion.

My name is Eva Busza and I am the vice-president of research and programs at the Asia Pacific Foundation of Canada.

[*English*]

The foundation was established by an act of Parliament in 1984 to help Canadians engage with Asia. The bulk of our work does not fall under the rubric of development assistance, rather we operate at the cusp of trade, innovation, development, and geopolitics. Consequently, the perspective I bring may be a little different from those who have spoken from the international development community. I will also draw on my prior personal experience, which includes 15 years as a development practitioner, focusing on security sector reform, conflict and disaster programming, and fragile state assistance, including four years working as the director of strategic planning, focusing on global threats, for the current UN Secretary-General.

As you've seen, your question of how to select countries of focus has given rise to much larger reflections on what Canada needs to do both internally and externally to enhance its aid effectiveness, adapt to a changing world, and help the poorest and most vulnerable.

Let me begin by directly addressing your questions.

Should Canada concentrate its bilateral development assistance in a small number of countries and on select sectors?

First, let's remember that one-third of Canada's development assistance is bilateral, and 90% of that assistance goes to countries of focus. The remaining two-thirds is not subject to the countries-of-focus model. My first caution is that the committee needs to look beyond bilateral assistance at the entire package. Is a one-third/two-thirds split the right one? While not subject to the countries-of-focus model, is there a de facto country allocation in the remaining two-thirds, and how is this coordinated with our bilateral aid? Are programs adequately addressing the myriad of global and regional challenges that not only affect the most vulnerable today, but are likely to drive those who have escaped extreme poverty back down into the bottom tiers? Are climate change, health epidemics, transnational crimes, and natural disasters getting sufficient attention from our assistance? My sense is that we need to give more priority to the latter, but the decision needs to be based on a robust program analysis, which I assume will be an input provided to you by Global Affairs Canada.

I would further urge you to conduct your analysis by looking at what mechanisms and development support is being provided by government departments and agencies other than Global Affairs Canada internationally, for example, by Finance; Immigration, Refugees and Citizenship Canada; the Public Health Agency; Environment and Climate Change; Innovation, Science and Economic Development; the Royal Mounted Police; and the Department of National Defence. Our development policy needs to be shaped based on a whole-of-government approach, and that starts with a whole-of-government mapping.

In principle, given Canada's limited resources, I agree with prior witnesses who have argued that our support across the board should be focused on a limited number of select sectors in a few countries, but that we balance this with giving due attention to regional or global interventions. The regional context simply can't be ignored, given that health epidemics, droughts, conflicts, crime, and financial flows don't tend to respect borders.

Why should we focus?

Because you have more chance of being effective in your programming if you focus, for all the reasons D.G. Kent outlined in her opening testimony. That being said, as other witnesses have emphasized, mere focus on geography or on sector is no guarantee of increased effectiveness.

Other measures need to be taken. Some of these include, first, identifying what we are good at, and cross-referencing that with what types of interventions seem to have maximum impact, and what sectors are under-invested in by the international community.

● (1655)

Second, we need to make a distinction between three contexts: stable countries with pockets of highly vulnerable or impoverished populations—this could be LDCs or middle-income countries where, as the World Bank data indicates, 70% of the most poor and vulnerable reside—fragile states, and humanitarian emergencies. The programming that is most likely to be effective in these different types of situations not only differ, but so do the delivery mechanisms and the emphasis and approach taken to capacity building.

Third, we need to align our proposed intervention with the development priorities of the countries and regions in question. Do they want the type of assistance we are able to provide? Buy-in at the national level is ideal, but sometimes, particularly in fragile states, it may be sufficient to have support at the sub-national level. Regardless, buy-in from a key stakeholder who can affect change is central.

You asked about international agreements and initiatives, and should they help us identify some of these principles.

There are a number of agreements that provide guidelines and principles for development assistance. Some of the more important include the Paris Declaration on Aid Effectiveness, the Accra Agenda for Action, the Busan Principles, the 2030 Agenda for Sustainable Development, and the Paris Agreement on Climate Change. Are they perfect? No, but they do encapsulate the knowledge countries around the world have gained about what is most likely to advance poverty reduction and development. Moreover they serve as an ordering and coordinating mechanism, which is essential, given the vast array of development actors out there.

Regarding your question on the effectiveness of a country-of-focus model, I've already suggested that the country-of-focus model should not be driving development decisions. An assistance framework that is designed to focus on vulnerable and poor populations, as opposed to states, and that allows for tiered interventions, which prioritize its programming for different types of development situations, is the way to go. For example, in fragile states or regions, conflict prevention, transitional justice and reconciliation, and basic livelihood programs coordinated with support provided in the security arena, are likely to be most effective.

I would like to end with some forward-looking recommendations.

Today Canada has the opportunity to position itself, once again, as an innovator in development assistance and as a valued international partner. How do we do this? First, on the coordination side, as many more actors get involved in poverty reduction, and as ODA stays relatively flat, efficiency of aid delivery becomes even more important and more difficult. Two of the things that are often the hardest to fund are coordinators and coordinating systems. They're just not that sexy. As a practitioner, you come across so many incidents of waste due to duplication or badly targeted resources. Canada could be of tremendous value by providing both human resources and supporting coordinating technologies and information systems.

Second, with our emphasis on being an innovation nation, we need to bring our science and technology policy and our trade policy closer to our development policy and be a leader in developing and applying ICT and technology to aid delivery and monitoring. Some examples include applying big data collection and analytics to disaster response and coordination, supporting mobile phone applications for health diagnostics or water and sanitation access, using drones to provide medical and food supplies to the most vulnerable and hard to reach populations, and supporting the revolution in fintech by allowing the poorest and most vulnerable easy access to microfinance and basic services.

Third, we should aim to be a leader in fostering market approaches to development. We are already doing this to a degree by supporting social entrepreneurs, but there is so much more we can do in this area.

Finally, we could signal our commitment to this new role by hosting an international innovation and development summit, and partnering with key donors, foundations, and the private sector.

• (1700)

[Translation]

Thank you for the time you have allowed me. I will be pleased to answer any questions the committee may have.

[English]

The Chair: Thank you very much, Ms. Busza.

We'll now go to Mr. McArthur from the Brookings Institute.

[Translation]

Mr. John McArthur (Professor, Brookings Institute, As an Individual): Mr. Chair, thank you for your warm welcome.

I am sorry that I can't be there with you today in Ottawa, but I am very pleased to take part by video conference.

[English]

I thought I would talk today about four categories of issues, appreciating the specific questions that the committee is dealing with. I thought I might help zoom in a little on some of these global issues, first, talking about the scope of the challenge; second, talking about a logic to guide the committee's thinking about achieving these global goals that have been discussed; third, touching briefly on the assessments that have taken place of Canada's bilateral programs; and fourth, presenting some recommendations for the group's consideration.

Starting with the challenge, I think it's very important to recognize, as we look at these very particular and important specific questions, the nature of what we're looking at in the global economy. This is a large, complex, highly interconnected, and rapidly shifting \$85-trillion global economy, roughly speaking.

The sustainable development goals are the world's agreed framework for tackling the common economic, social, and environmental challenges through to 2030 in that context. For Canada, I would argue that this implies a focus on two key dimensions at every step. The first is scale; the second is specificity of outcomes.

At the global level, it implies that Canada needs to develop a very clear logic for defining and assessing its international responsibilities of scaled challenges with specificity. At the national domestic level it means that we as a society need a clear strategy for ensuring that every province, territory, and municipality is empowered to innovate and benchmark its way towards achieving these agreed goals.

That said, I would stress that one of the most fundamental shifts under way in global society is that the so-called developing countries are now responsible for a majority of the world's annual economic expansion. This is, roughly speaking, unprecedented in the modern era, and it is a structural shift. In fact, it's such a shift that I would argue that the distinction between developed and developing countries is evaporating over time, and in some cases very quickly.

To illustrate the point, consider the question of whether China is a developed or a developing country. That question itself doesn't make a lot of sense. China is of course not subject to such false dichotomies.

Similarly, is the launch of the Asian Infrastructure Investment Bank last year a development economics story; is it a geopolitical story in response to the failures of the Bretton Woods institutions, perceived or otherwise—the World Bank and so forth—or is it an instrument for potentially promoting low-carbon energy systems in the world's most populous region? The answer is “all of the above” on issues each of which is of global importance.

That matters, because even the term “international development”, I would argue, is outdated. I don't like to use it anymore, as an economist who focuses on these issues day to day. I believe that the term “international development” as a term conjures up 1970s-era concepts of charity for poor countries, the so-called folkfest of international politics, when what we're really looking at is issues of centre stage in global society.

We also need an expanded mindset for thinking about who in Canada is even responsible for asking and answering these questions. For example, we've lived through the Ebola crisis; we have avian flu; we have SARS. Health Canada has a crucial role to play in preventing global disease outbreaks. Environment and Climate Change Canada has a crucial role to play in incentives and regulations for a low-carbon economy. Indigenous and Northern Affairs Canada has a crucial role to play in ensuring that Canada meets its pledge to ensure, for the SDGs, that no one is left behind. And as has been mentioned, I would argue Innovation, Science and Economic Development Canada has a crucial role to play in advancing the economic and social and environmental innovations that would both achieve the SDGs and compete in the global economy.

•(1705)

This is a new way of thinking about the problems in front of us, and having been very involved with the global efforts on the millennium development goals it's hard to underscore the extent to which a new mindset is needed to tackle the sustainable development goals.

Let me turn to the second point of targeting.

In thinking about the scale and specificity of the SDGs, through our own recent workings on a project we called Ending Rural Hunger, we found that most of the sustainable development goals can be benchmarked against three critical dimensions: needs, policies, and resources per person. If one considers the second goal for hunger, for example, you can define needs against indicators of undernourishment, malnutrition, smallholder productivity, food system resilience, and so forth.

If you look at SDG 3 for health, you can look at the needs based on indicators of child survival, neonatal survival, maternal mortality, and so forth. But then you have to look at the policies within that sector in each country of interest. On the hunger goal, you could look at market and nutrition policies; you could look at prioritization, politically, of agriculture. On health goals, you could look at health system policy metrics across each country.

Then, the third and final link in the chain is to assess resources and to see how much is going per person to each issue. That matters because if you add up the domestic, the international, the public, the private, in the best case, Canada's efforts are focused on its priorities, on countries with high needs, terrific policies, and low resources, so it gets the most bang for its buck. In the worst case, Canada's efforts go towards places with very low needs, terrible policies, and lots of resources already on the problem.

Much of the world is of course in between those two extremes, so it's a matter of being honest in benchmarking; which of the cases where policy improvements on appropriate benchmarks will make a difference, and which are the ones where resources can help achieve the desired outcomes. And each issue will have its own blend of that little strategic triangle.

Now, let me just shift to Canada's bilateral programs. At Brookings and the Center for Global Development, there are published reports on so-called quota quality of official development assistance. This is publicly available.

Canada ranks top in the world for its transparency and learning, based on the detailed descriptions of its projects. It's more in the middle of the pack on issues of efficiency and supporting developing country institutions, whereas it ranks actually quite low on reducing burdens on developing countries, even in the countries of focus. It's based on things like small, medium project size; uncoordinated missions; these things that put strong burdens on the developing countries.

When we looked at the specific priority recently of food and nutrition security, we saw Canada actually ranks quite well, fifth out the donor countries on implementation quality of its aid policies; more middle of the pack on aid targeting towards the countries with

high needs and good policies. It ranks extremely well, first, on reported gender sensitivity in its aid policies in this realm.

You're actually towards the back on issues of climate, and its emphasis on food and nutrition security. But crucially, on the very complementary agenda of trade policy, Canada ranks 28th of 29 countries based on its non-tariff barriers, and even on protection for biofuels, which in effect makes it harder for developing countries on the market side.

All of these questions need dimensions. And I'm happy to share all these references and the follow-up.

Let me share some quick recommendations. I have eight quick ones.

On the focus countries, first, there need to be adequate resources to have adequate influence per country. That means that Canada has to be in the top three or four in each country in order to actually be focused on the recipient side.

Second, there needs to be coherence with other donors. If Canada picks country A over complementary country B, another country needs to support country B, and not country A, in order to get the joint outcomes we're all looking for.

Third, if we shift to general sectoral priorities, I would flag a few things that I would offer as global frontier issues where Canada is uniquely positioned to make a big contribution.

•(1710)

One is girls' secondary education. This is a major global gap right now. It is some of the lowest-hanging fruit in the world to scale up. To give a commitment to women and girls requires, if nothing else, a major scale-up of investment for girls' secondary education.

My fourth recommendation is to link more explicitly agriculture and food nutrition security to the end of extreme poverty. This is the sector with the most direct effect on ending extreme poverty, a point that in my view has been under-leveraged.

The fifth recommendation is to support experimentation around technology and basic income. We have advances around unconditional cash transfers, so-called...something that has also of course been pioneered in Ontario now and has been used after the Fort McMurray fire. We now have huge evidence that unconditional cash transfers are a vital part of the tool kit to end extreme poverty. This could be piloted at scale throughout Canada's focus countries around the world to really understand what leadership looks like.

On a related sixth note, I would say that Canada needs to build its own applied policy research capacities in its local universities, in its think tanks, and indeed in Global Affairs Canada, in order to contribute more effectively to the global policy conversations in a manner that connects directly our national and international conversations.

I have two final points on financing. I just want to flag that there's a big distinction to be made between climate finance and the new commitments coming out of Paris and official development assistance. Roughly speaking, climate finance for mitigation should not be included in official development assistance, whereas adaptation is fair game to be included.

The final final point I would add is that I believe we need a clear logic and strategy for our official development assistance and the way it links to both private and other forms of financing.

There is no compelling rationale that I'm aware of that has been put forward for why we invest at the levels we do today. There has been a debate over the 0.7% target. I'm happy to share my views on how one could get there on a reasonable 10- to 15-year time horizon, but there has been no argument on why we're at 0.24% or 0.28% or 0.3% or whatever the specific number is, and I believe it has to be understood at a public level as a matter of grand strategy for the country's role in the world. It affects everything from how we choose how many priorities to take on to how big a player we are within those priorities, and it requires both a private sector conversation and a public sector conversation. In my own work, I'm seeing the countries that have done this successfully across sectors and have come up with robust long-term strategies to guide beyond any particular political cycle, so that this is seen as a truly strategic investment of the country in the world.

Thank you. I'll stop there.

The Chair: Thank you, Mr. McArthur.

With the short time we have, we'll go straight to Mr. Kent.

Hon. Peter Kent: Thank you, Chair. In the interest of getting around the table, I'll put just one question. It's a big question, but it's also fairly narrowly focused.

Thanks to all of you for your testimony. As we conduct this study on countries of focus, we know what other comparable developed nations have been doing. We know that the United Kingdom, which is the first of the G20 countries to hit the 0.7% target, in 2011 cut 16 countries from its bilateral aid list to a list of 28, still a fairly large number. Denmark last year reduced the number of its priority countries from 21 to 14, and Australia's top 10 priority bilateral aid-receiving countries are all regional, in the Indo-Pacific region.

Now, we do it in the knowledge that only eight countries have been consistently included on Canada's list of countries of focus since 2002, and aside from Afghanistan, with the war and development assistance that was attached to foreign policy, and Haiti, with the disaster recovery some of the same.

I'm wondering whether each of you could address the benefits of reducing from 25—we only recently increased from 20—to numbers closer to those of our other developed nations? What numbers would

you recommend to achieve bigger bang for the buck or greater focus in the countries of focus?

• (1715)

Dr. Philip Oxhorn: What I would do is, again, focus on expertise, because that solves the problem of the number of countries. No matter how many countries are on the list, there will be people arguing that more countries or different countries should be on the list. You don't need the aggravation. What you need is to have something to sell.

Say that Canada specialized in innovative mechanisms for food security. Well, it's not going to work for every country in the world, and then the decisions come down to the quality of the project. They also come down to the quality of the relationship. Continued aid to Haiti is a no-brainer because of the relationship that goes back so many decades.

If you focus on what Canada does well and limit the number of themes—because you can't do everything, and Canada doesn't do everything well—then the number of countries solves itself in a way that I think is more satisfactory: it's a quality issue, rather than a number that is always going to be arbitrary, whether it's 30, 40, 50, or 60. If Canada had the same relative budget as DFID, we could fund more countries.

Hon. Peter Kent: Ms. Busza.

Ms. Eva Busza: I would agree with Philip. I'd also go back to a comment John made, which is that if we are going to be in a country, we should be looking at being one of the top two or three donors in order to be making an impact, but I think it is dangerous to start a priori with a number and then try to retrofit our assistance that way.

Hon. Peter Kent: Just following on that answer, let me say that I'm sure the other countries—the U.K., for example in doing its cut, and Denmark—came to that reduction in numbers by following your suggestion of prioritizing, or so I suspect.

Mr. McArthur?

Mr. John McArthur: I would only amplify the comments that have been made. I think it's a function of how many resources there are to spread. If Canada had triple the budget, it would be able to prioritize and focus on its outcomes. Everything in my view should be outcome-focused. That then can overlap with countries of different sizes.

There is a strong bias against large countries, for example, systematically, because \$100 million feels to one country the same as \$100 million does to another country, even if one has 10 times the population of the other. One thus has to think about where the resource is being spread, what the most effective use of the resource is, and how the spreading of it fits with where resources are needed.

If the U.K. decides to take on some country that is of no strategic interest to Canada, my first question would be whether Canada needs to be there, then, as a bilateral partner, because maybe someone else is already doing the work and we have a better comparative advantage somewhere else.

I think there always has to be a triangulation among factors.

The other thing I would say, to build on Philip's point, is that one of the key motivations for bilateral programming is to make sure that there's adequate and proper and strong Canadian expertise in-house. Whereas financing multilateral programs often means outsourcing expertise, in effect—which is a strong thing to do, in many cases—there's a need, if we care about food and nutrition security, to make really sure that our expertise isn't just in food and nutritional security; it might be in certain elements of food and nutrition security in which Canada has an incredibly strong comparative advantage.

• (1720)

The Chair: Thank you.

Mr. Saini.

Mr. Raj Saini (Kitchener Centre, Lib.): Thank you very much, all of you, for being here today.

One question is for you specifically, Mr. McArthur. It concerns something you wrote about a year ago.

You introduced the term “global sustainable development”. Out of that comment you said that the transition for Canada should be from Canada's role in the world to Canadians' role in the world; you said that all stakeholders should be part of an ecosystem, and you cited the examples of the Nordic countries and England; and you said that this would be something that would increase our influence and would also protect our national interest.

Can you provide some commentary—because I find the idea very intriguing—on how we should develop this ecosystem? I know it's not specific, but in a more general way, how do we develop the ecosystem here in Canada, and how do you think that will make us more influential and protect our national interest?

Mr. John McArthur: First, thank you. I'm delighted that someone has read our report. That's terrific. More specifically, I think the notion of Canadians' engagement is part of understanding what a technocrat might call the “disintermediation of the world”. When the United Nations was launched, it was \$50 for a three-minute phone call between London and New York. Now anyone in the world can get on Skype for free and talk with anyone. This is not just about how governments connect, this is about how societies connect. Our businesses, our universities, and all the aspects of multilateralism that are global co-operation are very far beyond government.

I would even say in the Canadian context that when we think about the role of business in the world, which is crucial—that is the global economy—it's regulated at the provincial level. Our stock exchanges and our markets are regulated at the provincial level. That means on that issue alone, our provincial governments are major global players for, as an example, our extractives industry. We're not used to thinking of provincial governments as global players, but there's no question that they are. Our provincial governments are also

the primary funders of our universities. All the students and all the faculty, all the incentives of what people learn, what they teach, and what they research, are fundamentally driven by these very local budgeting and policy questions. Then, of course, we have the national research funding bodies, like SSHRC and NSERC and the IDRC, which are part of this too.

The bottom line is that I have been in many meetings in the world. One with a Swedish coalition was most profoundly moving to me. It was at a World Economic Forum session, and it was the most sophisticated commentary I could remember hearing on global sustainable development challenges. I looked around the room and saw that it was the CEO of Ericsson, the CEO of Volvo, the CEO of the Swedish pension plan, and the head of the Stockholm Resilience Centre, the scientists. I realized that this was a conversation that had grown over 10 years because the government was working with the business leadership and the scientific leadership at every step to say, “How do we build our society's engagement for the world? Because this is in everyone's interest.”

This is why I stress so strongly that in Canada, I believe, we need to be thinking about a 10-year horizon for most of these questions. One doesn't change overnight the funding incentives for our universities. One doesn't build overnight our corporate sector's global engagement where it doesn't exist adequately. This is about conversations, this is about joint problem-solving, and in some cases it's about regulation. Most of the time, however, it's about the role of actors engaging, in a crucial global engagement manner, in a way that's additive to everything we're used to talking about. It's not a substitute, it's an addition. That's how I think we can actually make sure we're leading on all these questions where so much of the world, I can guarantee you, wants Canada to be leading.

The Chair: Thank you.

We'll go to Mr. Aubin, please.

[*Translation*]

Mr. Robert Aubin: Thank you, Mr. Chair.

I would also like to thank all the witnesses for being here this afternoon.

Our study essentially looks at countries of focus. Very simply, it is fairly easy to understand the countries of focus approach, which probably affords us economies of scale in administration and so we can invest more in our programs and less in administration. I would say that the past experience of our provincial and federal governments has very clearly shown that this is not always the result. Are any of you aware of or have any of you read a study showing the effectiveness of the countries of focus approach?

• (1725)

[*English*]

Dr. Philip Oxhorn: I don't know of any particular study, but I think there are two things we need to keep in mind.

First of all, what is it we want out of focuses? We want to be able to say that this is what Canada's done. But what Canada does, what any aid program does, by definition is local development. You're not going to change a big or small country by any contribution from aid, but you're going to make people's lives better and you're going to make court cases better. I'm saying that because it's the projects: that's the PR and that's the good message. Whether it's big or small, it doesn't matter; it's the effectiveness at that level.

Second, with due respect, I think the analogy on scale is misplaced. Projects are projects, right? If Canada has a lot more going on in a country, that doesn't necessarily guarantee that there will be coordination or economies of scale simply because there will just be more projects. The economies of scale are writ large and go beyond any particular project. I think it's more important to focus on the impact, and that's why I emphasize expertise: what Canada can do well. It will solve a lot of the problems that need to be addressed by focusing on specific countries but in a more objective and more effective way. In the end, that will be the best way to image Canada in the world.

[Translation]

Mr. Robert Aubin: Thank you.

Would anyone like to add anything?

[English]

Ms. Eva Busza: I could just add that I also am not aware of any study that has advocated countries of focus as the sole criterion. Most studies I've seen say that one should focus one's efforts, and that scattering resources is problematic, but that focusing on a particular country is not sufficient, and there are many other criteria and measures that need to be taken. In our testimony, we've addressed some of those other conditions that make focusing more effective.

[Translation]

Mr. Robert Aubin: Mr. McArthur, I am listening.

[English]

Mr. John McArthur: I would just add that I'm not familiar with any specifics either, but I think there are a lot of criteria that are consistent with the ambitions of focusing. There are a lot of assessments on, let's say, the quality of the projects within particular countries, to make sure that they are of high quality. Again, as we said, if you have three times the budget, you can do three times the number of countries at the same level per country, but the question is what you do in each place and what's the size, the scale of the footprint, that the country commits to taking on as a global responsibility.

We can have an offline discussion regarding the debates about scale, but I would just say I don't know a single developing-country finance minister who wants more small projects unless it's as a test. I think that, roughly speaking, they want to minimize the administrative burden. They want to have transparency in what they're doing—on both sides—and it's a matter of making sure there is a coordinated approach in which the approach of the external partners matches the strategy of the domestic partners, and ultimately the problem they're trying to solve, in some cases, might involve tweaking a lever on the regulatory side. In another case, it might be a

matter of how many people have access to essential medicines, because people are dying for want of a pill. Each problem has its own implications with regard to how well we're doing in helping to solve it.

[Translation]

Mr. Robert Aubin: Thank you, Mr. McArthur. That leads to my second question, which might echo the statements to the effect that Canada should be able to go to the countries it wishes to help with its broad expertise.

Haven't we reached the point where we should give up bilateral assistance and seek instead to coordinate multilateral aid programs, in order to avoid duplication in the countries we wish to help? Can Canada play this coordinating role, which would promote multilateral aid?

The question is open to any of you. First come, first served.

[English]

Mr. Philip Oxhorn: I think there is a role for both. Canada, as you know, makes a large contribution to the multilaterals. I don't know if its role in the multilateral system corresponds to the dimensions of this contribution, and that's a more difficult question to answer. If its influence isn't commensurate with its investment, then it's a more difficult problem to solve.

Bilateral does have real advantages. The advantages are in the concrete results. We shouldn't confuse amount spent with effectiveness. I wasn't involved, but I came across a very unique project in Ghana, which was designed to improve the quality of the civil service. It was led by a man named Scott Serson, who some of you may know. It basically cost nothing, a couple of hundred thousand dollars, maybe a million dollars, but if it's successful, it has changed the game. That's how you measure things.

There are other examples in which you have effectiveness that's almost independent of the cost, and it's really part of the design of the project. If Canada can play a better role in coordinating multilaterals, that's great, but I don't think you want to abandon everything. I think you want to keep that division between multilateral and bilateral, because they serve different interests that Canada has.

• (1730)

[Translation]

Mr. Robert Aubin: What is your opinion, Ms. Busza?

[English]

Ms. Eva Busza: I would agree. I don't think we should abandon bilateral assistance. I think we do need to look at the one-third/two-thirds split and also look carefully at our regional contributions. Those could involve Canada going on alone or Canada going through multilateral institutions. That's one thing.

Second, on the coordination front, that was one of the points I was trying to make toward the end. I do think we're trying to play more of a "middle power role" in international politics. I see that Canada has huge potential to be playing that similar type of brokering role in the international development space, and I think we would be welcomed in that position.

[*Translation*]

Mr. Robert Aubin: Mr. McArthur, would you like to add anything?

[*English*]

Mr. John McArthur: Again, I think these are all great points. It depends on the problem we're trying to solve.

Generally speaking, it's a "yes and", not an "or", so some things are efficiency based, some things are resource based, some things are policy based. It matters to understand which is the problem we care about. On issues of human rights, maybe there's a need to support legal reform or justice services, but it's a very different problem, again, from the expressed commitment around something like maternal, newborn, and child health, which is about health service delivery.

It's part of why I also resist the term "international development", because it bundles everything as if it's a single bucket of a problem, which it's just not. It's like saying we'll pick which organ you like best in your body as the one that's most important. Well, I like my heart, my lungs, and hopefully my brain works sometimes. I want to be able to breathe. How does all this fit together in each society? It's a different mix. I want my cardiologist—if, heaven forbid, I have to go see one—to know how my heart works, so I need this specific expertise. Whether that's from a bilateral or multilateral support base, what I care about most is that I can access the expertise. Whereas, if I have a problem with my lungs, I'm going to go a pulmonary specialist because they have a different expertise.

I think that, for Canada, for these different priorities we care about, we at least have to align that there are some things where we

will commit to be a bilateral leader, which means we need heavy expertise, not just on financing but all the technical problem-solving that goes into solving these things over time. I think we need to build up our civil service technical expertise on this, through a research department, through policy voices. We also might say that there are these other areas where we're not going to invest so much in that in-house and direct bilateral, but we might want to work with them—for example, something like the global agriculture and food security program, which is an instrument on the brink right now—to scale up the multilateral approach, because the world doesn't need more bilaterals in that area right now; it needs more multilateral coherence. That's an area where there's actually significant expertise.

I think we just have to think through the mix of, again, priorities, problems, and expertise. We do have to be aware that one of the challenges of Canada's having got to a point of such small budgets, compared to its peer countries on this, is that we have to make tougher choices than most. One problem over time is to say how you release from that constraint, knowing that we're having to make extra hard choices in this area because our budgets have become so small.

The Chair: Colleagues, that concludes our time with the three witnesses today.

Mr. McArthur, Mr. Oxhorn, and Madame Busza, thank you very much for the short time you did have. We got into some substance today, which is very important to our study. On behalf of the committee, thank you very much for participating.

Colleagues, thank you. Have a good long week in your ridings. We'll see you in a week or so.

This meeting is adjourned.

Published under the authority of the Speaker of
the House of Commons

SPEAKER'S PERMISSION

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the Parliament of Canada Web Site at the following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité
du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante : <http://www.parl.gc.ca>