



Agence canadienne de
développement international

Canadian International
Development Agency

CIDA Energy Programming

ARPEL Sustainable Development Conference

Presented at:
Punta del Este
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Canada



What is CIDA?

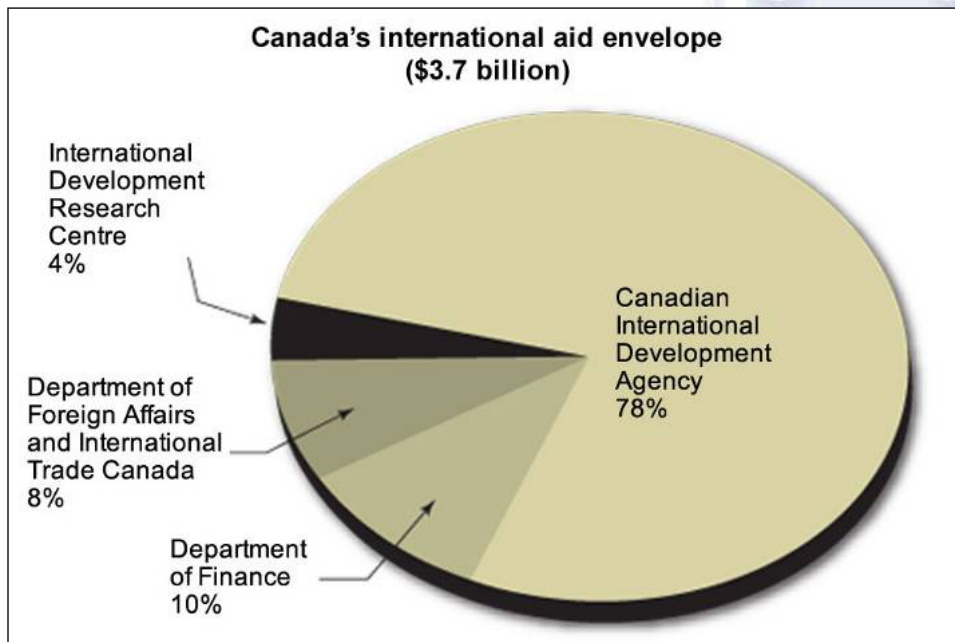
The Canadian International Development Agency (CIDA) is the federal government's lead agency for development assistance.

CIDA's mandate is to reduce poverty and contribute to a more secure, equitable and prosperous world.





Canadian ODA





Canada making a difference in the world

Canada works in partnership with:

- ▲ Multilateral organizations
- ▲ Non-governmental organizations (NGOs)
- ▲ Academic institutions in Canada and in developing countries
- ▲ Other departments and agencies
- ▲ The private sector
- ▲ Other donors
- ▲ Developing countries themselves



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CIDA's programs

- ▲ Geographic
- ▲ Multilateral
- ▲ Canadian partnership





CIDA Priorities

- ▲ Good Governance
- ▲ Health
- ▲ Basic Education
- ▲ Private Sector Development
- ▲ Environmental Sustainability

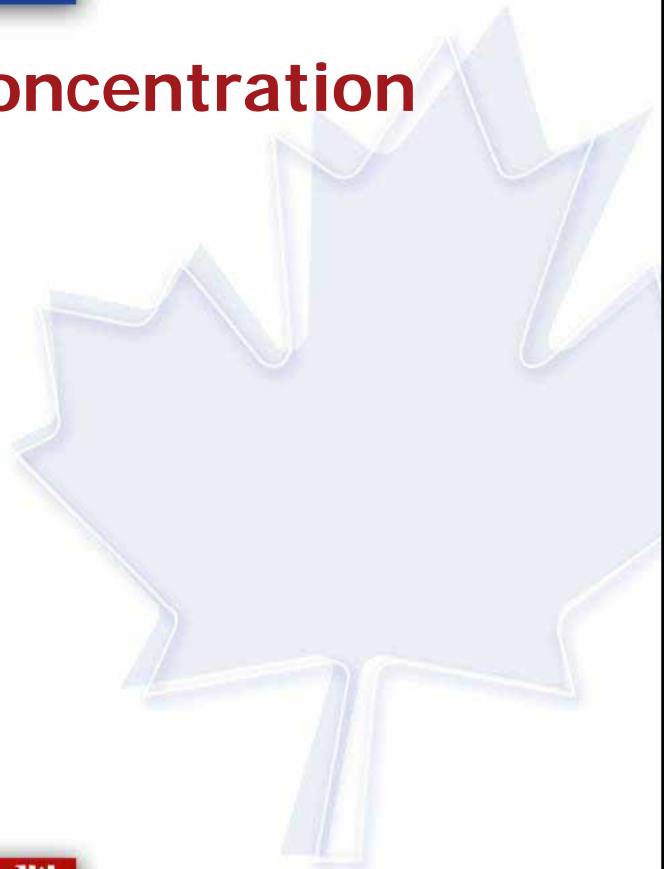
Gender Equality is a
cross-cutting theme



Countries of Concentration

Americas:

- ▲ Peru
- ▲ Bolivia
- ▲ Colombia
- ▲ Honduras
- ▲ Haiti
- ▲ Caribbean





What are the current drivers for CIDA programming in energy sector?

- ▲ International Commitments
- ▲ Re-engagement of the Americas
- ▲ Government of Canada strategy on CSR and the Extractive Sector



International Commitments (Energy)

- ▲ G8 (Russia, Germany)
- ▲ UNDP CSD
- ▲ OAS (Panama)
- ▲ Summit of the Americas





Energy and Sustainable Development

- ▲ Access to safe, reliable and affordable energy key to economic growth, poverty reduction and achieving MDGs.
- ▲ Sound energy management and regulation including policy environment
- ▲ Institutional frameworks to promote investment that encourage transparency, accountability and CSR
- ▲ Development of clean energy technologies and renewables
- ▲ Increasing role of the poor, women, local communities, etc. in developing energy options.



RE-engagement of the Americas



Strengthen respect for values of freedom, democracy, human rights and rule of law in support of sustainable and equitable development.

Contribute to significant economic growth in the region.

Enhance regional security including threats posed by organized crime, illegal immigration, drugs, corruption as well as natural disasters and pandemics.



PROSPERITY

▲ **Corporate Social Responsibility (CSR):**

- ▲ CIDA's engagement is primarily with extractive resources industries in South America.

▲ **Energy** has been identified as a key issue to the prosperity agenda.

- ▲ CIDA is assisting countries to reform and manage the regulatory environment to promote sustainable resource management, and ensure a fair distribution of benefits.

DEMOCRATIC GOVERNANCE

- ▲ Accountable public institutions.



CSR and the Extractive Industries

National Canadian Round tables 2006/2007

GoC Strategy:

- ▲ Endorse and promote a set of voluntary CSR performance guidelines for Canadian extractive companies operating in developing countries
- ▲ Develop carefully targeted initiatives to enhance the capacities of developing countries to manage their natural resources and promote resource governance that contributes to poverty reduction
- ▲ Establish CSR Counsellor office to assist sector stakeholders in resolving CSR issues
- ▲ Establish Centre of Excellence for Corporate Social Responsibility



CSR Strategy for the Andean/Americas region

- ▲ Strengthening Extractive Sector Resource Governance.
- ▲ Promoting Dialogue and Stakeholder Participation.
- ▲ Supporting community level sustainable development initiatives and best practices.



Strengthening Extractive Sector Resource Governance

Expected Outcomes:

- ▲ Strengthened capacity of public institutions/regulatory authorities to develop and implement policies and plans for the sector and to regulate/monitor sector activities while ensuring optimal benefits to society.
- ▲ Stable and predictable regulatory frameworks and enabling environment.
- ▲ Enhanced transparency in the extractive sector
- ▲ Strengthened Canadian leadership role in these countries.



Improving Dialogue/Participation

Expected Outcomes:

- ▲ Effective communication and dialogue mechanisms established and implemented
- ▲ Increased capacity of stakeholder groups to participate in sector development and address issues of concern
- ▲ Enhanced stability in the host countries through continued dialogue with stakeholders.



Community Level Sustainable Development

Expected Outcomes:

- ▲ Community level sustainable development initiatives implemented.
- ▲ CSR best practices developed and implemented.
- ▲ Public-private partnerships developed.
- ▲ Stakeholder capacity in developing and implementing local projects strengthened.



CSR Issues

Public and Corporate Governance

- ▲ Ethics
- ▲ Transparency
- ▲ Accountability
- ▲ Corruption
- ▲ Rules and procedures for corporate governance

Human Rights

- ▲ Workplace and Labour issues
- ▲ Gender Equality
- ▲ Health and Safety
- ▲ Employment

Environment and Natural Resource Management

- ▲ Environmental Protection
- ▲ Sustainable resource management
- ▲ Optimizing benefits from extractive projects

Social Management

- ▲ Community and indigenous engagement and dialogue
- ▲ Public-Private dialogue and collaboration
- ▲ Community Development





CIDA's Overall Objectives in Energy Programming

- ▲ Strengthen **relationships** with countries in LAC region through cooperation on energy issues.
- ▲ Promote open/ transparent markets and investment climates as well as **stable** and **predictable** legal, fiscal and **regulatory regimes**.
- ▲ Support countries in the region, especially oil-importing developing countries, to help them develop their energy infrastructure and **alternative/renewable** energy sources (i.e Caribbean).
- ▲ Encourage sound energy and **natural resource management** and regulation by governments and related institutions to **promote sustainable resource management and development**, while ensuring **benefits** to the developing countries concerned.
- ▲ **Promote CSR** and the improvement of the industry's relationship with external stakeholders to help ensure sustainable natural resource management and development. Promote transparency of payments to governments (EITI, etc)



CIDA Projects

LAC Region:

- ▲ Bolivia Hydrocarbon Regulatory Assistance Project
- ▲ Peru Hydrocarbon Assistance Project
- ▲ OLADE Sustainable Energy Project
- ▲ ARPEL Governance Project
- ▲ EAP / EITI / GGFRP / Landfill gas
- ▲ Andean Regional Initiative
- ▲ Other projects (Power Sector, local governance projects, IPPP)



Delivery Mechanisms

- ▲ Technical Assistance
- ▲ Training
- ▲ Secondments
- ▲ Pilot projects





What Does Canada Have To Offer

- ▲ Leading Oil and Gas/Energy Producer
- ▲ Natural Resource Management
- ▲ Environmental Management and Technologies
- ▲ Effective Mechanisms for Stakeholder Involvement
- ▲ Stable and Competitive Enabling Environment for investment
- ▲ Efficient and Proven Regulatory System



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Thank You

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