



International Development Research Centre
Centre de recherches pour le développement international

IDRC and Private Sector Partnership

by

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to the

Development Aid Committee
Alliance of Manufacturers and Exporters Canada

September 10, 1997
50 O'Connor Street, 10th floor
Ottawa

Please check against delivery

Let me begin by saying that it is a great pleasure to be with you as a colleague rather than as a guest.

At IDRC we are serious about our membership in the Alliance. So I was delighted when Deborah Turnbull, your Director of International Business Development, asked if I could say a few words this morning, and re-introduce you to the International Development Research Centre. For it is an organization that looks and acts quite differently than only a few years ago.

Don't get me wrong, IDRC is still in the business of research for development. The Centre still supports the work of Southern researchers to help them find solutions to the social, economic and environmental problems that the people of the South have identified.

I will use my few minutes today to suggest how the Centre can help you and your partners. How you can help us. And how we can do business together.

The international development landscape is changing in ways that makes partnerships between IDRC and the private sector more relevant than ever.

Face au déclin de l'aide extérieure, qui est un phénomène mondial, il convient que se forment de nouvelles alliances créant les conditions de l'équité sociale, de la croissance économique et de la stabilité dans un grand nombre de pays. Nous n'évoluons pas en vase clos. Les problèmes d'autres pays deviennent vite les nôtres, et leur prospérité peut être aussi la nôtre comme le démontre l'émergence des dragons d'Asie.

Il est désormais admis universellement que le secteur privé joue un rôle central dans l'impulsion du développement économique et social. Dans beaucoup de pays des régions en développement, il est beaucoup plus aisé qu'autrefois de nouer des liens d'affaires.

The imperatives of a business environment, the need for concrete results, has also influenced publicly funded institutions such as IDRC. It is no longer enough to find an answer to an important research problem. Donors—and the public they are ultimately accountable to—want to know how and when that solution is going to be applied. How and when it is going to make a difference in people's lives.

These trends have changed our thinking at the Centre. If you haven't checked in with us lately, you may be surprised by some of IDRC's activities.

You might not know that we get 3 cents every time you buy a Mona Lisa banana at your local Loblaws. This new disease-resistant banana doesn't need spraying with pesticides and has been classified as "organic". The result of more than 20 years of plant breeding, this long-term investment has paid off by giving Canadian consumers more choice as well as being environmentally-friendly.

You might not know that we are helping leading Canadian food companies explore markets and products in Asia, Africa and Latin America.

Or that we get royalty cheques annually on the sale of intelligence-based, quality control software from a software company in Singapore.

With support from CIDA, we are helping Nelson Mandela's government formulate long term policies on everything from the environment to small business.

Or that we are investing in Internet providers in Cambodia, Mongolia and Sri Lanka. And mobilizing a hundred million dollars to help Africa become part of the information age.

In fact, IDRC is managing donor contributions to the tune of \$20 million a year. This is not new for the Centre. What is new is that we are now joining the private sector as partners in bids — bids with development research components.

Yes, IDRC still supports the kind of urgent research that we are best known for in the developing world. Better bean and maize varieties for subsistence farmers in Mexico and Africa. New mosquito nets that will save thousands of children from dying of malaria. Rain forest protection in the Amazon. Sustainable management practices for fragile ecosystems.

But even here we are paying more attention to impact. We aren't taking it for granted that others will be able to step up and apply the results of research we support.

So what does this mean to you? What does IDRC have to offer the Canadian private sector as we move into the 21st century?

Access, first of all. Our networks and expertise can reduce the cost of entry to potentially lucrative markets in the developing world. We can simplify and sometimes share the cost of product research and marketing.

Secondly, we can identify partners. Be they food producers, hi-tech researchers, or key government contacts. The kind of partners needed to make a joint venture work. The kind of edge needed to put together a successful consortia to bid on a multilateral project.

Our institutional Rolodex begins with the 20,000 researchers and 1,000 institutions that we have supported over the last quarter century. It includes some of the most able and best connected people in the developing world. Networks that have been nurtured and expanded over the years.

Third, we have great people—in Ottawa and in the field. We have regional offices in Singapore, New Delhi, Nairobi, Cairo, Dakar, Johannesburg and Montevideo.

Our multilingual team of more than 120 scientists and managers, from every corner of the globe, combine project experience with sectoral expertise. They have the knowledge, the background AND they also deliver results. They can coordinate complex projects across borders and cultures.

The fourth thing we can offer is something that money can't buy...reputation. Funders know we have managed over 1.5 *billion* dollars worth of project support in 100 countries. We give proposals clout. We give projects respectability.

And lest anyone forget, we're Canadian, eh? Yes, we work with donors and foundations from other northern countries. Yes, we are getting an increasing number of calls from American and European firms who would like to do business. But our preference is always to work with Canadian partners. We want to be part of Canada's competitive advantage.

Or, qu'attendons-nous de votre part?

Il y a deux mille ans déjà, un dramaturge romain faisait valoir que «Un homme qui aspire au bien n'est rien tant qu'il ne fait pas le bien». Au CRDI, nous pensons que le secteur privé canadien peut nous amener à réaliser ce bien, à rendre notre recherche utile.

Nous en avons un exemple au Vietnam. Chaque année, les agriculteurs vietnamiens jettent près de deux cent cinquante mille tonnes de pommes de cajou, ne retenant que la noix de cajou que nous aimons servir sur nos tables de café. Lassonde, un fabricant canadien de boissons réputé, a été intrigué par les qualités unique du jus de pomme de cajou, étonnamment riche en vitamine C et ingrédient parfait des mélanges de jus.

Mais il y a un hic à tout cela, et il est de taille. L'extrait de la pomme de cajou est tellement amer qu'il peut provoquer un resserrement des muqueuses pendant un mois. Lassonde voulait savoir s'il était possible de neutraliser cette propriété astringente. Le CRDI aussi. Le Centre a constitué une équipe de chercheurs vietnamiens et québécois qui a trouvé la solution en moins de deux ans.

Now Lassonde has an exciting new product, Vietnamese farmers have a new export, and IDRC is line for some significant royalties.

As I mentioned earlier, you can find another example of IDRC's entrepreneurial spirit in your local Loblaws store. It's called the Mona Lisa banana, and as far as I'm concerned it's definitely the "President's Choice." It is grown without pesticides and is certified organic. And a higher percentage of the profits from its sale go directly to farmers.

And there's more to come. Our Foodlinks program is exploring dozens of other products to feed a growing North American market for quality organic food -- an industry that's growing at the rate of 23% a year. In Canada it is already a \$300 million dollar industry. Watch out for organic raspberries from Argentina, apricots from the Himalayas, camu-camu berries from the Amazonian rain forest.

The Canadian agri-food industry is starting to take notice. We are currently helping one of Canada's largest agri-food companies explore investment options in China.

IDRC wants to partner with the Canadian private sector. But we don't want to compete with it. Our goal is to expand and increase the reach and impact of IDRC's programs. We are still dedicated to development, not to becoming a consulting firm. That's why the IDRC Board has established the following binding principles:

- ▶ We don't take the lead in bids. We DO respond to invitations to join consortiums on projects that fit within our current focus and mandate. Projects where we can add value to a firm and to our clients.
- ▶ We don't undercut others. We value the time of our staff and the use of facilities and networks at market rates ... even a little above. Our participation does not come cheap.
- ▶ We don't work outside our six program themes.

Sticking to what we believe serves our partners best in the developing world, and in Canada. In our partnerships with the private sector, we stay within our set focus to expand our impact and reach to our target areas.

THEMES

Food Security
Biodiversity Conservation
Equity in Natural
Resource Use
Sustainable Employment
Information & Communication
Strategies & Policy for Healthy
Societies

These principles paid off in June when members of the Information Technology Association of Canada joined us on the Acacia initiative. Acacia is an ambitious undertaking designed to help communities in sub-Saharan Africa adapt new information and communication technologies for their own needs. For Canadian hi-tech companies, it is a chance to gain privileged access to emerging African markets, and raise their international profile.

The CEO of an Ottawa-based Internet company has already shown how this can work. In exchange for IDRC picking up his travel expenses, he agreed to assess the potential for an intranet service in rural Ethiopia. We received a first-class analysis. He was introduced into Ethiopia. Now he wants to become an equity investor in our Ethiopian partner's start-up.

IDRC will not always be the right partner. But in our core areas of expertise we think we can be a valuable ally and resource. In some cases the work we do can save you time and money. It can lead to opportunities you couldn't have checked out on your own. It can give you the contacts and partners you need to move confidently into new markets. And we can definitely be a valuable partner on bids to the development banks and others.

Si vous, ou vos partenaires, jugez utile d'explorer toute l'étendue de ces possibilités, notre Bureau de développement des affaires est la porte d'entrée. Ce bureau est le guichet unique qui assure le lien avec le secteur privé. Adressez-vous à ce bureau sans hésitation pour proposer des initiatives concertées ou solliciter notre soutien pour des projets qui s'inscrivent dans notre trajectoire actuelle. L'équipe du développement des affaires peut vous mettre en contact avec les dirigeants et les experts recherchés et vous fournir l'assurance que des propositions conjointes et d'autres projets seront traités avec toute la diligence et la ponctualité requises.

Nous sommes, bien sûr, présents sur Internet à l'adresse www.idrc.ca (double ve, double ve, double ve, idrc point cea). Comme il convient à un organisme qui développe des réseaux électroniques depuis des années, notre site est plus sophistiqué que d'autres. Nous voulons également nous rendre plus utiles que d'autres. Faites-nous connaître vos point de vue.

As I look towards the future, I see grounds for optimism.

As was made clear at the recent Global Knowledge conference in Toronto, Canadian companies and institutions are at the forefront of efforts to build more equitable, knowledge-based societies.

- ▶ Breakthroughs in information technology are making the global networks of Canadian research institutions such as IDRC that much more powerful.
- ▶ Growing consumer interest in the North in the ethical and environmental aspects of products and services has the potential to assist our partners in the South looking to grow in a more sustainable way.
- ▶ And perhaps most importantly, the Canadian private sector is becoming bolder and more successful in searching out markets beyond the confines of North America. Trade barriers continue to fall. Team Canada missions have raised new awareness about markets in developing countries in Latin America and Asia. This Alliance continues to build new relationships abroad, including the new office in South Africa.

By combining the strengths of the private and public sectors, we can all do more. A Canadian presence in international development research is good for us, good for Canada, and appreciated in the international community. THANK YOU VERY MUCH.

Merci.