The Honourable Robert D. Nault, Chair House of Commons Standing Committee on Foreign Affairs and International Development House of Commons Ottawa, ON K1A 0A4

Dear Mr. Nault,

On behalf of the Government of Canada, I am pleased to respond to the Report of the Standing Committee on Foreign Affairs and International Development entitled Development Cooperation for a More Stable, Inclusive and Prosperous World: A Collective Ambition, tabled in the House of Commons on November 3, 2016.

I would like to thank the Committee for its work and the resulting seven recommendations. The Committee's deliberations and report have been particularly timely and helpful as the Government prepares to introduce a new policy framework that will guide Canada's international assistance going forward. The Government of Canada supports the majority of the Committee's recommendations.

Canada's international assistance is an essential component of Canada's broader international engagement. When I first took office, one of my top priorities – as mandated by the Prime Minister – was to undertake consultations to refocus Canada's international assistance on helping the poorest and most vulnerable, and supporting fragile states.

From May to July 2016, we reached out to a wide range of partners, stakeholders and specialists. More than 15,000 people and partners in over 65 countries, including Canada, engaged in the consultations in person or online. This process unfolded concurrently with the Committee's own hearings. These hearings contributed important insights and practical recommendations that, along with the Committee's final recommendations, have further helped to inform not only our reflections on the countries-of-focus model, but on the Government's new International Assistance Policy more broadly.

Canada's new International Assistance Policy will set out the areas where Canada will focus its efforts for empowering the poorest and most vulnerable and supporting fragile states – as well as in helping to implement new global frameworks such as the 2030 Agenda for Sustainable Development.

Recommendation 1: The Government of Canada's new international assistance policy should reflect a transparent evaluation of the countries of focus approach and whether it has enhanced the impact and effectiveness of Canada's development assistance. In particular, the evaluation should address the selection criteria that have been used to determine Canada's countries of focus and development partners, clarify how those criteria resulted in the existing lists of countries, and indicate the conditions that would trigger the addition or withdrawal of countries from those lists in the future. The evaluation should also assess the results of concentrating 90% of all bilateral resources in 25 countries.

The Government of Canada agrees in principle with this recommendation.

Through consultations as part of the International Assistance Review and submissions made to the Committee, we heard that Canada's current approach to geographic engagement needs to evolve to better respond to specific country and regional contexts. Moving forward, the Government of Canada will look to adopt a more flexible, responsive and strategic approach that allows it to deploy different assets and programming mechanisms to best respond to the range of contexts and development challenges/needs in the countries and regions where we work. The Government will improve its planning and coordination efforts, ensuring an appropriate mix of development, humanitarian and stabilization interventions to respond to the opportunities and challenges of the local context. As recommended by the Committee, our approach will be based on clear criteria and it will take into account the different needs, opportunities, constraints and relationships with Canada.

Recommendation 2: The Government of Canada should evaluate the personnel recruitment and rotation policies used by Global Affairs Canada so as to ensure that there is substantive regional and sector-based development expertise within the department.

The Government of Canada agrees in principle with this recommendation.

Global Affairs Canada (GAC) needs the right organizational culture and mix of skills to enable it to engage with and leverage the expertise and resources of an increasingly diverse set of Canadian, international and local actors in partner countries. GAC will work towards transforming its amalgamated organizational culture to foster innovation and experimentation, and place a renewed emphasis on evidence-based policy and learning for its dedicated and highly-qualified people. GAC remains fully committed to recruiting, training and retaining personnel to meet its organizational and operational needs. This includes ensuring that our development programs continue to be properly supported with the necessary substantive regional and sector-based development expertise both at headquarters and in the field (including gender, human rights, environmental and conflict specialists) as well as political and economic knowledge in the department.

Recommendation 3: The Government of Canada should ensure that its new international assistance policy establishes strategic objectives to guide Canadian development cooperation for at least the next 15 years, consistent with the United Nations 2030 Agenda for Sustainable Development. That policy should take into account: (1) all sources of development finance; (2) all forms of development cooperation; and (3) the development roles played by all actors in Canadian society.

The Government of Canada agrees with this recommendation.

Canada's new International Assistance Policy will set out strategic priorities intended to guide international assistance going forward. At its core, the new policy will be focused on people – on protecting and supporting the dignity of the poorest and most vulnerable – with women and girls at its heart. Canada will work to advance the empowerment of women and girls, who are powerful agents of change.

All sources of development finance, all forms of development cooperation, and all development actors are critical to achieving the 2030 Agenda and its Sustainable Development Goals. In support of the 2030 Agenda, the Government will intensify its efforts to bring together a diversity of partners and to deepen collaboration and leverage additional financial and technical resources, including through innovative means.

The Government recognizes that there is a diversity of actors – civil society organizations, Indigenous peoples, youth, diaspora, research communities, the private sector and others – who make unique contributions to advancing sustainable development efforts. Canadian, international and local actors are integral to Canada's efforts to improve the lives of the poorest and most vulnerable, including in fragile states.

Recommendation 4: The Government of Canada should ensure that there is a branch within Global Affairs Canada that is dedicated solely to development policy research, analysis and evaluation.

The Government of Canada takes this recommendation under advisement.

The Government of Canada acknowledges that a strong development policy, research and evaluation capacity within GAC is important, and is confident that current plans for these functions within the department will adequately address the Committee's concerns.

The Government intends to transform the way it engages partners and delivers international assistance for better results and greater impact. To do so, further

attention will be devoted to research, the generation of data and evidence, and knowledge sharing – all of which Canadian and international partners highlighted as important during the International Assistance Review.

Recommendation 5: The Government of Canada should, within the next year, publish a long-term engagement strategy for each of its bilateral and regional cooperation programs, and then ensure that those country and regional strategies are updated and evaluated at regular intervals.

The Government of Canada agrees in principle with this recommendation.

The Government agrees that long-term bilateral and regional engagement strategies should be the basis for bilateral and regional cooperation programs and that these strategies should be reviewed and updated on a regular basis. To produce meaningful and lasting results, these strategies should reflect country partner needs, Canadian expertise and contribution, and Canada's international assistance priorities. GAC will review and update geographic engagement strategies to ensure that they support the implementation of the Government's new priorities for international assistance.

Recommendation 6: As part of its long-term engagement with development partners, the Government of Canada should favour long-term and predictable funding arrangements, prioritizing projects that involve local actors – including local civil society organizations – and that respond to needs identified by them, with a particular emphasis on initiatives that are aimed at empowering women and girls.

The Government of Canada agrees with this recommendation.

The International Assistance Review has identified many opportunities for Canada to do better, particularly by becoming more innovative and working more creatively and collaboratively with a broad range of partners. The Review also identified opportunities for Canada to modernize its programming tools and approaches to make them more transparent, predictable, nimble and responsive to needs on the ground. The Government is committed to making those changes. We will need to forge new partnerships with all development actors in Canada and abroad, including local organizations, to ensure that the best ideas and minds are brought together to develop innovative solutions to the most enduring problems. Local organizations, including civil society organizations, play a key role in helping to generate sustainable solutions. Canada's international assistance will promote the rights of women and girls in all their diversity and support and work with local women's rights movements and organizations. Canada will engage with a wide spectrum of stakeholders, including men and boys, as key partners in achieving the transformative societal change required for equality of all.

Recommendation 7: The Government of Canada should aspire to a plan that would see Canada spending 0.70% of its gross national income (GNI) on official development

## assistance (ODA) by 2030. The first stage of that plan should see the government spending 0.35% of GNI on ODA in 2020.

The Government of Canada takes this recommendation under advisement.

As reaffirmed in Budget 2016, the Government is committed to restoring Canada's leadership in the world as well as to reducing poverty and inequality by refocusing its international assistance on the poorest and most vulnerable, and supporting fragile states. In the short term, Budget 2016 announced an increase to Canada's International Assistance Envelope to over \$5 billion per year by 2017-18. The Government is considering Canada's international assistance funding framework as part of the International Assistance Review. Changes to Canada international assistance levels are assessed as part of the Budget process.

It is also important to consider *how* Canada's international assistance contribution can best be delivered in order to achieve results for the poorest and most vulnerable. Canada can lead in using evidence and creativity, and in working collaboratively with a broad range of partners to achieve greater impact. Official Development Assistance, and newly-emerging mechanisms for raising funds for development, including through the private sector, are complementary. An important use of ODA can be to catalyze additional resource mobilization from other sources. Canada will intensify its efforts to bring together more partners and to leverage additional financial and technical resources for better results.

Once again, I would like to thank the Committee for its work in producing this report, and for its valuable recommendations. As Minister of International Development and La Francophonie, I am committed to continuing to engage with Canadians and our many partners in Canada, including Parliamentarians, and abroad as we move forward with a new policy. I would be pleased to appear before the Committee at a later date to provide further details on our new approach to international assistance.

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provide further details on our new approach to international assistance.
Please accept my best regards.

The Honourable Marie-Claude Bibeau, P.C., M.P.

Sincerely,