Mr. Chair, thank you for the invitation to appear before you today to discuss Bill C-293, an Act Respecting the Provision of Official Development Assistance Abroad.

Many of you may already be familiar with the International Development Research Centre but let me begin with a very brief overview.

IDRC is a Canadian Crown corporation that works in close collaboration with researchers from the developing world in their search for ways to build healthier, more equitable, and more prosperous societies. The Centre was established by an Act of Parliament in 1970 – let me quote from the IDRC Act. It says our purpose is “to initiate, encourage, support and conduct research into the problems of the developing regions of the world and into the means for applying and adapting scientific, technical and other knowledge to the economic and social advancement of those regions.” We have included a copy of the IDRC Act in each of your packages.

Our parliamentary appropriation for the year 2007-08 is $145 million. That amount is approximately 85% of our total budget. The remainder of our funding comes from a range of partners such as CIDA, the UK Department for International Development and the Swiss Agency for Development and Cooperation, as well as from other donors such as the Ford Foundation and Microsoft Corporation.

IDRC maintains six regional offices, which provide a regional perspective, to keep abreast of local realities and needs, to work with researchers, to nurture funding partnerships and to disseminate research results in the developing world. They are located in Cairo, Nairobi, Dakar, Montevideo, New Delhi and Singapore.

Parliament was farsighted in directing that experts from developing countries make up almost half of our Board of Governors. Half plus one are Canadians. As stipulated in the IDRC Act, it is the Board of Governors that sets the strategic directions, approves the budget and oversees the work of IDRC.
And that brings me to our major concern when Bill C-293 was first introduced in the House of Commons.

As you know, Clause 4 suggests a “competent” minister would be given the responsibility for deciding whether any project contributes to poverty reduction before development assistance could be provided.

We at IDRC feared this would conflict with our governance structure and our status as a Crown corporation operating with a legislated mandate.

As a Crown corporation, we report to Parliament through the Minister of Foreign Affairs. The chair of our Board, now Gordon Smith, gives the Minister the annual report and financial statements audited by the Auditor General and approved by the Board to table before Parliament.

However, as directed by the IDRC Act, it is the Board of Governors that sets the course for the Centre. For the Strategic Plan period of 2005-10, the Board has approved the funding of research in four areas: social and economic policy; information and communication technologies; environment and natural resources management and innovation, policy and science. Again it is the Board of Governors at IDRC that is responsible for setting the direction and overseeing the work at IDRC.

Therefore we were pleased when the Commons Foreign Affairs and International Development Committee agreed to add a subsection to Clause 4, which says, and I quote “nothing in this Act shall be construed so as to limit the funding or restrict the activities of IDRC”.

Therefore, our main concern about C-293 has been addressed with the passing of this amendment.

Let me now turn to the main thrust of the Bill. IDRC has no difficulty with the concepts that poverty reduction should be the central focus for Canada’s development assistance and that the perspectives of the poor should be taken into account.

However, I listened with interest to the differing views over what exactly is meant by poverty reduction when the House Committee on Foreign Affairs and International Development was debating Bill C-293.

In many of our projects, the link to poverty reduction is direct and obvious. For example, in Rosario, Argentina, a project financed by IDRC has helped 10 000 families establish 790 community gardens that feed more than 40 000 people, near water-starved Amman, Jordan, a system that re-uses household wastewater, or “greywater,” in home gardens has helped families increase their average monthly income by 10 percent. For more than a decade, IDRC has supported the design and piloting of community-based poverty monitoring systems in 14 countries of Asia and Africa.
Certainly these projects would easily fit the goal of “poverty reduction”.

But there are other areas where the link may not appear direct. For example, we are working with DFID in the UK to do research into climate change adaptation in Africa. We have helped build the capacity of a whole new generation of economists in Vietnam, knowledgeable about market economics. We have helped develop science and technology policies for countries from Mexico to Mozambique – and I note that one of our partners, the Minister of Science and Technology for Mozambique, Venancio Massingue, appeared before you in 2005 when you were undertaking your recent study on Africa.

We have supported research into innovation and competitiveness in Chile, Indonesia, and India and helped researchers in South Africa during its transition from apartheid to democracy.

These projects do contribute to poverty reduction but over the long run, and sometimes indirectly. Part of Canada’s aid to poverty reduction has to go into the long-term effort to build sustainable innovation systems in developing countries, to assist them to develop their own solutions to their problems. Assist them to generate wealth. Otherwise there can be no upward movement for people and no wealth to re-distribute. Innovation is IDRC’s contribution to poverty reduction.

In conclusion Mr. Chair, IDRC carries out its statutory mandate. We try to help developing countries find local solutions that are lasting solutions. And to continue this important work, I would ask the committee to retain the amendment that exempts IDRC from its provisions of Bill C-293.

Thank you!