

**A REVIEW OF CIDA'S COUNTRIES OF PRIORITIES
A CCIC BRIEFING NOTE
(FEBRUARY 2009)**

1. In February 2009, the Minister for International Cooperation, Bev Oda, announced that CIDA will be focusing its bilateral aid efforts in 20 priority countries. The statement implies that the goal is to focus 80% of these bilateral resources in these 20 countries. It notes that the move to focus bilateral aid does not affect multilateral programs and humanitarian assistance, while there is no mention of the responsive mechanisms of Canadian Partnership Branch. The responsive mechanism for program-supported CSOs by CPB would have similar characteristics to multilateral programs in that country and sectoral focus happens at the level of the organization. See the Minister's statement at <http://www.acdi-cida.gc.ca/CIDAWEB/acdicida.nsf/En/NAT-223132931-PPH>.
2. The priority countries are the following:
Africa: Ethiopia, Ghana, Mali, Mozambique, Tanzania, Senegal and Sudan.
Americas: Bolivia, Caribbean Region, Colombia, Haiti, Honduras and Peru.
Asia: Afghanistan, Bangladesh, Indonesia, Pakistan, Vietnam, and West Bank / Gaza.
Other: Ukraine.
3. This 2009 list of priority countries differs in several respects from the previous list announced in the aftermath of the 2005 foreign policy review.
 - ❑ In 2005, the list of 20 countries focused on CIDA's long term development partner countries. Two-thirds of CIDA's resources were to be devoted to these countries. The final third was to be devoted to fragile countries dealing with conflict. The Conservative government's list has integrated these latter countries (Afghanistan, Haiti, Colombia, West Bank/Gaza and Sudan) into their priorities. Eleven countries out of 20 (not counting conflict countries) are on both lists.
 - ❑ It is unclear whether the 2005 list was ever acted upon by the newly elected Conservative government. As will be apparent below, much of the concentration between 2005 and 2007 has been in Afghanistan and Haiti.
 - ❑ The Conservative government list has a greater concentration of countries in Asia and the Americas (from 2 to 6 countries/regions), with fewer priority countries in Africa. Compared to the 2005 list which emphasized 14 African countries (not counting the Sudan or the DR Congo), the 2009 list has only 7 priority countries including the Sudan.
4. To what degree do the 2005 and 2009 lists of priority countries reflect an emphasis on addressing poverty where the needs are greatest? While there are large numbers of people living in poverty in the countries on both lists, using several international indicators, the following observations can be made:

- ❑ **UNDP Human Development Index:** 55% (11 countries) of the 20 countries on the 2005 list were specified as *low* HDI in 2008 Human Development Report, compared to 37% (7 countries) in the 2009 list. This is due to less emphasis on African countries by the Conservative government and greater emphasis in the Americas.
 - ❑ **World Bank Low Income Countries:** 80% (16 countries) were classified as low income countries in the 2005 list, compared to 63% (12 countries) in the 2009 list. Again this observation is due to greater emphasis in Asia and the Americas where there is greater concentration of middle income developing countries (even though many of these countries have large numbers of poor and excluded people).
 - ❑ **Incidence of Poverty:** The UNDP Human Development Report in Table 3 gives a statistic on the percentage of people living on \$1 a day and on \$2 a day. The 2009 list overall contained fewer countries where the incidence of poverty could be considered very high.
 - a. We looked at each list from the point of view of the number of countries where more than 30% of the population lives on less than \$1 a day. In 2005, 11 countries or 60% of the countries on this list had more than 30% of people living on less than \$1 day, compared to 7 countries (47% of the list) in the 2009 list.
 - b. We also looked at the number of countries where more than 50% of the population live on less than \$2 a day. In 2005 16 countries (89% of the list) had this level of poverty, while 11 countries (73% of the list) were found on the 2009 list.
5. In considering the implications of the decision to focus on selected countries by CIDA, it is interesting to note the experience and trends in bilateral aid allocations for Canada, between 2005 and 2007, based on statistics available from the OECD Development Assistance Committee.¹
- ❑ Looking at the 2005 list, the proportion of bilateral disbursements increased from 27% to 31% between these two years. But when the five countries in conflict² are included, this increase is from 42% to 75%, revealing that much of the increased focus in these years has been to Afghanistan and Haiti. Consequently, the 2009 list, which includes these conflict countries (except DRC), demonstrates an increase from 42% to 75% between these two years.

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¹ The DAC Statistics include donor disbursements to CSOs as bilateral aid, while CIDA has an independent branch for these disbursements and the policies on focus in both 2005 and 2009 have excluded these disbursements.

² Afghanistan, Haiti, Sudan, DRC and Colombia.