

# Foreign Affairs, Trade and Development Canada

- Stimulating Sustainable Economic Growth (SEG) has been a Canadian priority since 2010
- Further guidance is being developed in six SEG thematic areas:
  - fiscal and economic management
  - business development
  - skills for employment
  - women’s economic empowerment
  - financial sector
  - extractive sector
- In 2014, the OECD and WEF set up the ReDesigning Development Finance Initiative
- As chair of the steering group, Canada’s Development Minister is working with global partners to expand the pool of foreign and domestic capital to help accelerate social and economic progress . The aim is to identify, test and scale up public-private blended finance models in a systematic way.

# DFATD financing for development tools

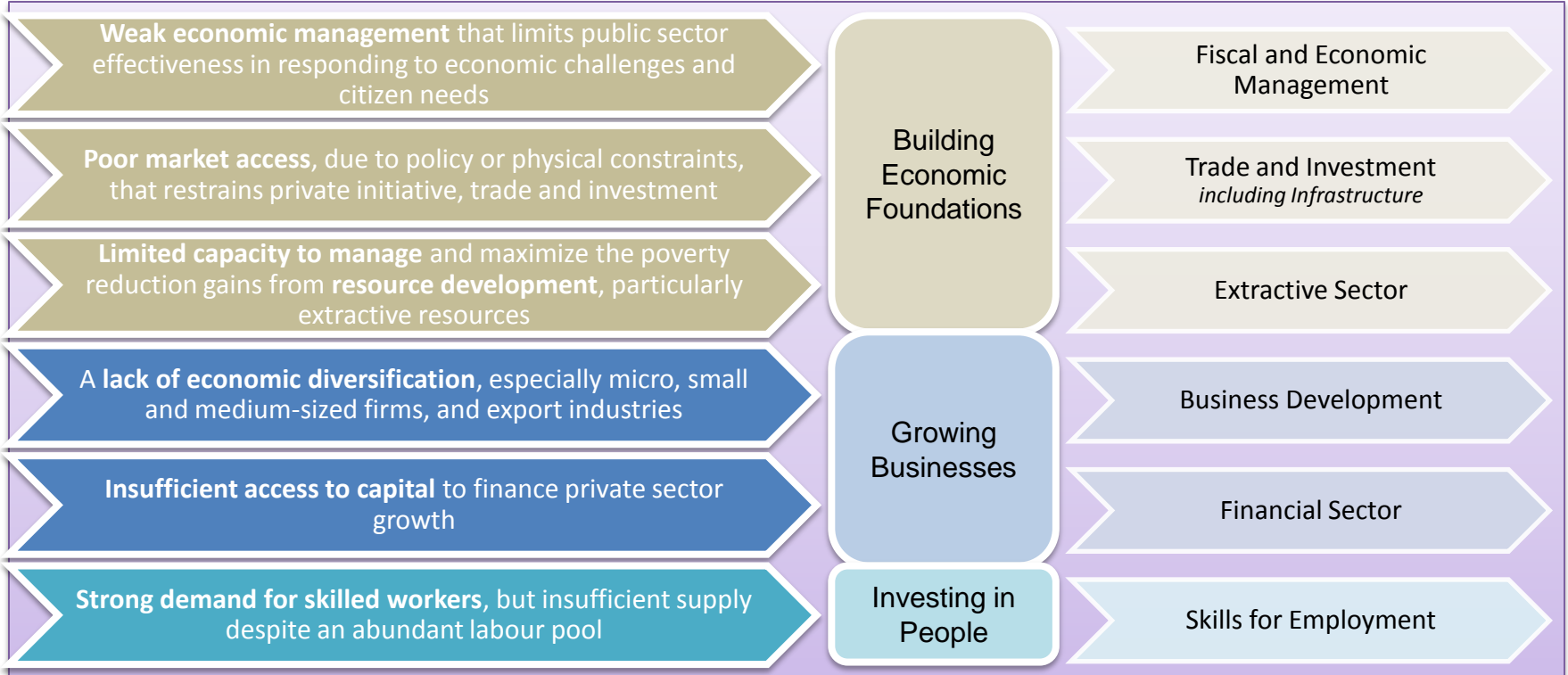
- **Canadian Development Finance Initiative:** Housed within Export Development Canada, the Canadian DFI will provide financing to private firms and foundations for commercial projects in low- and middle-income countries that have development outcomes, but cannot find private sector financing.
- Canada is also actively promoting **blended finance** that uses public and philanthropic funds to unlock massive amounts of private capital for development. It offers a new approach to reducing the financial risk for investors in order to increase private investments in sectors such as health, finance or infrastructure.
- Canada, in partnership with the World Economic Forum, Dalberg and a number of other players, recently announced the **Global Finance Exchange for Social Advancement**. GFX will be an online marketplace, knowledge broker and accelerator for innovative development finance models. The private sector will also benefit from new investment opportunities in developing nations.

# Matching challenges with solutions

partner governments  
multilateral institutions  
other donors  
civil society  
private sector

...matched with the right partners...

*Developing countries face a number of challenges...*      *...and with our strategy...*      *...DFATD can provide targeted solutions:*



Women's Economic Empowerment

**Crosscutting Themes:**  
Gender Equality, Governance  
Environmental sustainability

**Sustainability:**

- Economic disparities and the relative distribution of growth in the poorest parts of the economy
- Risks posed by corruption, conflict, gender inequality, environmental vulnerability, and changing climate

# DFATD and the private sector

- DFATD Dev has a long experience in private sector development
- DFATD's current work focuses primarily on building up the local private sector in developing countries
  - Driven by its Sustainable Economic Growth and Food Security Strategies
  - Informed by the private sector engagement approach on the DFATD website
- Increased interest in deeper collaboration with the private sector and in growing the private sector itself

*“By stimulating the economy in these countries and helping them create an environment conducive to investment, we are contributing to the well-being of people living in poverty. When a company opens up to the developing world, it is presented with a host of business opportunities and potential markets. Canada works directly with developing countries to build the stable and predictable economic environments needed to attract investment and stimulate growth.”*

**– Minister of International Development Christian Paradis (December 2013)**

- Shift in thinking over the past few years:

Private sector development is one sector of activity (2003)

Private sector is a driver of growth (2010)

Private sector is a driver and a partner in achieving results (2013 and 2014)