Canada places an emphasis on gender equality within nutrition programs it supports; in Ethiopia, CARE Canada receives government funding for programs to improve maternal, infant, and child nutrition.
ODA funding trends

- Canada is the ninth-largest donor country, spending US$4.7 billion on total official development assistance (ODA) in 2018. This represents 0.28% of its gross national income (GNI).

- According to the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) Creditor Reporting System, in 2017—the first year following the implementation of Canada’s Feminist International Assistance Policy (FIAP)—Canada was the eighth-largest donor of development assistance that either targets or integrates gender equality at US$1.9 billion.

- Starting in fiscal year (FY) 2018-2019, the budget provides a net increase of CAD$600 million (US$462 million) to the International Assistance Envelope (IAE), Canada’s main budgetary tool, over five years, and a CAD700 million (US$539 million) increase in 2023-2024. Canada will also reallocate existing available balance in the IAE of CAD1.5 billion (US$1.2 billion) to two new innovative financing mechanisms.

Strategic priorities

- Under the FIAP, Canada applies a feminist lens to five priorities: 1) health and rights of women and children; 2) clean economic growth and climate change; 3) governance, pluralism, diversity and human rights; 4) peace and security, and 5) responding to humanitarian crises and the needs of displaced peoples.
• The policy stipulates that 95% of Canada’s bilateral ODA will target or integrate gender equality and the empowerment of women and girls by FY2021–2022. Furthermore, 50% of bilateral assistance will be spent in sub-Saharan Africa.

• In particular, the FIAP champions sexual and reproductive health and rights (SRHR) and maternal, newborn, and child health (MNCH), a long-standing focus of Canadian development. Lesbian, gay, bisexual, transgender, queer, and two-spirit (LGBTQ2) rights are an emerging area of interest.

• Tackling climate change in developing countries is a top priority of Canada’s development policy. The government has committed to spending CAD2.7 billion (US$2 billion) by 2020 within this sector.

### CANADA’S BILATERAL ODA BY SECTOR, 2017

**Total: US$ 3173 million**

- **Humanitarian aid**: 20.3% (US$644m.)
- **Health & Population**: 16.5% (US$524m.)
- **Refugees in Donor Countries**: 14.7% (US$467m.)
- **Government & Civil Society**: 6.4% (US$202m.)
- **Education**: 6.5% (US$206m.)
- **Donor Admin Costs**: 5.6% (US$173m.)
- **Multisector**: 5.3% (US$167m.)
- **Agriculture**: 5.0% (US$186m.)
- **Other**: 19.8% (US$627m.)

OECD CRS. Gross disbursements. *Includes agriculture, forestry, fishing, and rural development. In 2017 prices.

### Outlook

• In October 2019, Liberal Party leader Justin Trudeau was re-elected as prime minister under a minority government. The Liberal Government’s flagship FIAP, introduced in 2016, is likely to remain in place for the duration of his second term.

• **Canada’s strengthened commitment to sexual and reproductive health and rights (SRHR)** may offer an opportunity to engage in policy implementation in this area.

• Under the banner of ‘growth that works for everyone’, Global Affairs Canada (GAC) has an emerging focus on women’s economic leadership and empowerment. This presents opportunities to engage with the promotion of greater financial inclusion for women and equal access to capital, markets, technology, and business development services.
How much ODA does Canada provide?

Canada is the 9th-largest donor; ODA levels have risen, with potential for further increases

In 2018, Canada was the ninth-largest donor country among members of the Development Assistance Committee (DAC) of the OECD, with ODA at US$4.7 billion (current prices). This represents 0.28% of its GNI, 15th among DAC countries.

These numbers are based on the new methodology for measuring ODA loans which the OECD DAC will apply to ODA reporting for 2018 onward. Preliminary ODA figures for 2018 using this new methodology were first released in April 2019. This methodology, called ‘grant-equivalent’ methodology, provides a more accurate way to count donor efforts in concessional ODA loans because only the ‘grant’ portion of loans, expressed as a monetary value, is counted as ODA. The impact of this methodology reform on Canada’s ODA is currently small. According to the previous methodology, known as the ‘cash basis’ methodology, net ODA was 1% below ODA figures using the new methodology.

To allow for comparison over time, the OECD still publishes net ODA disbursements according to the cash basis methodology. ODA in 2018 was 5% higher in real terms than in 2017. The rise was driven by increases in core multilateral contributions and the funding of Canada’s new development finance institution, FinDev Canada.

In June 2017, the Canadian government announced a new Feminist International Assistance Policy (FIAP). The FIAP dictates that 95% of Canada’s bilateral ODA will target (15%) or integrate (80%) gender equality and the empowerment of women and girls by fiscal year (FY; runs from 1 April to 30 March) 2021–2022. According to the OECD DAC Creditor Reporting System, in 2017, the first year for which data is available following the introduction of the FIAP, Canada was the eighth-largest donor of development assistance that either targets or integrates gender equality at US$1.4 billion. Most of this increase came from ODA to projects which integrated gender equality goals (up from 64% of all bilateral funding in 2016 to account for 78% of all bilateral spending in 2017), rather than principally targeting gender equality (no change at around 3% of bilateral spending, and far below the 15% target for FY2022).

For FY2019-2020, Canada’s International Assistance Envelope (IAE), the main budgetary tool that funds Canadian development assistance, will amount to CAD5.7 billion (US$4.4 billion). Budget 2018 put forward an additional CAD2 billion (US$1.5 billion) incrementally over five years to the IAE. Budget 2019 announced an additional CAD700 million in 2023–24 to the IAE.

The Global Affairs Canada (GAC) Departmental Plan for the FY2019-2020 budget allocates spending across five ‘core responsibilities’. The third core responsibility, ‘Development, Peace, and Security Programming’, encompasses GAC’s development and humanitarian spending, with a budget of CAD3.9 billion (US$3 billion) for FY2019-2020. Planned spending is forecast to decrease by CAD59 million (US$46 million; -2%) from FY2019-2020 to FY2021-2022. The variance is attributable to the sunsetting of funding for various programs, including for the 2015-2020 strategy for maternal, newborn and child health and various climate change initiatives which were offset by a new funding received for the FIAP.
Canada Donor Profile

Canada Donor Profile

Canada's Gross/Net ODA Disbursements
US$ millions; in 2017 prices

Loan repayments Net ODA Net ODA as % of GNI

OECD table DAC1. 2018 number according to preliminary data (April 2019).
ODA estimates for 2018 based on government data.

Top 10 DAC Donor Countries, 2018
Total ODA disbursements; US$ billions; in current prices

OECD DAC preliminary data (April 2019).
TOP 15 DAC DONOR COUNTRIES, 2018

Total ODA as % of GNI

- Sweden: 1.04
- Luxembourg: 0.98
- Norway: 0.94
- Denmark: 0.72
- United Kingdom: 0.7
- Germany: 0.61
- Netherlands: 0.61
- Switzerland: 0.44
- Belgium: 0.43
- France: 0.43
- Finland: 0.35
- Ireland: 0.31
- Iceland: 0.31
- New Zealand: 0.28
- Canada: 0.28

OECD DAC preliminary data (April 2019).
KEY QUESTIONS
the big six

What are Canada’s priorities for global development?

Canada has a Feminist International Assistance Policy with a focus on MNCH and SRHR; increasing emphasis on climate change and humanitarian assistance

In June 2017, Global Affairs Canada (GAC) published a new Feminist International Assistance Policy (FIAP) following consultations with Canadian civil society and the public at large. The FIAP seeks to “eradicate poverty and build a more peaceful, more inclusive, and more prosperous world” through promoting gender equality and empowering women and girls. The new policy therefore applies a human rights-based approach to its core action area, gender equality and the empowerment of women and girls, as well as five other action areas:

1. human dignity (including health education, humanitarian assistance, nutrition, sexual and reproductive health and rights, and food security);
2. inclusive economic growth,
3. environment and climate change;
4. inclusive governance; and
5. peace and security.

According to the policy, by FY2021-2022, 95% of Canada’s ODA will support gender equality and women’s empowerment: 80% of ODA will go towards projects that integrate gender equality and 15% to projects which specifically target the issue. By the same year, no less than 50% of ODA will be directed to sub-Saharan Africa, with the aim of “helping the poorest and most vulnerable and supporting fragile states”.

Global health, now under the banner of ‘human dignity’, is a key priority of Canada’s development policy. Within health, Canada places a strong focus on sexual and reproductive rights and health (SRHR) and on maternal, newborn, and child health (MNCH) showing strong international leadership in this area. It pledged CAD3.5 billion for MNCH for 2015 to 2020 (US$2.7 billion). Under the FIAP, the Canadian government has become a champion of SRHR, pledging CAD20 million (US$15 million) at the ‘She Decides’ conference in Brussels in 2017 for five organizations that support SRHR globally. Under the FIAP, the Canadian government has become a champion of SRHR, pledging CAD20 million (US$15 million) at the ‘She Decides’ conference in Brussels in 2017 for five organizations that support SRHR globally: United Nations Population Fund (UNFPA), Ipas, International Planned Parenthood Federation Global, Marie Stopes International, and Population Services International. The same year Prime Minister (PM) Justin Trudeau announced an investment of CAD650 million (US$501 million) over three years for SRHR.

In February 2019, GAC released key performance indicators to track and monitor progress achieved in the FIAP’s six action areas, as well as indicators on progress on the Sustainable Development Goals (SDGs), advocacy, and in-house gender equality at GAC. In late 2018, GAC also launched a monitoring framework for the CAD650-million SRHR commitment, with a focus on 1) comprehensive sexuality education, 2) sexual and reproductive health services, 3) family planning and contraception, 4) sexual and gender-based violence, 5) safe, legal abortion, and post-abortion care, and 6) advocacy and public engagement.

LGBTQ2 rights are another emerging focus of Canada’s emphasis on human dignity and inclusive economic growth. In February 2019, Canada announced that CAD30 million (US$23 million) in funding over the next five years dedicated to advance human rights and improve socio-economic outcomes for LGBTQ2 people living in developing countries. These funds will support Canadian LGBTQ2 organizations in their efforts to collaborate with partner organizations in developing countries. In addition, at the Equal Rights Coalition Conference in August 2018, Global Affairs Canada announced up to CAD1 million (US$770,000) for projects supporting rights of LGBTQ2 and intersex people during violent conflict.

Under PM Trudeau, Canada has championed the application of a gender lens to climate change. It led the first-ever Gender Action Plan under the United Nations Framework Convention on Climate Change, adopted by countries at COP23, the UN Climate Change Conference held in Bonn in 2017, and hosted a summit of women climate leaders during its 2018 group of seven (G7) presidency. Canada committed CAD2.7 billion (US$2 billion) by 2020 for climate change-related programs. This includes

Canada’s key development priorities under its Feminist International Assistance Policy:

- Gender equality and the empowerment of women and girls;
- Human dignity;
- Inclusive economic growth;
- Environment and climate change;
- Inclusive governance;
- Peace and security.
integrating food security and agricultural policies into a more holistic approach for clean economic growth. Canada has also demonstrated an interest in climate resilience, having committed CAD100 million (US$77 million) to strengthening women and girls’ resilience against natural disasters in Caribbean states. Additionally, in late 2018, FinDev Canada, Canada’s development finance institution (see Key Question 4, ‘Who are the main actors in Canada’s development cooperation?’) signed an agreement with the African Development Bank to collaborate on climate action, gender equality, and women’s economic empowerment, suggesting future investments could be expected in these areas in Africa. Finally, Budget 2018 included a further CAD20 million (US$15 million) over five years to bring refugee women and girls from certain conflict zones around the world safely to Canada.
KEY QUESTIONS
the big six

How does Canada spend its ODA?

Canada channels one quarter of its ODA to multilateral organizations

Canada’s core funding to multilaterals stood at US$1.2 billion or 27% of gross ODA disbursements in 2017. This is significantly below the DAC average of 40%. Canada channeled 73% of its ODA bilaterally, of which 23% (US$999 million) was earmarked funding to multilateral organizations for a specific issue or country. Earmarked funding is reported as bilateral ODA.

Canada channels 35% of bilateral ODA through the public sector, a low share compared to the DAC average of 50%. 28% is channeled through NGOs and civil society, much higher than the DAC average of 17%.

Meanwhile, Canada is placing increasing emphasis on innovative finance. In 2018, it announced its intention to increase its use of innovative financing mechanisms by allocating CAD1.5 billion (US$1.2 billion) over five years, starting in FY2018-2019, on a cash basis to two new measures: the International Assistance Innovation Program (CAD873 million, or US$673 million over five years) and the Sovereign Loans Program (CAD627 million, or US$483 million over five years). These two new measures will complement Canada’s core development activities by leveraging the use of guarantees, equity, and repayable contributions, with additional authority for innovative finance granted to Global Affairs Canada (GAC), see Key Question 3, ‘Who are the main actors in Canadian development cooperation?’). The government expects to double its international assistance provided through innovative tools from 2018-2022, with the aim of placing Canada as a leader in ‘blended financing’ for development assistance.

Bilateral spending focuses on humanitarian aid

Humanitarian aid was the largest sector of Canada’s bilateral ODA in 2017, at US$64.4 million (20% of all bilateral ODA), an increase from US$515 million in 2016. This is in line with Canada’s increasing focus on international peace and security, as well as human dignity in humanitarian crises. Within humanitarian aid spending, 87% (US$560 million) targeted or integrated gender equality. This is a marked increase in the share of humanitarian spending related to gender over 2016, when funding related to gender equality accounted for 46% (US$236 million) of all bilateral humanitarian assistance. This jump highlights Canada’s emphasis on gender-responsive humanitarian action under the FIAP.

The second-largest sector was health and population (US$242 million, or 17% of total bilateral spending), also closely following Canada’s demonstrated leadership in the areas of maternal, newborn, and child health (MNCH), sexual and reproductive health and rights (SRHR), and global health at large. In-country refugee costs accounted for 15% (US$467 million) of bilateral spending, reflecting Canada’s decision to welcome more than 40,000 Syrian refugees to Canada as of January 2017 (latest date for which data is available). Budget 2018 included CAD20 million (US$15 million) over five years to support 1,000 refugees. It is a likely that this spending will be reported as ODA.

In 2017, Canada gave almost all (96%) of its bilateral ODA as grants (DAC average: 91%). Canada considers this an effective way to deliver increasing amounts of ODA while reducing administrative burden.

Who are Canada’s ODA recipients?

Following the release of the Feminist International Assistance Policy (FIAP), Canada has moved away from previously-used priority country lists. Instead, the FIAP dictates that by FY2021-2022, at least 50% of Canada’s bilateral ODA will be directed to sub-Saharan African countries. With this new approach, Canada will support sustainable development through 1) more effective engagement with fragile states and countries in crisis, 2) stronger partnerships for sustainable development, and 3) productive partnerships for transition, while maintaining the ability to provide targeted and shorter-term assistance to a range of countries and regions.

The largest share of bilateral ODA goes to sub-Saharan Africa (27% in 2017, above the DAC average of 21%). Excluding unallocated funding, between 2015 and 2017, the Middle East and North Africa (MENA) was the second-largest regional recipient of Canada’s bilateral funding at US$429 million in 2017, a 33% increase in funding to the region from 2016. This is consistent with Canada’s new multi-year commitments to the region and its emerging interest in the nexus of peace, security, humanitarian, and development assistance.

On average, Afghanistan was the largest recipient of Canadian development funding between 2015 to 2017, receiving US$106 million on average per year, followed by Ukraine (US$105 million), and Ethiopia (US$96 million). However, spending to all three countries decreased between 2016 and 2017, with large spending increases to...
Canada’s multilateral spending concentrates on the World Bank and UN agencies

Canada’s top three multilateral recipients are the World Bank (US$380 million, or 32% of multilateral ODA) followed by UN agencies (US$228 million, or 19%) and regional development banks (US$152 million, or 13%). However, Canada’s core contributions to multilaterals (27% of total ODA) in 2017 is far lower than the DAC average (40%). Meanwhile, Canada channeled 31% of its bilateral ODA (US$999 million, or 23% of total ODA) in 2017 as earmarked funding through multilateral organizations for specific countries or issues. This is much higher than the DAC average (13%), as a result of large climate change-related disbursements in that year, as well as funding for women’s economic empowerment and women’s rights organizations that was disbursed as multilateral funding.

refugee-hosting and/or conflict-affected countries in the Middle East and Sahel region, reflecting Canada’s emphasis on humanitarian assistance and security. The greatest share of Canada’s bilateral ODA between 2015 and 2017 went to low-income countries (31%, or US$989 million), while middle-income countries received 28% of funding.

For a deeper understanding of funding at the recipient level, please consult data from the International Aid Transparency Initiative (IATI). IATI is a reporting standard and platform on which organizations and governments voluntarily publish data on their development cooperation, including more recent activity than is available through OECD data. Data can be searched by recipient country, the ‘publisher’ (including funders that do not report to the OECD), and other filters. Click here for more information on IATI’s data. Click here to go directly to IATI’s ‘d-portal’, a user-friendly interface for data searches.
Canada Donor Profile

Canada’s Bilateral ODA by Sector, 2017

Total: US$ 3173 million

- Humanitarian aid: 20.3% (US$644m.)
- Refugees in Donor Countries: 14.7% (US$467m.)
- Health & Population: 16.5% (US$504m.)
- Education: 6.5% (US$200m.)
- Government & Civil Society: 6.4% (US$202m.)
- Multisector: 5.3% (US$167m.)
- Donor Admin Costs: 5.6% (US$179m.)
- Agriculture*: 5.9% (US$158m.)
- Other: 19.6% (US$627m.)

OECD CRS. Gross disbursements. *Includes agriculture, forestry, fishing, and rural development. In 2017 prices.

The Top 10 Recipients of Canada’s ODA

Average 2015-2017, excluding debt relief; US$ millions.

1. Afghanistan: 106 grants, 52 loans and equity investments
2. Ukraine: 63 grants, 53 loans and equity investments
3. Ethiopia: 66 grants, 52 loans and equity investments
4. Mali: 50 grants, 52 loans and equity investments
5. South Sudan: 50 grants, 52 loans and equity investments
6. Jordan: 51 grants, 52 loans and equity investments
7. Haiti: 48 grants, 76 loans and equity investments
8. Syrian Arab Republic: 48 grants, 76 loans and equity investments
9. Tanzania: 48 grants, 76 loans and equity investments
10. Iraq: 49 grants

OECD CRS. Gross disbursements, in 2017 prices.
CANADA'S BILATERAL ODA BY INCOME-GROUP, 2015-2017

Average 2015-2017: US$2.6 billion

- Low-income countries: 32.8% (US$999m.)
- Lower middle-income countries: 16.9% (US$511m.)
- Upper middle-income countries: 10.6% (US$321m.)
- Unallocated by income: 30.7% (US$1,195m.)

OECD CRS. Gross disbursements, in 2017 prices.
Who are the main actors in Canada’s development cooperation?

**PM provides strategic direction; GAC drives development policy**

Prime Minister (PM) Trudeau, head of the Liberal Party, sets high-level development policy priorities. Under the PM’s leadership, Global Affairs Canada (GAC), the governmental department in charge of foreign affairs, also steers development policy. GAC comprises three formerly separate departments and thus falls under the leadership of three ministers: the minister of foreign affairs, the minister of international development and La Francophonie, and the minister of international trade.

GAC is headed by the minister of foreign affairs, currently Chrystia Freeland (Liberal Party). With oversight from the foreign minister, the minister of international development and la Francophonie, Maryam Monsef (Liberal Party; also Canada’s minister of women and gender equality), sets development policy and makes funding recommendations to the Cabinet. The deputy minister of international development, Diane Jacovella, manages GAC’s development policy units and budget allocation.

Relevant units within GAC are: 1) the Global Issues and Development Branch, which manages multilateral policies and contributions; 2) four geographic branches managing country programs; 3) the Strategic Policy Branch, and 4) the Partnerships for Development Innovation Branch, responsible for partnerships with civil society organizations (CSOs) and the private sector. The International Financial Assistance Act, passed in December 2018, newly grants either the minister of foreign affairs or the minister for international development the authority to take repayments and re-appropriate profits from sovereign loans, innovative financing mechanisms, and climate change programs—a function previously not available to ministers in the department.

At a country and regional level, GAC’s geographic branches set the agenda in terms of managing existing programs and allocating funding. Canada’s embassies provide input on project development and assist in monitoring projects. Under PM Trudeau, ambassadors and high commissioners (or consulars where relevant) enjoy a certain degree of autonomy. However, major projects usually require approval by the Office of the Minister of International Development and La Francophonie, who can approve programs up to CAD20 million (US$15 million) at her own discretion. Programs with a budget beyond this limit require approval from the Cabinet’s Treasury Board. The minister of international trade diversification, Jim Carr, works with the ministers of finance and international development and la Francophonie on development finance issues. The Department of Finance, currently headed by Bill Morneau (Liberal Party), manages core contributions to—and Canada’s relations with—the World Bank, in consultation with GAC.

- **Parliament** in Canada is composed of the House of Commons, the Senate, and the Monarch of the United Kingdom (represented by the Governor General). Within the House of Commons, Standing Committees review government policies in specific areas. The Standing Committee on Foreign Affairs and International Development (FAAE) supervises the operations and management of GAC. During parliamentary debate of the budget, the FAAE holds hearings with the minister of international development and la Francophonie. However, amendments to GAC’s budget lines are unlikely under a majority government like the current one (see Key Question 5: ‘What are important milestones in Canada’s annual budget process?’). The House of Common’s Standing Committee on Finance (FINA) is responsible for budgetary policy, including Canada’s development assistance.

- **Civil Society**: CSOs are invited to submit suggestions on the annual budget and occasionally consulted in the run-up to other major foreign policy decisions (i.e., the Feminist International Foreign Policy). FINA invites CSOs, the public, and other stakeholders to submit suggestions by August each year on the next year’s budget as part of a pre-budget consultation process. The Development and Humanitarian Assistance Civil Society Partnership Policy, released in 2016, outlines the guiding principles and objectives underlying the government’s engagement with CSOs in alleviating poverty and delivering humanitarian assistance. GAC convenes CSO representatives annually to discuss the implementation of this policy.

Beyond these key decision makers, there are important fora in which development discussions and policy decision-making occur. The International Development Research Centre (IDRC), headed by President Jean Lebel, is a key vehicle of Canada’s development cooperation, and is mandated to support research, tools, and leadership to address development problems. The government ap-
points the board, which along with the Centre Management Committee guides the direction of the center. The Management Committee includes four regional directors and directors from main program focus areas.

Export Development Canada (EDC). Canada’s state-owned export credit agency, is mandated to support trade between Canada and other countries and promote Canada’s competitiveness in the international marketplace. Currently led by Mairead Lavery, EDC is mandated to support trade between Canada and other countries and promote Canada's competitiveness in the international marketplace.

In 2018, the Canadian government created FinDev Canada, a development finance institution, capitalized with CAD300 (US$231 million). FinDev Canada is a wholly owned subsidiary of EDC and aims to be financially sustainable by generating returns on loans and investments while producing favorable economic and social impacts in the communities where its clients operate. It is currently managed by Paul Lamontagne. Its chief investment officer is Suzanne Gaboury. So far, it has made a US$20-million investment in Climate Investor One’s (CIO) Construction Equity Fund to support the transition to renewable energy in emerging markets, as well as a US$10 million investment in M-KOPA, a leading Kenya-based solar energy company.
How is Canada’s ODA budget structured?

IAE is the primary ODA budget tool; new funding being raised through innovative tools

The main budgetary tool that funds development assistance in Canada is the International Assistance Envelope (IAE); it funded 84% of Canada’s total international assistance in 2017-2018 (and 90% of all assistance managed by GAC).

According to Budget 2019, in FY2019-2020 Canada’s IAE will be CAD5.7 billion (US$4.4 billion). CAD3.4 billion (60%) will be dedicated to support Canada’s core development programs. Other key areas of funding are humanitarian assistance (CAD788 million, 14%) and international financial institutions (CAD777 million, 14%), which includes core contributions to the International Development Association (IDA). Generally, around 95% of the IAE is ODA-eligible, and it is steadily increasing in volume. Budget 2018 put forward an additional CAD2 billion (US$1.5 billion) incrementally over five years to the IAE, while Budget 2019 announced an additional CAD700 million in 2023-24 to the IAE.

In FY2017-2018 (the latest year for which government budget data is available), the largest share of Canada’s international assistance (72%, or CAD4.4 billion of CAD6.1 billion) was managed by GAC. Other relevant actors in ODA spending include Immigration, Refugees and Citizenship Canada and Provinces at 11% of funding to provide health care and financial assistance to refugees arriving Canada, and the Department of Finance (9%). The Department of Finance mainly manages Canada’s relationship with the World Bank Group and is responsible for delivering official debt relief. Canada’s International Development Research Centre (IDRC) managed 2% of funding, and the other 6% was picked up by other departments and provinces, territories and municipalities, which includes FinDev Canada.

Budget 2019 announced the creation of a new report on Canada’s international assistance for 2018-2019, which for the first time will reconcile 2018-2019 IAE allocations presented in the 2-18 budget with actual 2018-2019 IAE expenditures.
What are important milestones in Canada’s annual budget process?

Fiscal year runs from April to March

Canada’s fiscal year runs from April 1 to March 31. Key stages in Canada’s budget process include:

- **Central agencies work with departments to develop budget strategies:** In June, the Cabinet convenes to review the current budget and identify priorities for the upcoming fiscal year. From June to September, central agencies (Privy Council Office, Department of Finance, and Treasury Board Secretariat (TBS)) work with government departments to incorporate the results of the Cabinet review, in order to develop budget proposals for the Finance Minister to consider. By September, all government departments, including GAC, send budget letters to the Finance Minister, which includes requests for budgetary changes.

- **Pre-budget consultation process begins, including public outreach and parliamentary consultations with external stakeholders:** From June to August, the Department of Finance invites CSOs and other stakeholders to submit suggestions on the budget, including on development. The pre-budget consultation process provides direct opportunities to advocate for issues around the overall ODA file.

- **Minister of finance consults with Parliament:** In October, the Minister of Finance releases Budget Consultation Papers and begins consultation with the House of Commons’ Standing Committees. These consultations run from October to December. Participants from within government as well as other experts are invited to give testimony on policy areas and budget lines. Results of the consultation process and recommendations of the standing committees and Cabinet policy committees are compiled and considered by the Finance Minister. Continued engagement with key decision-makers is key during this time. Further, the Department of Finance launches its annual consultation on ODA, as required under the Official Development Assistance Accountability Act. While not part of the official budget consultation, this is a critical opportunity to advocate for increases for overall ODA or specific initiatives.

- **Fall Fiscal Update and Public Accounts of Canada are released:** In fall (autumn)—typically November—the Department of Finance tables its Fall Fiscal Update and Public Accounts. These provide an update of economic and fiscal projections since the previous budget. Around this time the House of Commons’ Finance and Foreign Affairs Committees hold consultations. These may provide direct opportunities to advocate for development issues, especially during the discussion of the Public Accounts, when the status of the execution of the previous year’s budgets are released.

- **Finance minister develops budget strategy, Cabinet reviews it; prime minister and finance minister make final decisions:** In early December, the minister of finance develops a budget strategy with input from the ‘Memoranda to the Cabinet’ from all departments. It outlines both policy priorities and financial asks. The Cabinet reviews these and budget proposals from December to January. The prime minister and the finance minister may make final adjustments until February/March. At this time, the Prime Minister’s Office and other Cabinet-level officials are able to ‘push in’ additional funds for specific development initiatives.

- **‘Main Estimates’ are tabled, finance minister delivers budget speech; budget is approved:** The budget is usually presented to the House of Commons in February/March in a speech by the finance minister. The Main Estimates, which are the detailed spending plans for each department for the upcoming financial year, will be tabled by the president of TBS no later than April 16 in 2019. However, there will be areas of surplus not included in the Main Estimates, as the government will look to maintain a ‘surprise’ factor around highly political areas, including development spending.
Canada's global health ODA

Global health is a top priority, with a strong focus on MNCH

Canada was the sixth-largest donor country to global health in 2016, spending US$799 million (in 2017 prices, latest year for which complete data is available). This corresponds to 19% of Canada's official development assistance (ODA), making it the second-highest relative donor to global health among members of the Organisation for Economic Co-Operation and Development’s (OECD) Development Assistance Committee (DAC average: 8%) after the US.

Health is a cornerstone of Canada’s Feminist International Assistance Policy (FIAP). Prime Minister (PM) Justin Trudeau has stated that Canada’s focus on health “is driven by evidence and outcomes, not ideology, including by closing existing gaps in reproductive rights and health care for women”. As a result of this commitment, Canada places a strong focus on sexual and reproductive health and rights (SRHR) and maternal, newborn, child health (MNCH).

At the Women Deliver conference held in Vancouver in June 2019, Prime Minister (PM) Justin Trudeau announced a ‘historic’ CAD1.4 billion (US$1.1 billion) annual commitment to support women and girls’ health for ten years, starting in 2023. CAD700 million (US$539 million) of this will be dedicated to SRHR. In July 2019, Canada’s International Development Research Centre announced funding for seven new research projects, in addition to 10 it was already funding. They will be focused on SRHR in West Africa and the Middle East and North Africa to the amount of CAD750,000 (US$578,000) each.

In 2017, PM Trudeau announced an investment of CAD650 million (US$501 million) over three years for SRHR; in late 2018, GAC also launched a monitoring framework for the commitment. In March 2017, at the ‘She Decides’ conference in Brussels, the government also announced a one-time CAD20 million (US$15 million) contribution to five organizations that support SRHR globally: United Nations Population Fund, Ipas, International Planned Parenthood Federation Global, Marie Stopes International, and Population Services International.

Overall, Canada provided 42% (US$334 million in 2016) of its health ODA through core contributions to multilateral organizations. Canada hosted the fifth replenishment of the Global Fund to Fight AIDS, Tuberculosis, and Malaria (Global Fund) in 2016 and pledged CAD804 million (US$619 million) for 2017 to 2019, an increase of 23% in nominal CAD terms compared to its 2014 to 2016 pledge (CAD650 million). Apart from the Global Fund (50% of multilateral health ODA), key recipients included Gavi, the Vaccine Alliance (Gavi; 25%) and the World Bank’s International Development Association (IDA; 9%). Of the CAD520 million (US$435 million, according to Gavi’s conversion) in Gavi pledges for 2016 to 2020, CAD500 million is direct funding and CAD20 million is earmarked funding for francophone African countries.

Canada is an important partner in the fight against polio. In 2018, Canada pledged CAD100 (US$77 million) to the Global Polio Eradication Initiative (GPEI), with CAD30 million earmarked to support the World Health Organization (WHO) and the United Nations Children’s Fund (UNICEF) with programs in Afghanistan. The other CAD70 million was given in flexible funding. Canada is one of the GPEI’s top-five donors since 1985, having contributed US$600 million to the organization in total. Support for the GPEI is likely to remain strong.

In addition to core contributions, Canada channels about 25% of its total health official development assistance (ODA, US$196 million in 2016) as earmarked funding through multilaterals (reported as bilateral ODA). This brought total health ODA to and through multilaterals to 66% of overall health ODA (US$530 million) in 2016.

Bilateral ODA for health stood at US$524 million of total health ODA in 2017 (latest year for which bilateral data is available), up from US$466 in 2016. This makes health the second-largest sector of Canada’s total bilateral ODA, at 17%. Canada is the second-largest DAC donor to basic nutrition after the US (for more details, see ‘Sector: Nutrition’). Investments in bilateral nutrition accounted for 18% of bilateral health ODA (US$94 million), although it...
decreased by 8% from 2016. Other bilateral investments to health in 2017 targeted basic health care (17%), infectious disease control (12%), and reproductive health care (9%). These highlight Canada’s three thematic priorities within the maternal, newborn, and child health (MNCH) sector—including nutrition, health systems strengthening, and treatment and prevention of diseases, including infectious diseases and SRHR. Canada does not have priority countries for bilateral health cooperation, although the FIAP stipulates that by fiscal year (FY) 2021-2022, at least 50% of Canada’s bilateral ODA will be directed to sub-Saharan African countries.

GAC’s Minister of International Development and La Francophonie leads on policy development with support from the Deputy Minister of International Development

Under the leadership of the prime minister, Global Affairs Canada (GAC) steers development policy, including for global health. GAC is headed by the Minister of Foreign Affairs. With their oversight, the Minister of International Development and La Francophonie sets development policy within GAC.

The Deputy Minister of International Development manages GAC’s development policy units and budget allocation. Other branches within GAC relevant to health development policy are: the Global Issues and Development Branch, under Assistant Deputy Minister Christopher MacLennan, which manages multilateral policies and contributions; the Strategic Policy Branch, headed by Elissa Golberg; and the four geographic branches (Americas; Asia Pacific; Europe, Middle-East and Maghreb; and sub-Saharan Africa) that manage country programs. Within the Global Issues and Development branch, relevant units include Food Security and Environment, Health and Nutrition, International Humanitarian Assistance, and International Organizations.
Recipients of Canada’s Health ODA, 2016

Total: US$799 million

- Bilateral: 56.3% (US$466m.)
- Global Fund: 20.9% (US$167m.)
- Other: 20.4% (US$166m.)

OECD CRS and imputed multilateral contributions to the health sector: DAC secretariat estimates. In 2017 prices.

Canada’s Key Global Health Commitments

US$ millions


Data from government and listed organizations
Canada’s global health R&D

According to G-FINDER data, Canada’s funding for research and development (R&D) on poverty-related and neglected diseases (PRNDs), referred to as ‘global health R&D’ in this profile, stood at US$13 million in 2017. This represents an 89%-increase over 2016, when funding stood at US$7 million. Most of Canada’s financing for global health R&D went to basic research (US$6 million) and preventative vaccines (US$2 million). In 2017, funding focused primarily on HIV/AIDS (US$6 million), representing 44% of total Canadian global health R&D. Other focus areas included tuberculosis and kinetoplastids.

According to G-FINDER data, the Canadian Institutes of Health Research (CIHR) was the sole public funder for global health R&D in 2017, with around US$13 million (all global health R&D funding). CIHR is the Canadian government’s agency for health research, supervised by the Ministry of Health. CIHR comprises 13 institutes (see box). Within its support for global health R&D, CIHR provided support to various research and academic institutions in Australia, Canada, and the US in 2017. The main recipient for this funding is the University of British Columbia (US$5 million; 37% of all funding). These figures may differ from the trend numbers presented in the chart due to changes in the scope of the G-FINDER survey from year to year.

GAC and CIHR jointly lead decision-making on global health R&D

Responsibility for global health R&D policies and funding lies with GAC and CIHR, as well as the International Development Research Centre (IDRC). Within CIHR, overall strategic directions are set by the Governing Council. The Science Council of CIHR is a management committee which develops and implements CIHR’s work. Within the three business portfolios—Research, Knowledge Translation and Ethics (RKTE); External Affairs and Business Development (EABD); and Resource Planning and Management (RPM)—RKTE is responsible for the administration of funding programs, including for global health R&D. CIHR is also guided by a Framework for International Relations and Cooperation (2006).

CIHR, IDRC, and GCC collaborate on several initiatives to advance global health research. This includes the Development Innovation Fund – Health (DIF-H). DIF-H is a consortium composed of the CIHR, IDRC, and Grand Challenges Canada (GCC; see details below). It was established by the Canadian government in 2008 with a pledge of CAD225 million (US$173 million) to support research relating to critical global health problems.

IDRC oversees DIF-H, while GCC is responsible for managing implementation of projects funded through the DIF-H. CIHR supports the DIF-H by peer-reviewing applications in response to grant calls issued by GCC. DIF-H’s three main objectives are to:

1. Identify and prioritize health challenges facing developing countries;
2. mobilize scientific communities to address these challenges; and
3. facilitate the implementation and commercialization of solutions in developing countries.

GCC is an independent, not-for-profit organization established in 2009. It receives most of its funding from the Canadian government, including through the DIF-H. GCC funds ideas that integrate science, technology, and social and business innovation, with a “feminist investment approach”. Global health R&D is a theme cutting across the six specific challenges that GCC has chosen to work on:
1. ‘Stars in global health’, promoting the work of scientists and innovators;
2. transition to scale;
3. saving lives at birth;
4. saving brains;
5. global mental health; and

CIHR, IDRC, and GAC also jointly support the ‘Innovating for Maternal and Child Health in Africa’ program (CAD36 million from 2014 to 2020, US$28 million). The program supports Canadian and African research organizations around R&D on strengthening health systems. Priority areas include:
1. high impact, community-based interventions;
2. quality facility-based interventions;
3. policy environment; and
4. human resources for health.
Canada is the 8th-largest education donor; emphasis is on education in humanitarian crises

Canada is the eighth-largest donor country to education, spending US$274 million on official development assistance (ODA) to education in 2016 (latest year for which complete data is available). However, relative to its overall development funding portfolio, Canada only ranks 17th among the 29 donor countries of the Organisation for Economic Co-Operation and Development (OECD), with 7% of Canada’s total ODA allocated to education in 2016. This is slightly below the OECD Development Assistance Committee (DAC) average of 8%.

Education is a central tenet of Canada’s Feminist International Assistance Policy (FIAP), falling under its action area on ‘human dignity’ (in addition to health and nutrition, and humanitarian action). Canada emphasizes the nexus of humanitarian action and education: At the G7 summit in 2018, Canada’s leadership efforts mobilized CAD3.8 billion (US$2.9 billion) for women and girls’ education in crisis and conflict situations, including a CAD400 million (US$308 million) commitment over three years from Canada itself.

Bilateral education ODA focuses on general education and basic education for poorest countries

Canada’s bilateral ODA to education went down by 5% between 2016 and 2017 (latest year for which bilateral data is available), to US$206 million. Most of this went to general education, which accounted for 43% (US$88 million) of bilateral education ODA – primarily for strengthening education policy and administration, education facilities, and teacher training in partner countries. Basic education was the second-largest sector for Canada’s bilateral ODA to education in 2017 (31%, or US$64 million). This reflects Canada’s focus on girls’ education and equitable access.

In 2016 (latest year for which sectoral multilateral data is available), Canada spent US$58 million, or 21%, of its total education ODA as core contributions to multilateral organizations. The vast majority (60%) went to the World Bank’s International Development Association (IDA). In addition, Canada is the 10th-largest donor to the Global Partnership for Education (GPE), having contributed US$216 million (as of April 2019) since 2007. For the 2018 to 2020 funding period, Canada committed CAD180 million (US$147 million) to GPE. Canada reports GPE contributions to the OECD as bilateral ODA.

Further information: ‘basic’ and ‘general’ education

In this profile, ‘basic education’ refers to the OECD Creditor Reporting System (CRS) sector code ‘basic education’ (112), which includes primary education, basic skills for youths and adults, and early childhood education. ‘General education’ refers to the OECD CRS sector code ‘education, level unspecified’, which includes education policy and administrative management, education facilities and training, teacher training, and educational research.

Canada has stepped up its support for multilateral initiatives on education in humanitarian crises, in line with its policy orientation. In 2016, Canada committed US$15 million over two years to the initiative ‘Education Cannot Wait’ (ECW), a special fund which aims to improve access to education services in humanitarian emergencies and crises. It committed an additional CAD50 million (US$39 million) to the fund in late 2018, making it the second-largest donor. Canada’s involvement in education in crises is likely to increase due to its ECW commitment and other pledges to gender-responsive education in humanitarian contexts.

GAC’s Minister of International Development and La Francophonie leads on policy development, with support from the Deputy Minister of International Development

With guidance from the Prime Minister’s Office, GAC’s Minister of International Development and La Francophonie has the overall lead on development policy, including for education. The Deputy Minister of International Development manages GAC’s development policy units and budget allocation. Within GAC, there are several relevant offices for education development policy. The directorate for Global Issues and Development, led by an Assistant Deputy Minister, is key to education policy and funding, and has several offices relevant for education.

Two important divisions are:

- The Social Development Division, which provides strategic advice on education policy and other issues related to social development, including through the Education, Child Protection, and Gender Equality unit.
- The International Humanitarian Assistance Division, which is involved in efforts at the nexus between humanitarian assistance and education.

In addition, the Strategic Policy Directorate within GAC provides cross-agency strategic policy advice on development issues related to education. The four geographic branches (Americas; Asia Pacific; Europe, Middle East and Maghreb; and sub-Saharan Africa) manage country programs and develop strategic plans with support for issues from the Global Issues and Development Branch.
Canada’s agriculture ODA

Food security is a top priority; portfolio expected to expand due to links to climate change and green economy

Canadian official development assistance (ODA) to agriculture (including forestry and fishing) and rural development stood at US$292 million in 2016 (latest year for which complete data is available). This represented 7% of its total ODA, a share on par with the Development Assistance Committee (DAC) average. According to data from the Organization for Economic Co-Operation and Development (OECD), ODA funding for agriculture has been slightly increasing since 2015 (+12% between 2014 and 2016, an increase of US$30 million in absolute amounts).

Under Canada’s Feminist International Assistance Policy (FIAP), food security is no longer a thematic priority of Canadian development assistance. Instead, Canada views food security and agriculture within the larger lens of women’s economic empowerment and gender-inclusive climate change mitigation. In addition, Canada plans to integrate its food security policies into a more comprehensive approach for stimulating clean and sustainable economic growth.

In June 2019, Canada made two notable agriculture-related investments: Its development finance institution, FinDev, loaned US$8 million to a leading Peruvian agricultural producer to promote a more sustainable and inclusive agribusiness sector in Peru, while its International Development Research Centre (IDRC) announced CAD21 million (US$16 million) in funding for research to fight antimicrobial resistance in livestock and aquaculture production, particularly in low and middle-income countries.

In 2016, multilateral ODA made up 33% (US$97 million) of Canada’s total ODA to agriculture and rural development. However, a large share of funding was disbursed as earmarked funding through multilateral (18% of total agriculture ODA). This has meant that in total, half (51%) of ODA to these sectors was channeled through multilaterals. Top recipients were the World Bank’s International Development Association (IDA, 15% of total agriculture ODA), followed by the UN’s International Fund for Agricultural Development (IFAD, 9%), and the African Development Fund (3%).

Bilateral assistance for agriculture and rural development stood at US$194 million in 2016. US$52 million of this was earmarked for multilaterals. In 2017 (latest year for which bilateral data is available), funding went down to US$158 million, largely driven by a drop in agricultural research. Key investment areas in 2017 were agricultural development (16%), food crop production (11%), agricultural education/training (8%).

Several GAC branches are involved in decision-making on agriculture

Under the leadership of the prime minister, Global Affairs Canada (GAC) steers development policy, including for agriculture. Within GAC, key branches for agriculture-related programs are the GAC’s four geographic branches (Americas; Asia Pacific; Europe, Middle East and Maghreb; and sub-Saharan Africa), which manage bilateral country programs. In addition, the Food Security and Environment Branch and the Economic Development Branches are key players in the development of Canada’s agriculture-related strategies and policies. Moreover, the Global Issues and Development Branch manages relations with multilateral agricultural initiatives.

Apart from GAC, an important player is Canada’s International Development Research Centre (IDRC). GAC and the IDRC jointly fund the Canadian International Food Security Research Fund, which supports research partnerships between organizations from Canada and developing countries. The IDRC also runs an Agriculture and Food Security program that supports innovation for more efficient and sustainable agricultural production to en-
hance food security, incomes, and nutrition that benefit small-scale farmers (particularly women).

CANADA’S ODA TO AGRICULTURE

US$ millions

<table>
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<th>Year</th>
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<tr>
<td>2016</td>
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OECD CRS, and imputed multilateral contributions to the agriculture and rural development sector: DAC secretariat estimates. In 2017 prices.

RECIPIENTS OF CANADA’S AGRICULTURE ODA, 2016

Total: US$291 million

- **Bilateral** 66.7% (US$194m.)
- **IDA** 15.1% (US$44m.)
- **Other** 18.2% (US$53m.)

OECD CRS and imputed multilateral contributions to the agriculture sector: DAC secretariat estimates. In 2017 prices.
Canada is a leader in the nutrition sector; policies are integrated into work in ‘human dignity’

Canada’s nutrition-related activities are embedded into the Feminist International Assistant Policy’s second action area, ‘Human Dignity’. Given the policy’s gender-equality lens, ensuring adequate nutrition of adolescent girls and pregnant women is a core focus, as well as battling against gender-based discrimination that forces women and girls to “eat less and eat last”.

According to the policy, Canada will leverage its nutrition investments to increase the provision of micronutrient supplements, and advocate for gender-responsive nutrition policies within international working groups such as Scaling Up Nutrition.

In 2017, Canada invested US$94 million in basic nutrition, making it the second-largest donor country to the sector (behind the US). This is down from US$102 million spent in 2016. However, funding is much higher when looking at nutrition-sensitive interventions. According to the 2018 Global Nutrition Report, Canada was the third-largest donor country (behind the US and the UK) in nutrition-sensitive interventions in 2016, disbursing US$1.4 billion in 2016 in total.

Canada is involved in multiple nutrition initiatives. In 2018, Global Affairs Canada (GAC) launched a partnership with Nutrition International and the World Association of Girl Guides and Girl Scouts (WAGGGS) to engage girls in Bangladesh, Madagascar, Philippines, Sri Lanka, and Tanzania with healthy eating programs. In the same year, Canada also invested CAD1.5 million (US$1.2 million) in the Right Start initiative in Indonesia, having contributed CAD75 million (US$58 million) to the initiative at its launch.

Nutrition-specific: Interventions that address immediate causes of undernutrition and have the improvement of nutrition (i.e., support for exclusive breastfeeding, supplementary feeding, etc.) as their primary objective.

Nutrition-sensitive: Interventions that address underlying causes of malnutrition and that take into account cross-sector actions and impacts (i.e., improving access to diverse foods).

Canada also hosts and is a large funder of Nutrition International; formerly the ‘Micronutrient Initiative’), a collaborative not-for-profit platform for technical experts, advocates, and other nutrition champions to advance innovative solutions to reduce vitamin and mineral deficiencies through advocacy and technical and programmatic support. According to the Canadian government, Canada is the largest donor of Vitamin A programs worldwide since 1998.

GAC sets nutrition policies; Global Issues and Development branch is a key player

Under the overall guidance of the prime minister, GAC steers development policy, including for nutrition. Within GAC, priority-setting for nutrition-related policies sits with the Global Issues and Development Branch, and the units for ‘Global Health, Nutrition and Education’ and ‘Global Food Security and Environment’. GAC’s four geographic branches managing regional and country programs play a key role in programming nutrition-related activities in Canada’s partner countries.
About the Donor Tracker

The Donor Tracker seeks to advance and support progress in global development by providing advocates with easy access to high-quality quantitative and qualitative strategic information to support their work. The Donor Tracker is a free, independent website for development professionals that provides relevant information and analysis on 14 major OECD donors.

For more in-depth information on the six donor countries covered in this analysis and to find out more about strategic priorities, funding trends, decision-making, and key opportunities, please visit: donortracker.org and follow us on twitter @DonorTracker

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