



Foreign Affairs and  
International Trade Canada

Affaires étrangères et  
Commerce International Canada

Canada



# EVALUATION OF THE AMERICAS STRATEGY

## *Final Report*

Foreign Affairs and International Trade Canada  
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Evaluation Division

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## **ABBREVIATIONS, ACRONYMS AND SYMBOLS**

ACCBP	Anti-Crime Capacity Building Program
ADM	Assistant Deputy Minister
AS	Americas Strategy
ASIP	Americas Strategy Implementation Plan
CARICOM	Caribbean Community and Common Market
CBS	Canada based staff
CDB	Caribbean Development Bank
CDIA	Canadian Direct Investment Abroad
CIDA	Canadian International Development Agency
CTCBP	Counter-Terrorism Capacity Building Program
DEC	Departmental Evaluation Committee, DFAIT
DFAIT	Department of Foreign Affairs and International Trade
DG	Director General
DM	Deputy Minister
DND	Department of National Defence
EAC	Evaluation Advisory Committee
EC	Environment Canada
ECLAC	Economic Commission for Latin America and the Caribbean
EPA	Economic Partnership Agreement (EU)
EU	European Union
FDI	Foreign Direct Investment
FTAs	Free Trade Agreements
FTAA	Free Trade Area of the Americas
FTE	Full Time Equivalent
FY	Fiscal year
GCD	Latin America and Caribbean Bureau, DFAIT
GCS	Global Commerce Strategy
GLM	ADM, Latin America and Caribbean, DFAIT
GoC	Government of Canada
GPOP	Global Peace Operation Program
GPSF	Global Peace and Security Fund

GPSP	Global Peace and Security Program
HC	Health Canada
HOM	Head of Mission
HQ	Headquarters, DFAIT
HRSDC	Department of Human Resources and Skills Development Canada
IAE	International Assistance Envelope
IDB	Inter-American Development Bank
IDRC	International Development Research Centre
IFIs	International Financial Institutions
JDF	Jamaica Defence Force
LAC	Latin America and the Caribbean
LES	Locally Engaged Staff
MSFA	Minister of State of Foreign Affairs (Americas)
NAFTA	North American Free Trade Agreement
NGO	Non-governmental organization
OAS	Organization of American States
OECD	Organisation for Economic Co-operation and Development
OGDs	Other Government Departments
PAHO	Pan American Health Organization
PCO	Privy Council Office
PERPA	Political, Economic Reporting, and Public Affairs Program
RCMP	Royal Canadian Mounted Police
ROPS	Regional Office for Peace and Security
START	Stabilization and Reconstruction Task Force
TBS	Treasury Board Secretariat
TORs	Terms of Reference
US	United States
ZID	Office of the Inspector General
ZIE	Evaluation Division, Office of the Inspector General

## **ACKNOWLEDGEMENTS**

The Evaluation Division (ZIE) of the Office of the Inspector General would like to extend its appreciation to management and staff of the Latin America and Caribbean Bureau for their ongoing support, as well as to the representatives of DFAIT, other government departments and agencies, international and non-government organisation who agreed to be interviewed for the purposes of this evaluation. The Evaluation Team is particularly grateful to the HOMs, PERPA officers and Trade Commissioners in Brazil, Colombia, Jamaica and Barbados for supporting the field visits and making possible the meetings with major partners and stakeholders in these countries. ZIE also gratefully acknowledges the contributions of Mary Lynch, Senior Evaluation Consultant who supported and guided the evaluation through all its phases.

## EXECUTIVE SUMMARY

In 2007, the Government of Canada (GoC) announced its intention to re-engage with Latin America and the Caribbean and to make the Region a top international priority. An Americas Strategy was developed which focused on three inter-dependent strategic objectives or pillars:

- *Increasing economic prosperity* – to build dynamic and growing economies and promote responsible investment and open markets that can create new opportunities and jobs.
- *Reinforcing democratic governance* – to strengthen democratic institutions, practices and principles that deliver freedom, human rights and the rule of law.
- *Advancing common security* – to enhance regional stability and security by addressing the threats of drugs, organized crime, health pandemics and natural disasters.

These objectives were to be achieved through four instruments.

- *Reinforcing bilateral relations* – to strengthen relations with key bilateral partners to deliver on common objectives, pursue mutual interests and advance shared values in the Americas.
- *Strengthening regional organizations* – working closely with multilateral organizations to search for joint solutions to hemispheric challenges.
- *Bolstering Canadian partnerships* – taking a whole-of-government approach as well as working with other organizations outside of government.
- *Expanding Canada's presence* – through high level visits and by increasing the deployment of Canadian civil servants to the Region.

This evaluation of the Americas Strategy was carried out by the Evaluation Division (ZIE) of DFAIT. It looked at a range of issues around the Americas Strategy including: the continued relevance of the Strategy; its alignment with and ability to advance government priorities; its performance to date in terms of results; and the efficiency and economy of approaches adopted to implement the Strategy.

The evaluation employed a variety of methods to establish the findings including reviews of documents, interviews with key stakeholders in Canada and the Region and data analysis. All information received was critically reviewed before using it to draw conclusions. The findings represent the consensus which emerged from the data analysis.



The evaluation faced three limitations which were taken into account during the evaluation process. First, the Americas Strategy is complex and its implementation has been broad-based. Therefore, a wide range of delivery mechanisms and approaches needed to be reviewed. Second, the whole-of-government nature of the Strategy brought challenges in terms of capturing results and accountabilities. Third, the dynamics in the Americas Region have exerted a wide range of influences and impacted Canada's performance and ability to implement its agenda.

## **Key Findings**

### **Relevance**

A broad based consensus exists that the needs identified in the Americas Strategy continue to be relevant. The issues around the prosperity, security and democratic governance agendas have shifted since the Americas Strategy was developed, but recent changes within the region have made Canada's role potentially even more strategic than in 2007. The principle of Canada placing a greater emphasis on the Americas has support within government, with partner countries and outside groups.

The Americas Strategy aligns with the priorities of both DFAIT and the government of Canada. DFAIT has a clear mandate to promote Canada's interests, the security and prosperity of Canadians and advance the Canadian values of freedom, democracy, human rights and rule of law. The roles being taken by DFAIT and other government departments are consistent with federal roles and mandates.

### **Performance**

Major results have been seen to date under the Americas Strategy. These have been achieved through DFAIT's and OGDs' activities and initiatives. Results of specific initiatives at both the multilateral and bilateral levels are impressive; however more mixed results have been seen under the strategic advocacy priorities where Canada is trying to demonstrate leadership, influence decision making, and foster dialogue. There are clear indications that Canada's influence at the multilateral level has continued and in some cases increased. The bilateral influence, however, is less clear. Here the primary strategy is based on conducting high level visits to foster relationships. While these are well received in the Region, they have also raised the expectations of partners who want to see more concrete evidence on the ground of Canada's interest. Follow-up to visits has been slow as has the start-up of new programming. Combined, there is evidence to suggest that Canada's credibility in the region could decline.

The biggest challenge facing the effective implementation of the Strategy is the lack of clarity on the Strategy's medium and long term goals. Only a few people within government, partner countries or organizations have a clear sense of what the priorities of the Strategy and its intended results are. Among others, particularly those in partner

countries, there is a noticeable uncertainty about what Canada is actually trying to achieve and what, in particular, are its interests.

The Americas Strategy was designed as a whole-of-government approach in order to coordinate policies and programs across government and to develop synergies as needed. Aside from the government's response to the earthquake in Haiti which demonstrated purposeful whole-of-government engagement, only limited evidence to suggest that the Strategy is being implemented in this way was identified by the Evaluation. Three factors have been identified that have hindered the ability of the America's strategy to harness expected synergies within a whole of government approach.

First, there was a lack of understanding by the various stakeholders of the strategy on the intended focus and priorities of the strategy. Without clear objectives and mechanisms to ensure coordination, departments, including DFAIT, have done what they believe was important and have basically continued delivering on their own individual priorities and mandates.

Second, according to the Strategy, a high-level multi-sectoral Advisory Committee was to be formed led by the Minister of Foreign Affairs to provide oversight across departments, but it never took place. Evidence collected by the evaluation team shows that the working Committees formed under the Strategy were good fora for information sharing, but were not used for coordination or decision making. Despite efforts made at the beginning, no effective mechanisms were put in place to discuss priorities across departments and provide leadership on approaches, though annual reports did require inter-departmental consultation on priorities, both at the ADM and DM level.

Third, The Americas Strategy was not funded as departments were required to realign internal resources to meet the new objectives. The assumption was that both DFAIT and OGDs would be able to mobilize their internal resources to support the increased programming in the Americas; however, the inflexibility of funding mechanisms in many cases has made resource realignment difficult, decreasing further the options for joint planning, coordination of activities and leveraging of resources.

Some OGDs, for example the Department of National Defence, Environment Canada and Human Resources and Skills Development Canada, were successful in mobilizing funds. CIDA received increased funding for the Americas through the International Assistance envelope. DFAIT realigned some of its programs to place a greater emphasis on the Americas and has put in place some new important initiatives. However, the Latin America and Caribbean Bureau has been severely stretched to implement the increased level of activities. The Bureau has effectively used its existing human resources to meet the increased demands, however, there have been trade-offs in terms of areas that were handled less effectively. The ability to further improve

efficiency is limited. The current increases in workloads and demands at headquarters and the Posts are not sustainable.

A lot of effort has been made to increase Canada's visibility in the Region; however the signs of engagement tend to be limited to isolated initiatives or visits. While high-level visits, Summits and other official events convey a positive message, much more needs to be done in terms of communications and outreach so that Canada's visibility and partners' awareness of Canada's engagement in the Americas are sustained.

## **Recommendations**

### *Recommendation #1:*

That DFAIT, in consultation with OGDs update the priorities, approaches and results framework of the Americas Strategy.

### *Recommendation #2:*

That a high level Inter-Departmental Steering Committee be formed with a decision-making mandate for the implementation of a whole-of-government approach to the Americas.

### *Recommendation #3:*

That an effective mechanism be established to coordinate initiatives and implement a whole-of-government approach in the field.

### *Recommendation #4:*

That a clear communication strategy be developed by DFAIT for regular sharing of information among departments, agencies, NGOs, the private sector and the Canadian public.

### *Recommendation #5:*

That a clear outreach strategy be developed for sending a consistent message to the Americas, reflecting Canada's goals and expectations in the Region.

## 1.0 INTRODUCTION

The Evaluation Division (ZIE) of the Department of Foreign Affairs and International Trade (DFAIT), in the Office of the Inspector General (ZID), is mandated by the Treasury Board Secretariat's (TBS), Policy on Evaluation<sup>1</sup>, to conduct evaluations of all direct spending of the Department for programs (including Grants & Contributions), policies and initiatives. All evaluation reports are presented for approval to the Departmental Evaluation Committee (DEC) chaired by the Deputy Ministers.

The implementation evaluation of the Americas Strategy (AS) was conducted according to DFAIT's Five-Year Evaluation Plan and focuses on the continued relevance and performance of the Strategy, and its progress with regard to achieving short- and medium-term results. The evaluation was led by departmental evaluators with the support of an independent consultant.

### 1.1 Background and Context

The rationale for Canada's re-engagement in the Americas is based on historical, economic and political considerations. Being at a crossroads, the Americas are experiencing multiple challenges such as drug trafficking, organized crime and socio-economic disparities. Many countries in the Americas like Brazil, Chile, Colombia and Peru have taken the road to democratic governance and consolidation of economic gains based on open markets and enlightened macro-economic policies. Some countries have reached considerable investment grade and are even looking to accession to the Organisation for Economic Co-operation and Development (OECD). —This places them at the critical juncture of development where countries like Canada can provide technical assistance and offer a forum in which different policies and approaches can be debated. Canada has made considerable efforts in providing direct support and engaging these countries through regional and multilateral organizations.

Canada also has a series of interests in the Americas. Canada's geographic proximity to the Region provides unequalled opportunities for influence. Strong trade and investment links exist in both directions with countries such as Brazil and Mexico becoming increasingly important for investment flows to Canada. The North America Free Trade Agreement (NAFTA) partners are important linkages to the Region and continue to be Canada's primary strategic partners in hemispheric issues. Close ties exist on many levels between Canadians and citizens of the Americas including through interactions of Diaspora and an increasing number of visits by Canadians to the Region.

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<sup>1</sup> Effective 1 April, 2009

## 1.2 Program Objectives, Activities and Targeted Results

### 1.2.1 Program Objectives

In 2007, the Government of Canada (GoC) declared Latin America and the Caribbean (LAC) a “top international priority.” A commitment was made for Canada’s re-engagement in the Americas based on the pillars of prosperity, security and democratic governance. Recognizing the importance of the Americas, the government embraced a long-term re-engagement approach to assist in supporting “a more democratic, prosperous and secure region that creates stability and opportunity for its citizens.”<sup>2</sup>

Canada’s re-engagement in the Americas is intended to:

- Demonstrate Canadian leadership on the international stage;
- Increase Canada’s influence and advance Canada’s interests;
- Share the Canadian model and counter anti-democratic and anti-market forces; and,
- Partner with like minded countries who share Canada’s values to advance Canada’s positions in the wider international community.

The activities and initiatives under the Americas Strategy are focused around three mutually reinforcing and inter-dependent themes/strategic objectives:

- *Increasing economic prosperity* – to build dynamic and growing economies and promote responsible investment and open markets that can create new opportunities and jobs.
- *Reinforcing democratic governance* – to strengthen democratic institutions, practices and principles that deliver freedom, human rights and the rule of law.
- *Advancing common security* – to enhance regional stability and security by addressing the threats of drugs, organized crime, health pandemics and natural disasters.

These pillars have been identified based on the recognition that without democratic governance, there can be no prosperity and security in the Region. Likewise, an environment of insecurity can destroy any advancement made toward democratic governance and prosperity.

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<sup>2</sup> Canada's Engagement in the Americas. DFAIT.  
<http://www.international.gc.ca/americas-ameriques/engagement.aspx?lang=eng>

### **1.2.2 Approach to Implementation**

In order to implement its vision of re-engaging in the hemisphere, in 2007, the Government of Canada developed the Americas Strategy Implementation Plan (ASIP). The plan was aimed at providing the initial framework for the deployment of Canada's diplomatic, commercial, international assistance, security and other key resources.

During the past three years, Canada has further refined its plans for the Americas and developed new initiatives. This was done partially in response to the economic and political challenges in the Region and the new opportunities that have emerged for Canada. It also reflected the general transformation of the Department in terms of finding new ways of doing business. For example, in 2008, the post of a Minister of State of Foreign Affairs with special responsibility for the Americas was created. The purpose was to sustain and further encourage the collaborative and consistent efforts of Canada in the Americas. Other innovations have been tried such as the establishment of thematic hubs within the Americas to handle security and democracy issues. The Global Commerce Strategy's (GCS) call for an integrative trade model is reflected in the approaches being taken to the Americas.

Canada has become actively engaged with a number of partner countries and organizations to advance bilaterally and multilaterally a wide range of common interests, ranging from trade and investment to education, from development assistance to sharing of best practices and information on pandemics, and from policing to monitoring of elections.

### **1.2.3 Americas Strategy Instruments**

The vision for the Americas Strategy is based around four instruments.

#### ***Reinforcing Bilateral Relationships***

Canada aims at strengthening its relations with key bilateral partners – both those within the region covered by the Strategy and our strategic North American partners the US and Mexico – to deliver on common objectives, pursue mutual interests and advance shared values in the Americas.

#### ***Strengthening Regional Organizations***

Through its work with regional multilateral organizations, such as the Organization of American States (OAS), the Inter-American Development Bank (IDB), the Caribbean Development Bank (CDB), the Pan American Health Organization (PAHO), and the Summit of the Americas, Canada is searching for joint solutions to hemispheric challenges.

### ***Bolstering Canadian Partnerships***

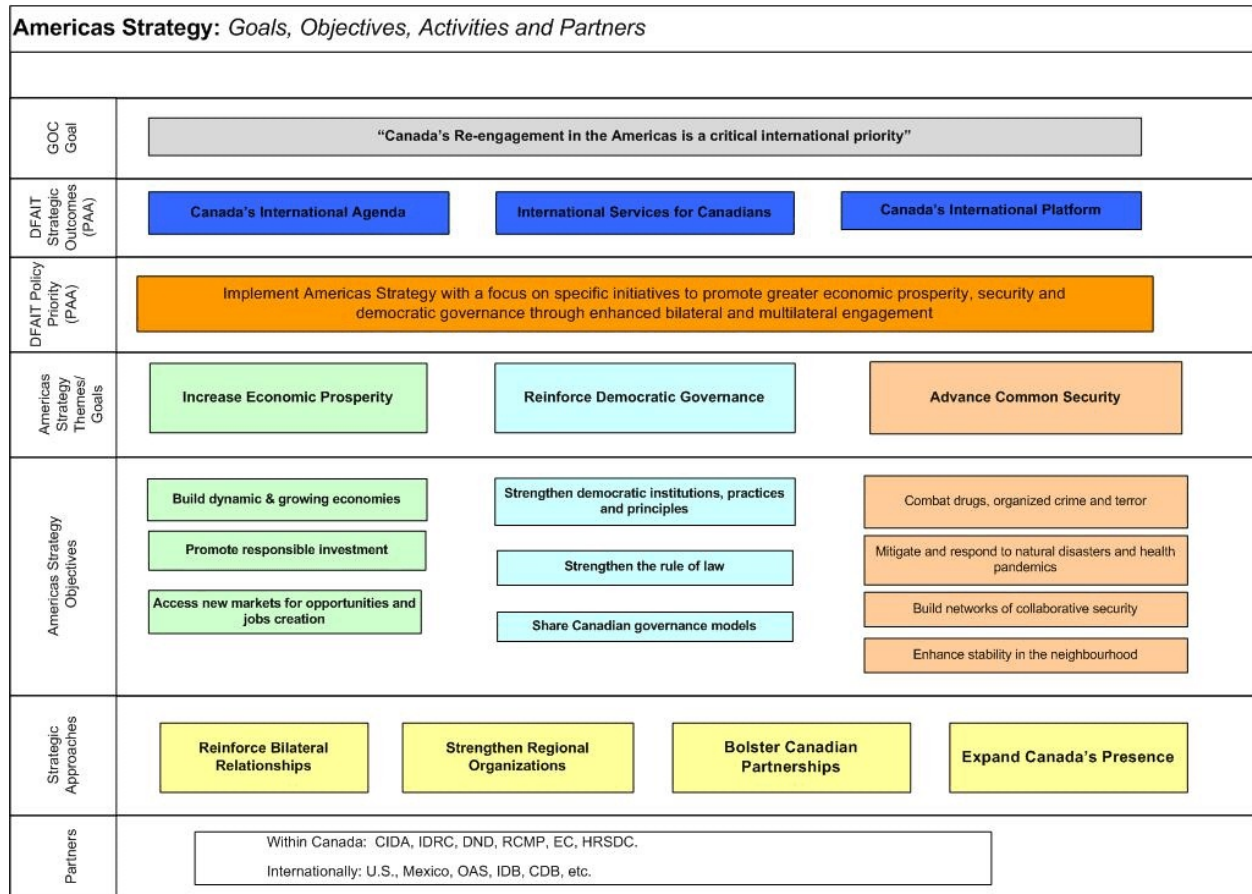
The vision for the Americas Strategy builds on a whole-of-government approach as a basis for the delivery of concrete results. This approach is to be underpinned by strong engagement across the federal government, the provinces and territories. It is also intended to be advanced through the work of civil society, including the Diasporas, non-governmental organizations (NGOs), academia, and private sector associations in order to harness the expertise, knowledge, leadership and engagement of different parts of Canadian society in the Americas.

### ***Expanding Canada's Presence***

Canada is increasing its official presence in the Region through high-level visits by the Governor General, the Prime Minister and Cabinet ministers. Canada is also planning on increasing the deployment of Canadian diplomats to countries in the Americas in the coming years.

#### ***1.2.4 Americas Strategy Targeted Results***

The Table below maps out elements of the Americas Strategy as they contribute to the achievement of DFAIT's strategic outcomes and support the Government of Canada's priority.



## 1.3 Governance and Funding Levels

### 1.3.1 Governance

Within DFAIT, the delivery and implementation of the Americas Strategy is currently overseen by an Assistant Deputy Minister (GLM). The actual management and coordination is done by the Latin America and Caribbean Bureau (GCD), led by a Director General.<sup>3</sup> Four divisions are responsible for managing and coordinating the political and trade-related activities and functions in the Region:

- Central America and Caribbean: Director and 13 Full Time Equivalents (FTEs)
- Latin America and Caribbean Commercial Relations: Director and 10 FTEs
- South America and Inter-American Relations: Director and 16 FTEs
- Haiti Task Force: Director and 5 FTEs

<sup>3</sup> Note that the organizational structure outlined here does not reflect the reorganization of the division announced in mid-July 2010 and being implemented in fall 2010.



The Latin America and Caribbean Bureau is also responsible for the coordination of the work and delivery of Americas Strategy commitments from 26 missions. Close coordination is also required with the North America Branch since the US and Mexico are partners in the delivery of the Americas Strategy.

### **1.3.2 DFAIT Resources**

Activities outlined in the Americas Strategy are based on planned allocations within DFAIT's existing resources. No new resources for either personnel or operations were allocated. Some activities involve multi-departmental funding while in other cases, other government departments (OGDs) are expected to cooperate or provide support.

The Operating Budget for GLM is \$5,632,872. The salary budget is as follows<sup>4</sup>:

- \$18,750, 806 for Canada-based Staff (CBS); and
- \$10,275,652 for Locally Engaged Staff (LES)

GCS funding is used to support some of the Americas Strategy related initiatives under the "Economic Prosperity" pillar, aimed at "providing better access to the growing markets of the Region while strengthening Canada's position as a partner of choice for international business." Twelve (12) new FTEs have been added under the GCS initiative to the missions in Brazil, Panama, Chile and Colombia.

In addition, programming by DFAIT's Global Peace and Security Fund (GPSF) contributes to the overall efforts to increase security and stability, advance democracy and re-establish the rule of law. In FY 2008/09, \$20M was allocated for Haiti and Colombia, which are also GPSF countries of focus. The Stabilization and Reconstruction Task Force (START) has also recently added Guatemala as a priority.

### **1.3.3 Resources from Partner Organizations**

DFAIT's efforts in the Americas are further complemented by the Canadian International Development Agency's (CIDA) and International Development Research Centre's (IDRC) longstanding programming for the Americas. In FY 2008/09 International Assistance Envelope (IAE), \$13.9M was allocated to CIDA and \$6M to IDRC to support Canada's re-engagement.

Other Government departments have also supported activities in the Americas including Health Canada (HC), Human Resources and Skills Development Canada (HRSDC), Environment Canada (EC), Royal Canadian Mounted Police (RCMP) and Department of National Defence (DND).

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<sup>4</sup> DFAIT, Budget 2008-2009

## **1.4 Evaluation Objectives and Scope**

### **1.4.1 Evaluation Objectives**

The goal of the Americas Strategy evaluation is to provide DFAIT's Departmental Evaluation Committee with a neutral and evidence-based assessment of the relevance and performance of the Strategy and the implementation progress made to date.

The specific objectives of the evaluation are as follows:

1. To evaluate the relevance of the Americas Strategy and how it is aligned with both federal government priorities and DFAIT's strategic outcomes. This will be accomplished by assessing the extent to which the Strategy addresses a real need and investment potential in Latin America and the Caribbean.
2. To evaluate the performance of the Americas Strategy as a whole, and under each strategic objective, by assessing the progress made toward expected outcomes together with the efficient and effective leverage and use of resources.
3. To assess DFAIT's capacity to deliver on the Americas Strategy by examining the current resource base, identifying eventual gaps, and indicating areas for improvements and/or more efficient coordination, leveraging and streamlining of resources, partnerships and approaches within and outside DFAIT.

### **1.4.2 Evaluation Scope**

The evaluation issues covered under this evaluation conform to the 2009 Treasury Board Policy and Directive on Evaluation, focussing on assessing the relevance and performance of the Americas Strategy.

Relevance issues address the consistency of the Strategy with Departmental and Government of Canada priorities and the extent to which it realistically responds to a continued need both for Canada and for recipient countries. Relevance also includes the question of whether the Strategy is the most appropriate response to the needs identified. The major issue for relevance is "are we doing the right thing"?

An assessment of the performance of the Strategy includes elements of both economy and efficiency. Economy is defined as the use of resources to achieve the outcomes of the Americas Strategy, while efficiency refers to the use of resources to achieve the outputs of the Strategy.

## **2.0 EVALUATION METHODOLOGY**

### **2.1 Evaluation Design**

The conduct of the evaluation was guided by an Evaluation Advisory Committee (EAC) comprised of representatives from the Latin America and Caribbean Bureau, other relevant DFAIT divisions, and a representative of CIDA. The EAC reviewed the Work Plan for the evaluation and the preliminary findings.

### **2.2 Data Collection**

Information and data for this evaluation were collected in the period December 2009-June 2010.

#### **2.2.1 Evaluation Framework**

The evaluation was structured around an evaluation framework. The framework presents a summary of the following:

- The main themes and issues that were covered by the evaluation including the specific evaluation questions;
- An outline of the performance indicators used to assess the issues; and
- The sources of data and methods of collection used.

The framework acts as a general guide for the evaluation and is the basis on which the data gathering and interviews were conducted.

#### **2.2.2 Lines of Evidence**

The evaluation focused on multiple lines of evidence.

#### **Document Review**

A wide range of documents were consulted during the evaluation.

- The documentation available on the Americas Strategy, including the original planning and approval documents and the reports to date, was reviewed and used throughout the evaluation as a benchmark for the original intent and results targeted.
- DFAIT documents were reviewed ranging from information on specific DFAIT programming to issues impacting the Strategy implementation and programming.

- Information was collected and reviewed from OGDs on their programming and priorities in the Americas.
- Media coverage in Canada and the Region, speeches, and conference materials were collected and reviewed.
- Plans and priorities of other country active in the Americas were assessed including the United States, European Union (EU), Brazil, and China.
- International literature on the Americas, including trends in the Region, Canada's role, and current issues, was analyzed.

## **Key Stakeholder Interviews**

Over 100 in-person and telephone interviews were held with key stakeholders. This included: DFAIT staff at Headquarters (HQ) and Posts; OGDs such as CIDA, IDRC, EC, HRSDC, DND, RCMP, HC, and Privy Council Office (PCO); Americas experts in Canada and the Region; non-governmental organizations; and private sector groups.

Field visits were made to Brazil, Colombia, Jamaica and Barbados where discussions were held with Embassy staff, foreign government representatives, private sector groups, NGOs and other stakeholders. Discussions were also held with key multilateral organizations including the OAS, Summit of the Americas Secretariat, CDB, World Bank, PAHO and CARICOM.

## **Data Analysis**

Data were analyzed from both primary and secondary sources and a process of triangulation was used to determine the findings and conclusions. All information was critically reviewed before using it to draw conclusions. Information collected from interviews was checked with several informants, while preserving the confidentiality of each interviewee. No one opinion was taken on any issues. The findings represent the consensus which emerged from the data analysis around the evaluation's key issues and questions.

### **2.2.3 Limitations**

Limitations to the methodology were related to three primary factors. In all cases, methods were applied to deal with the limitations and access multiple sources of information to confirm findings and present objective and non-biased conclusions.

First, the Americas Strategy is complex and its implementation is broad-based and iterative. The interconnected nature of DFAIT's programming in the Americas and its partners' activities required an encompassing review taking into account the multiple levels of DFAIT's involvement, the wide range of partner organisations, their varying approaches to the Americas, as well as the wide array of delivery mechanisms.

Second, the whole-of-government nature of the Americas Strategy brought challenges in terms of performance measurement and accountability for results due to the involvement of a considerable number of departments and agencies in its implementation. While the focus of the evaluation was primarily on DFAIT's performance and capacity to deliver on the Strategy, results from other Departments were also captured to provide a better overall picture of Canada's advances on the Strategy.

Third, the Region is dynamic with a variety of outside factors influencing Canada's ability to implement its priorities. These include issues ranging from political and economic crises and natural disasters to a growing international competition and new influences within the Region. These issues were integrated in the analysis so that their potential impact on Canada's performance could be taken into consideration.

## 3.0 RELEVANCE

### 3.1 Continued Need for the Program

***Finding #1: There is a broad consensus that the needs identified in the Americas Strategy are still relevant.***

The development of the Americas Strategy began in mid-2006 and the Strategy was officially announced in 2007. At that time it was recognized that the Americas region was at a critical point in its development. Democratic governance had taken hold, with all but one government democratically elected. Countries were moving toward economic approaches based on open markets and were experiencing sustained economic growth. At the same time, the Region was seeing an increase in threats in areas such as drug trafficking and organized crime. Despite rapid growth, governments were facing challenges in terms of expanding socio-economic disparities and social tensions.

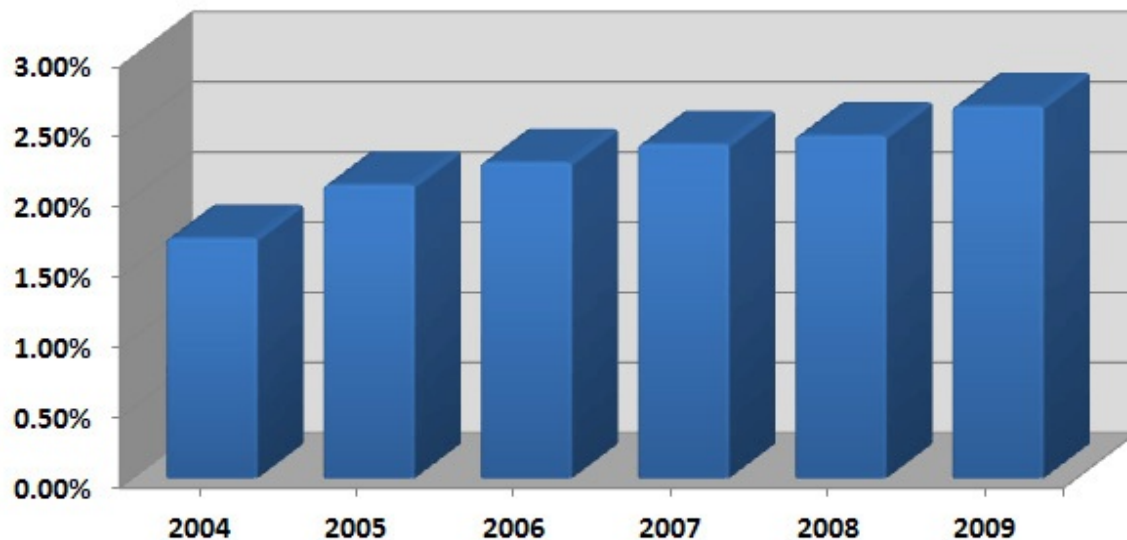
Canada's engagement with the Americas was intended to meet these challenges, benefit from the opportunities that were emerging in the region and advance Canada's national interests in the hemisphere. This was to be done by focusing on increasing economic prosperity, reinforcing democratic governance and advancing common security. While many changes have taken place in the region since 2007, the agenda of the Americas Strategy remains relevant.

#### **Prosperity Agenda**

The initial cornerstone of the Americas Strategy was the prosperity pillar. The thinking by Canada was that prosperity could support the further development of both the democracy and the security agendas. At the time of the Strategy's development, the region was experiencing substantial growth and the increasing openness of the economies was providing trade opportunities for Canada.

Canada had begun to capitalise on these regional growth trends even before the Americas Strategy was in place. Sustaining this momentum was considered important for both the region and Canada's prosperity. Since 2007, Canada has been able to increase its trade relationships with the region. The proportion of Canada's overall trade going to the Americas has increased from 1.7% in 2004 to 2.6% in 2009. Key trade partners such as Peru have also increased in importance.

### Americas as a % of Canada's Total Bilateral Trade



Source: Statistics Canada

The growing importance of trade for Canada has been particularly evident since the beginning of the economic crisis. While other Canadian priority markets such as the US and EU continue to stall, parts of the Americas have proven more resilient. Overall, LAC saw its GDP shrink by 1.9% in 2009, but many of the countries have quickly recovered. Brazil is projected to have a growth of 7.5% in 2010, Argentina 6.8% and Peru 6.0%.<sup>5</sup> Basically, these economies have bounced back quickly and have reached pre-crisis growth rates. The increasing share of Canada's overall trade to the Americas in 2009 reflects the resiliency of these parts of the region to the economic crisis. Canada's trade with the region declined by only 14% in 2009 compared to Canada's trade globally which declined by 21%.

While Canada has made gains in the Region, this pattern may not be sustainable or without threats in the long-term. The trade between the Americas and China, for example, has exploded in recent years—increasing more than 14 fold between 2000 and 2009. While exports from Latin America and the Caribbean to the US and EU have fallen by 26% and 28% respectively in 2009, exports to Canada were far less impacted, seeing only a decline of 4.9%. At the same time, LAC exports to China were increased by 5%. The stable demand in China has significantly helped the Americas to recover more quickly from the economic shocks and as a consequence has strengthened the economic linkages of the Region with China.

<sup>5</sup> UN ECLAC. July 2010. *Economic Survey of Latin America and the Caribbean: The distributive impact of public policies*.

Growing international competition is another factor that should encourage Canada to continue to place priority on strengthening bilateral relations with the Americas in order to maintain its market share. In addition, while the Americas region represents an important market for Canada, the reverse is not necessarily the case. Canada's biggest trade relationships are with Brazil, Peru, Chile, Venezuela and Colombia. Of these countries, only two—Peru and Colombia—have more than 2% of their exports going to Canada. In terms of Canada's exports to the region, none of these top countries have 2% of their imports sourced from Canada. The only countries in the region reaching this level are Barbados, Trinidad and Tobago and Uruguay.<sup>6</sup> In terms of trade relations, the Americas appear to be more important to Canada than the reverse.<sup>7</sup>

Important historic linkages have also been seen in terms of Canadian Direct Investment Abroad (CDIA) and Foreign Direct Investment (FDI) to Canada. At the time of the development of the Americas Strategy, Canada was the third largest investor in the Americas. This position has been maintained, despite the growing global interest in the Americas region. In 2009, CDIA stocks in South and Central America totalled \$28.3 billion or approximately 5% of CDIA globally.<sup>8</sup> Many of these investments have been in the mining sector and some manufacturing. This pattern has been diversified in recent years as a result of Canadian firms moving into sectors such as communications.<sup>9</sup> CDIA in the Caribbean is far more substantial at \$76.5 billion and totalled 12.9% of CDIA stocks in 2009.<sup>10</sup> The large presence of Canadian investors in the Caribbean has historically been in the financial and insurance sectors plus some metals and energy.<sup>11</sup>

While FDI into Canada from the Americas has seen some increase since 2005, it remains small and primarily represents investments from Brazil.<sup>12</sup> Total FDI stock from the Americas to Canada was approximately \$17.4 billion in 2009.<sup>13</sup>

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<sup>6</sup> International Trade Centre, "International Trade Statistics".

<sup>7</sup> For a further discussion of this, see Stephen Randall. August 2010. *Canada, the Caribbean and Latin America: Trade, Investment and Political Challenges*. Canadian International Council.

<sup>8</sup> Statistics Canada. Cansim Table 376-0051

<sup>9</sup> Stephen Randall. August 2010. *Canada, the Caribbean and Latin America: Trade, Investment and Political Challenges*. Canadian International Council.

<sup>10</sup> Statistics Canada. Cansim Table 376-0051. Caribbean is derived from the North American grouping excluding US, Mexico, and Bermuda.

<sup>11</sup> Stephen Randall. August 2010. *Canada, the Caribbean and Latin America: Trade, Investment and Political Challenges*. Canadian International Council.

<sup>12</sup> According to StatsCan, the only countries with investment flowing to Canada are: Bahamas; Barbados; Bermuda; British Virgin Islands; Cayman Islands; Mexico; Netherlands Antilles; Argentina; Brazil; and Panama.

<sup>13</sup> Statistics Canada. Cansim Table 376-0051



The FDI competition is strengthening within the Americas. The Americas continues to be an important global FDI destination. The total FDI flows to Latin America in 2008 were US\$131.9 billion, representing approximately 8% of the global FDI during that year. Even though there was a decline to US\$76.68 in 2009 due to the economic crisis, the current projections show a substantial rebound in 2010.<sup>14</sup> A recent global survey of corporations showed that the crisis has had the least impact on plans for FDI in the LAC region compared to all other regions around the world, including Asia.<sup>15</sup> The survey underlined the increasing attractiveness of LAC as an investment destination—and the resulting competition facing Canada for capitalizing on investment opportunities in both directions.

## Security Agenda

Originally, the Americas Strategy was intended to “enhance regional stability and security by addressing the threats of drugs, organized crime, health pandemics and natural disasters.” The intention was to protect the safety and security of Canadians at home and abroad.

The expansion of drug trafficking to new countries in the Americas, and the increased complexity of security issues, has changed the nature and character of the security threats since the Americas Strategy was approved. As a consequence, the security agenda has become a higher priority for Canada given the increasing threats in the region. Security issues are now being seen as the most important pillar for interventions. At the same time, security has become more narrowly defined with a stronger focus being placed on drugs and organized crime.

This shift is a reflection of the conditions within the Region and the changing nature of the security threats. The increasingly trans-national nature of organized crime is spreading to many parts of the Americas and is even becoming a threat in Canada.<sup>16</sup> Central America and the Caribbean are becoming part of the international narco-trafficking and organized crime scene. The intensified violence of Mexico’s crackdown on narcotics rings and the recent unrest in Jamaica related to organized crime are further signs of the extent of the problems and their growing global scope.

While these are critical issues to be tackled in the Region, they are becoming global in nature and need to be approached from a global perspective. In the last several years, many countries have started designing strategies to address security issues, in

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<sup>14</sup> UN ECLAC. May 2010. *Direct Foreign Investment in Latin America and the Caribbean: 2009*. Note that ECLAC includes Mexico in its statistics.

<sup>15</sup> United Nations Conference on Trade and Development. 2010. *World Investment Prospects Survey 2010-2012*.

<sup>16</sup> Stephen J. Randall. June 2010. “Canada’s National Security Challenges in the Caribbean and Latin America.” Canadian International Council. At [http://www.onlinecic.org/resourcece/archives/foreignpol/cic\\_fpct\\_no07\\_randallpdf](http://www.onlinecic.org/resourcece/archives/foreignpol/cic_fpct_no07_randallpdf)

particular drug trafficking and organised crime, in a broader context. Canada has also made significant efforts to integrate the global dimensions of these issues into the work in the Americas and ensure appropriate linkages take place.

These global dimensions are becoming a growing priority for Canada. Canada has recently brought forward these issues on the international stage at the G-8 meetings by successfully introducing an agenda for the G-8 to work with countries in the Americas and Africa to tackle what are progressively becoming global issues of conflict, crime, piracy and terrorism. At the 2010 Muskoka Summit, the G-8 countries committed to help partner states and regions with building the civilian security capacities they need to deal with these issues.<sup>17</sup>

In support of commitments made under the security pillar, DFAIT also created the Regional Office for Peace and Security (ROPS) in Panama to act as a Security Hub. This is one of the four new Regional Policy and Programme Centres created by DFAIT in various parts of the world. The focus of the ROPS is on increasing analysis and engagement in support of combating drugs, crime and terrorism. Geographically, the focus will be Central America and the Caribbean. Since the hub is just beginning operation, its mandate and precise scope of work are still under development.

### **Democratic Governance Agenda**

Democracy had become firmly embedded in the Americas by the time the Strategy was developed. The creation of the OAS Unit for the Promotion of Democracy and the establishment of Inter-American Democratic Charter (in which Canada played a key role) in the 1990s, started the democratic development process. The Strategy was intended to support methods to further promote and reaffirm democracy, freedom, human rights and the rule of law as core values in the hemisphere. However, some changes have occurred in the Region since the Americas Strategy was developed.

Although democracy itself is not threatened in Latin American, democratic processes and institutions in some countries, continue to face new challenges. The June 2009 coup d'état in Honduras is a case in point. Although Honduras had experienced 27 years of democratic stability, the country's weak political institutions were unable to cope with the challenges of a democratic reform. The unconstitutional interruption brought about by the coup represented a significant step backward for democracy in Honduras.

These events also underscored some of the shortcomings of the Inter-American Democratic Charter, and its ability to manage political crises in the hemisphere. Other countries, such as Ecuador and Nicaragua, have also experienced serious challenges to their democratic institutions.

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<sup>17</sup> G-8 Muskoka "Declaration Recovery and New Beginnings" at <http://commit4africa.org/declaration/g8-muskoka-declaration-recovery-and-new-beginnings-canada-26-june-2010>

The discussions around Honduras, however, have shown important divisions within the Region on the approaches to democratic development. These divisions will probably soon begin to be reconciled since they continue to influence not only the relations among countries in the Region, but also the ability of Honduras to participate in regional and international fora. Based on the resulting split in the Americas about the appropriate response to the events in Honduras, democracy issues appear to be entering a new phase, and it is one in which Canada is actively involved in brokering new approaches and relationships.

Canada has also supported the OAS in taking on an increasing role in areas such as elections monitoring, with important gains being made in embedding a more democratic culture within the region.<sup>18</sup> One third of DFAIT's democratic governance funding is currently allocated to the Americas. The leadership role played by the Minister of State for the Americas and Canada's Ambassador to the OAS, have further increased Canada's visibility in the Region. In 2009, DFAIT established the Andean Unit for Democratic Governance—a Democracy hub similar to the security hub. The Unit is currently staffing positions created in the hub in Peru and four neighbouring countries. The Unit will focus on providing support to democracy in the Region by developing networking contacts in Colombia, Venezuela, Ecuador, Bolivia and Peru.

### **Responses from the Region and Canada**

Strong support continues to exist for Canada to play a role in the Americas. Country partners in the Region are extremely positive about Canada's increased interest and involvement in the Americas. The Caribbean partners see this as a clear re-engagement—after a period of decline in the relationships with Canada. Other parts of the Americas see Canada's efforts as building relationships and influence (versus re-engagement). In both cases, the focus on the three priorities by Canada is welcomed and, in some cases, perceived to be more urgent than in 2007 given the changes within the Region since that time.

Canada's role in the past in helping to build hemispheric organizations such as the OAS and the Summit process are widely recognized and appreciated. The continued role Canada plays in multilateral organizations is seen as important for maintaining a balance among the interest within the region and for moving forward agendas such as democratic governance.

Within Canada, there is also a growing support and interest in the Americas. Civil Society groups (e.g., NGOs) and individuals interviewed for the evaluation supported the principle of re-engagement and the priority areas of focus. This is also reflected in the recent DFAIT public opinion poll of July 2010 where the Americas emerged as the

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<sup>18</sup> FOCAL. February 2010. FOCAL Views: Election Monitoring in the Americas.

top region of importance. It was identified as important by 47% of the respondents—rising from 33% in 2006.

Canadian companies are also showing increased interest in the region, only partially in response to the decline in the US market. A 2009 DFAIT Trade Commissioner Service (TCS) Client Survey indicated that Brazil was the fourth most important market for the future for Canadian firms—after US, China and India.<sup>19</sup> An additional 8% of the respondents mentioned the Americas in their top three destinations where they saw the biggest growth potential. Much of the growth of Canadian exports to the Americas is, however attributable to new exporters, showing the potential for continuous expansion of the trade relationships between Canada and the Americas.<sup>20</sup> This also demonstrates the response to new opportunities emerging in the region.

Many of the initial programs and activities undertaken by DFAIT and other government departments in support of the Americas Strategy continue to be well received in the Region and by multilateral organizations. New approaches being developed are directly responding to the shifting climate in the Americas and specifically the new threats in areas such as security. This includes initiatives such as DFAIT's newly created Anti-Crime Capacity Building Program (ACCBP) and the work being done under the GPSF.

Last but not least, the appointment of a Minister of State for the Americas (MSFA) has further increased Canada's visibility in the Region and reiterated its commitment for strengthened cooperation.

### **3.2 Alignment with Government Priorities**

***Finding #2: The Americas Strategy is aligned with and contributing to DFAIT's strategic outcomes. It also supports the GoC goal to make Canada's re-engagement in the Americas a critical international priority.***

The Americas Strategy specifically supports three of the five DFAIT 2010-2011 Priorities. One of DFAIT Priorities is "greater economic opportunity for Canada with a focus on growing emerging markets." The Americas Strategy has placed an emphasis on advancing trade liberalization within the Region. The negotiation of Free Trade Agreements (FTAs) has been completed in Peru, Panama and Colombia with current negotiations underway in CARICOM, Dominican Republic and Central America. An emphasis has also been placed on building increased commercial relations with Brazil which is further noted within the Global Commerce Strategy as a priority.

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<sup>19</sup> December 2009. 2009 TCS Client Survey.

<sup>20</sup> DFAIT. 2010. *Canada's State of Trade 2010; Trade and Investment Update*.

Another DFAIT Priority for 2010-2011 focuses on the US and the Americas. The implementation of the Americas Strategy directly supports this priority, and the importance of the three pillars - security, economic prosperity and democratic governance - is specifically noted.

The third DFAIT Priority for 2010-2011 focuses on asserting Canadian leadership in emerging global governance. Under this priority, the Americas Strategy supports the objectives of innovative international responses to global challenges in the areas of economic recovery and peace and security. For example, Canada has provided the IDB with a guarantee that allowed it to increase its borrowing on international markets and meet the growing demands of member countries in response to the economic crisis. DFAIT played a leadership role at the 2010 G8 meeting by promoting the broadening of the security agenda in the Americas to a global basis. DFAIT has also put in place key programming such as the ACCBP.

The implementation of the Americas Strategy also supports two of DFAIT's Strategic Outcomes—namely #1: Canada's International Agenda, and #2: International Services for Canadians. In DFAIT's recent Report on Plans and Priorities 2009-2010, a number of examples were cited as priorities related to the Americas for the coming year. These included.<sup>21</sup>

- *Program Activity #1- International Policy Advice and Integration:* “Demonstrate leadership in Canada's re-engagement in the Americas by collaborating with strategic partners in the Region on key issues, including Haiti, and by highlighting important initiatives on economic prosperity, security and democratic governance.”
- *Program Activity #2 - Diplomacy and Advocacy:* “Implement the Americas Strategy, with a focus on specific initiatives to promote greater economic prosperity, security and democratic governance through enhanced bilateral and multilateral engagement.”

Canada's interests, and especially its economic interests, have been an important driver for Canada's foreign policy priorities. The three priorities of the Americas Strategy were outlined in a speech by Canada's Prime Minister in Chile in July 2007, where the objectives of the Government of Canada in the Americas were stated as:

“First, to strengthen and promote [Canada's] foundational values of freedom, democracy, human rights and the rule of law;

Second, to build strong sustainable economies through increased trade and investment linkages, as well as a mutual commitment to expanding opportunities to all citizens; and

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<sup>21</sup> DFAIT. 2009-2010 Report on Plans and Priorities, pages 15 and 16.

Third, to meet new security challenges, as well as natural disasters and health pandemics.”<sup>22</sup>

The October 2007 Speech from the Throne further highlighted the rationale for Canada’s re-engagement:

“In our own neighbourhood, the Americas, Canada is back playing an active role. The Canadian model of constitutional democracy and economic openness combined with social safety nets, equitable wealth creation and sharing across regions has much to offer those countries struggling to build a better future.

The best hope for fostering development and our common security in the hemisphere and beyond is through bolstering international trade.”<sup>23</sup>

The Americas region continues to be a foreign policy priority for Canada as indicated in the Speech from the Throne in March 2010, which reiterated the importance of the further development and conclusion of the FTAs in the Americas.

### **3.3 Alignment with Federal Roles and Responsibilities**

***Finding #3: The roles played by DFAIT and OGDs in implementing the Americas Strategy are appropriate and consistent with federal government roles.***

The approaches being taken in support of the Americas Strategy are appropriate at the federal level. DFAIT’s overall objectives are to promote Canada’s interests, the security and prosperity of Canadians and advance the Canadian values of freedom, democracy, human rights and the rule of law.<sup>24</sup> These closely align with the approaches and programming which DFAIT has undertaken to support the three pillars of the America’s Strategy.

Both DFAIT and OGDs are undertaking programs and pursuing policies in keeping with their respective federal mandates and priorities. The roles and engagement of various federal departments and agencies laid out in the Americas Strategy have been followed in the implementation process. In addition, strong support exists outside the government for a more active role of departments and agencies in the Americas to support the three pillars of the Strategy.

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<sup>22</sup> Prime Minister signals Canada’s renewed engagement in the Americas. Chile, July 2007.  
<http://pm.gc.ca/eng/media.asp?id=1760>

<sup>23</sup> GOC Speech from the Throne. 2007  
[http://www.ctv.ca/CTVNews/QPeriod/20071016/thronespeech\\_SIDEBARS\\_071016/](http://www.ctv.ca/CTVNews/QPeriod/20071016/thronespeech_SIDEBARS_071016/)

<sup>24</sup> DFAIT. *Report on Plans and Priorities: 2009-2010*, page 2.

The original intent of the Americas Strategy was to leverage partnerships across government as well as with provinces, private sector, Diaspora, civil society and academe. The purpose was to maximize results and build a synergy among the efforts of various groups. To date, both DFAIT and outside groups acknowledge that their level of engagement on the Americas Strategy has been low despite outside groups continuing to play an important role in the Americas and expanding Canada's influence. None of those interviewed suggested there was an overlap between the roles. The perception was that due to the lack of coordination with outside groups by DFAIT, potential synergies could not be maximized.

## 4.0 PERFORMANCE

### 4.1 Achievement of Expected Outcomes

**Finding #4:** *Important results have emerged from the work of both DFAIT and OGDs in terms of supporting the key areas of the Americas Strategy.*

The Americas Strategy highlighted a series of expected results that were linked to specific initiatives or approaches to be undertaken as priorities. The following discussion provides an overview of the results achieved to date. It covers results from DFAIT, as well as OGDs—reflecting the whole-of-government intention of the Americas Strategy.

#### Prosperity Agenda

**Finding #5:** *Canada has been successful in negotiating Free Trade Agreements in the Americas along with a number of important environment, labour, air and Science & Technology agreements.*

One of the objectives of the prosperity pillar was “to build dynamic and growing economies and promote responsible investment and open markets that will create new opportunities and jobs”.<sup>25</sup> A main priority was to deepen access to markets, business and innovation networks in the Americas.

To fulfil this, the emphasis was placed on the negotiation and establishment of FTAs with key partners. FTAs were seen as the initial cornerstone for the Americas Strategy since they would create new opportunities for Canadian businesses in key markets within the region. With the lack of progress in the Doha round of multilateral trade negotiations<sup>26</sup>, regional and bilateral FTAs have gained in importance as a tool for maintaining positions within markets. Overall, Canada has slipped globally in terms of the proportion of merchandise trade with FTA partners. New FTAs are important tools to reverse this trend and bolster Canada’s performance.<sup>27</sup>

Expanding trade agreements has seen solid results to date. DFAIT has taken the lead on negotiating FTAs in the Americas and such Agreements have now been completed with Peru, Panama and Colombia. Negotiations are currently underway with CARICOM, Dominican Republic and Central America.

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<sup>25</sup> Canada's engagement in the Americas  
<http://www.international.gc.ca/americas-ameriques/engagement.aspx?lang=eng>

<sup>26</sup> Cancun Ministerial Conference, September 2003

<sup>27</sup> DFAIT, Office of the Chief Economist. January 25, 2010. “Canada’s free trade agreements in an international perspective.”



In addition to the primary agreements, successful conclusion has been seen in the important parallel agreements as well. Environment Canada has completed environment parallel agreements for the FTAs in Peru, Panama and Colombia. EC is now starting to provide technical support to partner countries to meet their environmental commitments under these agreements and assist countries to change their environmental practices. This technical assistance will be important for ensuring that environmental standards are improved in the partner countries.

HRSDC has completed labour parallel agreements for the FTAs with Peru, Colombia and Panama and is about to sign one with Costa Rica. HRSDC has been implementing a project to provide technical assistance to countries which have FTAs with Canada to meet their labour agreement obligations. HRSDC has succeeded in signing tougher labour agreements with Peru and Colombia that increased their labour obligations related to the technical assistance packages offered by Canada. The Colombia Agreement is one of the strongest labour agreements to date, reflecting concerns in both the region and Canada about possible negative impacts of FTAs on labour.

Some partner countries have also asked for assistance in adjusting to global markets and increasing their competitiveness in preparation for the implementation of the FTAs. CIDA has funded a \$20 million project to provide trade-related technical assistance to the countries negotiating and signing FTAs with Canada in order to support the countries' ability to maximize benefits from these agreements. This is in direct response to issues raised in partner countries.

Air agreements were recently signed with El Salvador, Cuba, Dominican Republic, Panama, and Barbados. These provide a framework for expanded services and linkages between Canada and the countries supporting trade and tourism. This has brought the total number of air agreements in the Americas to 22.

In 2010, a Framework Agreement for Cooperation on Science, Technology and Innovation was signed with Brazil. The Canada-Brazil Science and Technology Agreement will provide opportunities for bilateral cooperation in fields of common interest. This is an important step in building the bilateral relationships with Brazil in a key area.

## Security Agenda

***Finding #6: Commitments under the Security Pillar have successfully been addressed through a number of new DFAIT programs and initiatives. The Security Agenda of the Strategy has seen the most active involvement of partner departments.***

The security agenda targeted “enhanced regional stability and security by addressing the threats of drugs, organized crime, health pandemics and natural disasters.” A number of partners are active in the security area undertaking a range of initiatives.

Some highlights of the results to date include the following:

- DFAIT’s new Anti-Crime Capacity Building Program, which has secured \$5 million per year of funding from the International Assistance Envelope, has already provided \$8.5 million to 43 projects in the Americas aimed at enhancing the capacity of states to prevent and respond to threats from transnational criminal activity. This includes security issues such as illicit drugs and human trafficking, corruption, money laundering, security system reform and crime prevention.
- DND has been actively supporting the Jamaica Defence Force (JDF) for several decades. In recent years, the support was increased, assisting the JDF in becoming a leader in the Region in both training and security related issues. This work has already seen results in areas such as: the deployment of a JDF officer to work with Canada in Afghanistan; using Jamaica as a staging platform for emergency relief in Haiti after the earthquake; and decreasing drug trafficking through Jamaica. DND posted one more defence attaché in the Americas to support the work of the four attaches already in the field, managing the relationships with 22 countries. DND presence has increased the cooperation and dialogue between Canada and the Region and is contributing to more stable relationships.
- Canada provides annual contributions to the OAS Inter-American Drug Abuse Control Commission to tackle core issues around drug trafficking, improving international cooperation, and criminal justice reforms. A new hemispheric drug strategy has been developed and was approved by member states of the OAS in 2010. OAS member states committed themselves to strengthen national drug authorities, design and implement public policies that are updated periodically, promote periodic and independent evaluations and undertake programs of international cooperation.
- Canada has been supporting a range of disaster relief efforts including contributing to multilateral initiatives such as CIDA’s \$25 million contribution to the new Caribbean Catastrophe Risk Insurance Facility at the World Bank and the \$13.5 million to the Caribbean Disaster Risk Management Program. The

recent events in Haiti and Chile highlight the importance of preparedness programming.

- CIDA is providing funding to Justice Canada to work with Jamaica's Ministry of Justice to modernize the Jamaican justice system. This has included work in areas such as alternative dispute resolution. The participating communities report reduced crime rates as a result of the work to date.
- DFAIT's establishment of the Regional Office for Peace and Security in Panama is expected to provide a regional resource in Central America and the Caribbean on security issues. This regional operation will enhance the understanding of issues and Canada's role in their resolution.

## Promoting Democratic Governance

***Finding #7: Important progress has been made in the area of democratic governance; however, the broad-based nature of the needs in the Americas requires much more effort if Canada wants to maintain its visibility in the Region.***

The promotion of democratic governance aims at "strengthening democratic institutions, practices and principles that deliver freedom, human rights and rule of law". While important progress has been made in the region in this area, much remains to be done. The programming that has been undertaken reflects the broad based nature of the needs within the Americas. Highlights of DFAIT's work show this diversity.

- Since 2005, DFAIT's START Program has contributed almost \$15 million to Colombia's conflict prevention and peace building efforts. This includes support to non-governmental organizations providing legal assistance to the most vulnerable victims of the conflict and assistance to the OAS Mission to Support the Peace Process in Colombia. This support has increased confidence in the demobilization, disarmament and reintegration process and moved forward the reconciliation process. As one of the first donors to provide critical support to establish the processes and methods for building reconciliation, Canada's support has helped in the stabilization process.
- The Glyn Berry Program has been funding initiatives to support civil society, open media outlets and research networks focused on democracy. This has included support for the creation of a democracy research network for the Andean region. This network is developing a series of country reports, providing on the ground intelligence on the state of democracy in those countries. One-third of all funding from the Glyn Berry Program has been devoted to projects in the Americas.

- DFAIT's establishment of the Andean Unit for Democratic Governance in Peru will support the development of democracy networks in five countries in the Americas.
- A series of new education initiatives, such as the Emerging Leaders in the Americas Grants Program, have been put in place to support scholarships for foreign students from the Americas. As of 2009, 63% of all short term scholarships offered by Canada are going to students from Latin America and the Caribbean. These students will be exposed to Canadian systems and norms and will bring the models back to the region.

### **Strengthening Regional Associations**

***Finding #8: Canada has achieved tangible results through increased engagement with multilateral and regional organisations, and by leveraging its influence in key international financial institutions.***

One of the key aspects of the Americas Strategy was “working with regional organizations to find joint solutions to hemispheric challenges”. This focus on multilateral engagement was seen to be particularly important for advancing a hemispheric vision.

A number of priorities were identified. First, the Americas Strategy indicated that efforts would be made to assist the strengthening of key groups delivering benefits to citizens in the region. One of the most important groups in this area is the Pan-American Health Organisation (PAHO). A range of support has been provided to meet this objective. Health Canada has been supporting improvements in the governance structure of the PAHO. The focus of the work has been on areas such as improved transparency of operations and better tracking and reporting of results. PAHO has been making substantial progress in these areas as a result. CIDA has provided PAHO with both core funding and project specific funding in response to disasters and health risks. The Public Health Agency of Canada is currently working with Caribbean agencies and PAHO to develop a Caribbean Public Health Agency.

The OAS has also received a wide range of assistance from Canada to support common objectives. Canada is the second largest contributor and has 18 Canadians working for the OAS Secretariat. In terms of special funding programs, CIDA has been providing \$25 million of program funds (2008-2011) to support work in democratic governance including election monitoring and human rights. The OAS work on elections is being recognized as having a major influence on improving and maintaining democracy in the Americas. DFAIT is providing funds to the OAS to strengthen its capacity to support mediation efforts in the Region through its Department of Sustainable Democracy and Special Missions.

Second, the Strategy identified the importance of leveraging influence in key international financial institutions (IFIs). A wide range of results are emerging from this work with the IFIs. Some highlights include the following:

- In response to the economic crisis, Inter-American Development Bank needed more capital to assist member countries. To support the IDB, Canada increased its callable capital by \$4 billion for 5 years. This pledge basically acted as a guarantee and allowed the IDB to borrow on international capital markets at more favourable rates. This increased the IDB's loan capacity by 45%. Canada also assisted in the negotiations between borrowing countries and the US around the level of replenishment that the IDB would receive. This increased the overall commitment made by the member countries.
- Canada took a leadership role at the Caribbean Development Bank in terms of mobilizing contributions to the Special Development Fund (the concessional lending window) to meet the challenges posed by the economic crisis. Canada made an early commitment of funding at an increased level which acted as a catalyst to get other countries on Board quickly. Canada also pays for the membership of Haiti in the CDB so that Haiti can have access to the CDB's support.

Third, priority was also placed on re-establishing the Summit of the Americas as the primary venue for demonstrating regional leadership and action. The Summit process began in 1994 as a method for bringing together interests in the Americas and to provide an impetus for the Free Trade Area of the Americas (FTAA). With the collapse of the FTAA, the Summit process has at times struggled to find a new *raison d'être*. Canada views the Summits as an important element of the multilateral dialogue process for the Americas and places an importance on its continuation.

Canada committed to assisting Trinidad and Tobago, the host of the Fifth Summit of the Americas in 2009, to ensure it was a success. A wide range of support was provided by DFAIT and OGDs ranging from logistics to security. One of the specific results outlined in the Americas Strategy was to regularize the Summit process. Part of the Declaration emerging from the Port of Spain Summit was a commitment to this regularization of the Summit process and Canada is now supporting efforts to make the process more effective by focusing on areas such as implementation of the joint declarations.

In September 2009, Canada hosted the Sixth Plenary Meeting of the Inter-Parliamentary Forum of the Americas (FIPA), the hemisphere's primary forum for inter-parliamentary dialogue.

## **Bolstering Canadian Partnerships**

***Finding #9: DFAIT has managed to successfully coordinate efforts across departments for major initiatives in the Americas. The Department has been instrumental in leveraging resources and mobilising international assistance for Haiti.***

Another objective of the Americas Strategy was to “build a whole-of-government approach to demonstrate leadership and engagement in the Americas.”

- Coordinated efforts across government to respond to the earthquake in Haiti continued an approach that had already been in place for several years. Since 2008, an Interdepartmental Strategy on Haiti has guided the cooperation and implementation across GoC's agencies to deliver on a \$555 million commitment to Haiti. Major players in this strategy are CIDA, DFAIT, Department of Justice, DND, Department of Finance and the Department of Public Safety which includes the RCMP, CSC and CBSA. The response to the Haiti earthquake was rapid and involved other agencies such as Citizenship and Immigration Canada and the Public Health Agency of Canada to support a coordinated response to emergency needs.
- DFAIT was also instrumental in mobilizing international assistance for Haiti following the January 2010 earthquake. On January 25, 2010, the Government of Canada organised and hosted in Montreal the Ministerial Preparatory Conference on Haiti, which was attended by foreign ministers from the Group of Friends of Haiti, major donors and key regional and multilateral partners engaged in Haiti. This meeting laid out principles setting the stage for the first International Donor Conference, held in New York on January 31, at which the World Bank announced the cancellation of nearly US\$40 million in debt owed by Haiti to the World Bank. This was made possible by financial commitments by Canada and other donor nations. DFAIT and the Department of Finance worked together to provide the \$8 million Canadian contribution to this effort.
- Canada will be hosting the IDB Annual Meeting in 2011 and this is being used as an opportunity to have greater influence on the organization. A Committee has been established composed of PCO, CIDA, DFAIT and Finance to coordinate efforts and approaches for addressing this opportunity. Canada is also developing a strategy to guide its relationships with the IDB to ensure that CIDA, DFAIT and Finance are coordinating their approaches on an on-going basis.
- The approach taken to negotiating FTAs in the Americas also represents an important whole-of-government approach to trade negotiation. While DFAIT has the mandate to negotiate international agreements, it has worked closely with OGDs to ensure that all elements are covered. Parts of the negotiations are led or co-led with OGDs. For example, HRSDC leads the labour group; EC the environment group; CBSA the customs procedures and trade facilitation group;

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and AAFC the agriculture group. Under the recent negotiations with Peru and Colombia, for the first time, the Chief Negotiator was from Finance Canada, not DFAIT. This type of cooperation allows each department to contribute their expertise to critical aspects of the negotiation.

### **Expanded Canadian presence in the Region**

***Finding #10: Canada's influence in the Region has grown considerably as a result of the increased diplomatic presence and strengthened bilateral and multilateral relations with key countries and partners.***

One of the priorities of the Americas Strategy was “to increase diplomatic presence in the Region through high level visits and deployment of Canadian civil servants”. This greater presence in the region was seen to be key to building Canada’s influence by strengthening personal relationships on both a bilateral and multilateral basis. The appointment of a Minister of State of Foreign Affairs (MFSA) for the Americas has further increased Canada’s visibility in the Region and is seen by partner countries as a true demonstration of Canada’s commitment to strengthen relationships with the Americas.

There has been a substantial increase in the number of visits in both directions since 2007. The number of bilateral visits by Canada increased 300% between 2007 and 2009, including four Prime Ministerial visits, four Governor General visits, a wide range of Minister-level and senior officials’ visits, as well as incoming visits by Presidents from the Americas.

DFAIT also organized a Deputy Minister (DM) level visit to Brazil which involved nine departments. During this visit, important areas of bilateral cooperation were identified. There has also been a return visit by Brazilian DMs to continue the discussions and collaboration. Brazil represents one of the most important partners of Canada in the Americas.

The deployment of Canadians to the region was also identified as an important element to increase the bilateral linkages with key countries. In the last several years, Canada’s presence in the region has been expanded in important ways.

- DFAIT has already deployed additional staff to the Region and is planning to deploy more in 2010/11. Two new offices have also been established in Brazil. Staff are currently being hired for the security and democracy hubs.
- CIDA is decentralizing its Caribbean Regional Program to Barbados, moving staff and programming responsibilities to the field. This will allow decisions on future programming to be led from the field. The decentralisation will be completed in 2012.

January 2011

- DND has deployed an additional attaché to the Region in Cuba. This position was considered strategically important for Canada.

## Potential Challenges to Expanding Results

***Finding #11: Canada has achieved major results since the Americas Strategy was developed and has raised expectations with partner countries. However, more efforts are needed if Canada wants to remain competitive and maintain its achievements and visibility in the Region.***

Two issues are seen as potential challenges for the future achievement of results from Canada's efforts.

The first issue revolves around FTAs within the Region. Canada is not the only country negotiating bilateral FTAs with Latin American and Caribbean countries. The European Union (EU) and the United States have also been active with FTAs in the Region for a number of years. The Mercosur block of countries (Brazil, Argentina, Uruguay and Paraguay) has recently concluded an FTA with Egypt and has ongoing negotiations with Chile, the Dominican Republic, Jordan, Mexico, Turkey, Peru, Singapore and the EU. Countries like Colombia and Peru have also put in place a wide range of bilateral agreements in recent years.

The extent of the FTAs has begun to raise concerns within the region on a number of levels. The EU arrangements, in particular are perceived as having produced limited benefits to date for the countries involved. This concern increased with the onset of the economic crisis in 2008, where some countries blamed the crisis on trade liberalization.

While Canada has taken more balanced approaches, these do not seem to have been well advertised. A number of policy groups have been highly critical of the value of FTAs and their possible consequences, particularly in areas such as human rights.<sup>28</sup> Canada's agreement with Colombia, for example, has only recently passed the Canadian Parliament due to concerns about labour and human rights conditions within the country.

Canada has taken steps to address these types of criticisms. Parallel agreements on environment and labour are an important step in this direction. The approval of CIDA's technical assistance project for FTA countries is also a key method to help partner countries adjust to increased competition.

The difficulty arises from the fact that Canada has not done much in the region to differentiate its approach to FTAs from those of the EU and US. While the current

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<sup>28</sup> See for example, Canadian Council for International Cooperation. April 15 2009. "What role for Canada in the Americas?"



inclusion of parallel agreements on labour and environment, with mechanisms for monitoring, should help alleviate some of the criticism, they are not widely popular within the region, and Canada needs to build a better communications strategy around the FTAs. For example, Canada's Trade Assistance Project in the region has a very low profile with few partners being aware of it.

The second issue revolves around potential funding sources for work in support of democratic governance. In the past, CIDA has been the primary funder of democratic governance initiatives in the Americas, including the \$25 million provided to the OAS for programming. In developing its new priorities as an agency, CIDA no longer includes democratic governance as one of its three thematic priorities. Strengthening governance institutions and practices is now considered a cross-cutting theme.

The perception of a wide range of stakeholders is that this shift in CIDA's priorities represents a withdrawal from programs supporting long-term institutional and democratic governance reforms. If this is the case, it could create a vacuum in a critical area for Canada's relations with the Americas. This is a concern across departments and with outside groups.

Canada's current funding to the OAS for democratic support is ending in 2011. This funding has been a critical element for Canada to have an influence on democracy discussions. Funding for programs of institutional reforms in specific countries in the Americas has been important to help with embedding democratic principles in government departments as well as judiciaries.

Limited funds are available within DFAIT for governance programming. The Glyn Berry Program-Democracy Envelope funds several democracy support projects in the Americas, especially in the Andeans. START's programs focussing on the justice and security systems in Haiti, Colombia and Guatemala also include elements of democratic governance.

These trends raise the question of how Canada will continue to meet its objectives for the democratic governance pillar. Few people interviewed had a clear idea of how this would be done and many were concerned due to its importance for the Region.

## Canada's multilateral involvement and initiatives

***Finding #12: Canada has substantially increased its visibility and strengthened its influence in multilateral organisations through the provision of funding and support, as well as through its active presence in these organizations.***

As mentioned previously, Canada has built its influence in a number of organizations over the past few years, such as the OAS, the Summit of the Americas, the Caribbean Development Bank, the Inter-American Development Bank and PAHO. Its visibility has increased along with the recognition of Canada's ability to bring other donors and countries around the table to effectively coordinate activities. This broker role is praised in many of the multilateral organizations.

Strong Canadian presence in these organizations is seen in terms of staff, funding and participation of various Canadian departments in the multilateral organizations' governing and support structures. The presence of the Minister of State for the Americas at key multilateral events has considerably raised Canada's profile and influence.

Canada's involvement through multilateral initiatives or basket funds, used by some of the programs (GPSF, Anti-Crime Capacity Building Program, etc.) has provided support to multilateral organizations to pursue key priorities in the Region. Canadian funding is an important source of discretionary programming funds for organisations, such as the OAS and the United Nations Development Program (UNDP), which allows them to develop and deliver programs in key areas—raising the multilaterals' profiles and the profile of key issues.

## Canada's bilateral involvement and initiatives

***Finding #13: Strategic advocacy of Canadian interests has seen impacts on the multilateral stage. Bilateral efforts have not always been able to demonstrate the same results. This is partially due to the ability to have more strategic and on-going involvement multilaterally.***

A series of results were identified in the Americas Strategy relating to strategic advocacy issues—demonstrating leadership in the Region, influencing decision making and fostering dialogue. These aspects are at the core of the overall Americas Strategy and were important to be captured and assessed by the evaluation.

The strategic advocacy aspects of the Americas Strategy have seen more mixed success at the bilateral level. Some examples exist of Canada having increased influence in countries such as Colombia, Brazil and Honduras. These are countries where a great emphasis has been placed on both engagement and specific initiatives.

The success of other efforts, however, is less clear. After the 2007 official announcement of Canada's re-engagement in the Americas, expectations were increased in terms of what Canada would provide to the Region, and especially the Caribbean. The growing number of high-level visits to key countries in the Region is reinforcing these expectations. Most Canadian embassies in the Region have limited staff and resources to provide meaningful follow-up or effective support for programming, resulting in a threat of decreased credibility rather than increased visibility for Canada. The lack of practical follow up steps with partner countries often results in confusion among partners about the actual intentions of Canada and the meaning of "engagement."

Bilateral initiatives led by DFAIT are implemented mainly through specific programs and funding mechanisms (ACCBP, GPSF, Counter-Terrorism Capacity Building Program, and the Glyn Berry Program). These are important but short-term initiatives in many cases. The funding often goes toward multilateral institutions or other indirect funding mechanisms, which does not put Canada at the forefront or increase its visibility bilaterally.

In addition, the Evaluation found that different departments (CIDA, DND, IDRC) place emphasis on different countries and partners within the region under the Americas Strategy, based on the specific results they were trying to achieve in line with their individual department's priorities.

This leaves partners unclear about what Canada has in mind. For example, there were official announcements of Canada's extensive re-engagement with the Caribbean. Countries felt that both bilateral and regional relations would be increased with Canada as a consequence. The emphasis on the FTA with CARICOM raised concerns that this meant Canada was only interested in the region—not in the individual countries. CIDA's decision to move its programming from a bilateral basis to a strictly regional approach—no longer engaging in programs in individual countries—has further increased this concern. The question was raised of whether Canada was only interested in regional issues with groups such as CARICOM and no longer in bilateral relations.

***Finding #14: The lack of clarity on the Strategy's medium and long term goals and objectives was one of the major challenges to the effective implementation of the Americas Strategy. This was consistently raised as a concern by DFAIT, OGDs, partner countries and outside groups.***

The concept of re-engagement with the Americas was announced in the Region by the Prime Minister in 2007, after which DFAIT was tasked to develop a strategy and whole-of-government approach to the Hemisphere. A Secretariat was established to carry out the conceptual work in consultation with multiple stakeholders and by bringing together ideas from a wide range of departments.

The resulting document – the Americas Strategy – served as a general framework for engagement under which departments started developing their own approaches as things evolved. However, limited attempts were made to further develop this framework by setting priorities or providing a clear focus of the results to be achieved. This was partly due to the wide range of competing interests and limited guidance on what was originally intended. The lack of further guidance on the Strategy has proven problematic in the implementation process.

The evaluation found that many representatives of OGDs and some DFAIT employees responsible for the implementation of the Strategy had limited knowledge of the original intent and approach of the Strategy. A wide range of respondents indicated that they were not actually aware of what results were being targeted or how their respective departments were supposed to be contributing to the implementation of the Strategy. Few have seen the original documentation. In 2008, DFAIT made a presentation to all partner departments at the ADM level, outlining the goals of the Strategy, the rationale for and the expectations under each of the three pillars. There was an assumption that the presentation (a “Primer on the Americas”) would be shared with management and staff working on files related to the Americas in each department. However, interviews with a number of departments for the purposes of this evaluation did not indicate awareness of this presentation, be it as a result of departmental changes or staff turn over. Having regular updates and follow-ups would have been an effective way not only to maintain and refresh the corporate memory, but also to assure partners of the ongoing importance of the commitments made to the Americas, as well as to encourage better coordination of activities and leverage of efforts and resources across departments.

Those who were familiar with the text of the Strategy expressed different opinions on the document. Many described it as being a collection of ideas, not a strategy. Others felt it was too broad and did not provide a solid basis for setting priorities or judging progress. In other words, it was seen more as an argument to advance political and economic goals in the Hemisphere, rather than as a clear set of parameters for decision making.

According to some interviewees, the concept of “engagement” was not well explained and clarification was needed on how Canada’s progress and success in engaging with the Americas would be measured. For many, engagement seemed to be understood and measured mainly in terms of high-level visits. While high-level visits have contributed to enhanced visibility for Canada, they would need to be followed by concrete actions to further the engagement.

Without a clear framework for action, it has been difficult to reconcile the mandates and approaches of various departments and streamline their support for the Americas Strategy. For example, on the prosperity agenda, the Americas Strategy is focused on building the economic prospects of Canada and Canadians. However, some agencies

and departments, such as CIDA and IDRC, see the prosperity agenda as building the economic strength of the partner countries. While the two approaches could be seen as complementary, rather than contradictory, staff at CIDA and IDRC have indicated the challenge of aligning their prosperity priorities with the Americas Strategy and its particular emphasis on FTAs.

There have also been expectations that the Strategy will further evolve over time. A number of people have mentioned that it would have been useful if an Action Plan was developed involving all departments with agreed upon objectives, to ensure better alignment. Without such a plan, the opportunities to move from disparate activities by various groups toward a more concerted and focused effort will not occur.

The lack of clarity on the Americas Strategy within government is mirrored in the limited understanding of Canada's strategy outside the government, and particularly the private sector. While outside groups in Canada were positive about Canada's increased interest in the Americas, few could articulate what the priorities of Canada were or the interests being pursued. The early emphasis on FTAs made many groups believe that the prosperity pillar—and primarily the opening of markets for Canadians—was the primary objective. The lack of information on the specific goals of the Americas Strategy and the intentions of DFAIT and OGDs did not make it possible for groups outside the government to coordinate their efforts and directly support the implementation of the Strategy. Many assumed that DFAIT was not interested in working with outside groups active in the Region to achieve results along the three pillars. The Strategy was perceived as a government agenda with no role for outside groups to support it.

While country partners were positive about Canada's re-engagement announcements, they were not clear about what this meant in practical terms regarding their relations with Canada. Country partners expressed the need to have more clarity of what "Canada's interests" are in the Region so that they can be better involved as well. Questions were raised of how Canada was planning to engage with the Region and partners in a practical way, and what Canada's expectations would be from these partners/countries. None of these areas have been clear and as a result some partners are taking a "wait and see" attitude.

## **4.2 Governance and Whole-of-Government Approach**

***Finding #15: The Americas Strategy was designed as a whole-of-government initiative but there is not much evidence suggesting that the Strategy is implemented as such.***

The Strategy envisaged a whole-of-government approach to developing and delivering the priorities and objectives in the Americas. The Americas Strategy was specifically intended to provide a coherent and integrated framework for deployment of Canada's diplomatic, commercial, international assistance, security, immigration and other key

departmental resources. It was also indicated that for the Strategy to be a success, the commitment of all departments and agencies would be required to foster greater coherence among policies and programs in order to optimize whole-of-government resources and build synergies and cooperation.

This intention of building greater cooperation, synergy and more integrated approaches across government has not been fully demonstrated to date, however. There was limited evidence of groups coordinating their efforts outside of a few cases and contexts, such as Haiti which was a great example of inter-departmental cooperation. Within hours after the January 2010 earthquake, the Government of Canada managed to deploy civilian and military emergency management experts to Haiti. This rapid and comprehensive humanitarian response involved departments and agencies from across the federal government.

On January 25, 2010, the Government of Canada organized and hosted in Montreal the Ministerial Preparatory Conference on Haiti, which was attended by foreign ministers from the Group of Friends of Haiti, major donors and key regional and multilateral partners engaged in Haiti. Chaired by Canada's Minister of Foreign Affairs, the conference contributed to establishing a clear and common vision<sup>29</sup> within the international community for the early recovery and longer-term reconstruction of Haiti. Even though this was a rapid response to an emergency situation, the successful organization of this conference demonstrated the ability of the government and of DFAIT in particular, to mobilize and coordinate the efforts of multiple departments and international partners, and should be seen as a tribute to the respect of the international community toward Canada.

The government response to the emergency situation in Haiti and the broad-based financial and humanitarian support to the country have demonstrated the ability of DFAIT to organize a whole-of-government initiative, to mobilize and coordinate efforts across departments. The question arises of whether this whole-of-government experience could be applied in other situations, such as coordinated planning, concerted efforts and resource leverage across departments to respond to Canada's commitments of engagement with the Americas more broadly.

Staff in DFAIT and OGDs specifically indicated that besides Haiti, there have not been many opportunities to build synergies with other groups and among departments. Some even cited examples of policies and approaches between departments that were not always supportive of each other's priorities. For example, the negotiation of an FTA with Colombia has been a major priority for DFAIT and Canada. With the final conclusion of negotiations, one would expect that increased trade and investment would result. However, the evaluation found that Citizenship and Immigration Canada has been very slow in accommodating the growth in business visa applications. The business

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<sup>29</sup> **Ministerial Preparatory Conference on Haiti in Montreal**  
[http://www.international.gc.ca/humanitarian-humanitaire/haiti\\_reconstruction\\_haiti\\_statement\\_declaration.aspx](http://www.international.gc.ca/humanitarian-humanitaire/haiti_reconstruction_haiti_statement_declaration.aspx)

community in Colombia finds the waiting time of up to five weeks for obtaining a Canadian visa frustrating especially upon the backdrop of successful trade negotiations. Private sector representatives in Colombia see this as a major factor deterring Colombian businesspeople from travelling to Canada and building relationships, at a time when trade between the two countries should be encouraged and stimulated.

Aside from this particular case, the implementation of a whole-of-government approach faced a number of other challenges.

First, as noted in Finding 6, the lack of clarity on the intended focus and priorities of the Americas Strategy made it difficult for departments to identify which activities were most important and needed to be supported first. Without clear objectives and mechanisms to support coordination, departments, including DFAIT, did what they each believed was important. In essence, they continued to deliver on their own priorities and mandates, while trying to fit any results under the three pillars of the Strategy.

Second, the development of the Strategy started as a highly participatory process but according to OGDs and agencies, it ended as a document reflecting mainly DFAIT's priorities. The Strategy is perceived by most interviewees as DFAIT-driven in terms of announcements and deliverables. Departments can often not see their priorities in the approaches identified by DFAIT due to differing mandates.

Third, as will be discussed in Finding 16, the implementation of the Strategy has been hampered by the lack of leadership and mechanisms for building consensus across departments. A wide variety of issues have emerged since the Strategy was initially approved; however, no effective mechanisms were put in place to discuss the changes in the region and identify relevant priorities for action. Without clear leadership and a forum for consensus building, departments were left to pursue their own defined priorities and not a common set of objectives.

Fourth, no additional funding was allocated to the Strategy as there was an expectation that departments and agencies would realign their existing resources to respond to this government priority and meet the objectives of the Strategy. The flexibility to do this within departments varied and was often minimal. This meant that even when areas of potential collaboration were identified across departments, those departments could not easily realign their funding to meet objectives beyond their existing priorities.

The lack of coordination among departments has limited the effectiveness of Canada's interventions in the Americas. With the exception of Haiti, which is an impressive demonstration of concerted whole-of-government efforts, no major incentives to build synergies among initiatives and to leverage the efforts and achievements of individual departments and agencies have been noted, as originally envisaged in the Americas Strategy.

***Finding #16: The current mechanisms for coordination between DFAIT and OGDs are not functioning as they were envisioned. Information is exchanged but there is a limited ability to discuss ways to plan and coordinate efforts. No mechanism exists to discuss priorities and priority setting.***

While two Interdepartmental Committees have been established—on security and democratic governance—few feel these are functioning as originally planned. The meetings of these committees have become information sessions and opportunities for departments to report on activities and initiatives that fit under the pillars of the Americas Strategy and not as opportunities to discuss priority setting and action plans. They do not allow for discussion on strategic directions for action or effective coordination of efforts. A review of minutes showed that departments basically reported on what they were doing in the field, but few discussions have taken place on shifting priorities in the Region and the need for strengthening coordination and cooperation among departments. A number of OGDs questioned the usefulness of these committees beyond information sharing.

Only one meeting of Deputy Ministers has been convened on the Americas Strategy since January 1, 2008. Four meetings at the Assistant Deputy Minister (ADM) level have been convened for information sharing. No other high level meetings have taken place on the Strategy per se. A few interdepartmental meetings, at the DM, ADM and Director General (DG) levels, have focused primarily on specific countries such as Haiti, Brazil and Chile. This approach was seen as being more productive since such meetings usually deal with specific issues or interests within a country and can lead to concrete decisions as opposed to general information sharing.

The Strategy called for the creation of a multi-sectoral Advisory Committee for the Americas lead by the Minister of Foreign Affairs. This group was technically formed, but it never met. As a consequence, no steering or oversight mechanism was established to guide the implementation of the Strategy and facilitate coordination across departments. Without this high level consensus building forum, movement toward a more coordinated and whole-of-government approach has not been possible.

The lack of a steering-type committee was seen as a missed opportunity for high level discussions and consensus building on priorities and resource mobilization to the Americas. If no steering committee gets established in the near future, individual departmental priorities will continue to dominate and the approach will remain fragmented, rather than whole-of-government.

The recent reorganization of DFAIT's Latin America and Caribbean Bureau may make the importance of establishing appropriate decision making and coordination mechanisms even more critical. It also presents an opportunity to review lessons learned and devise strategies for a more effective implementation of the Strategy.



***Finding #17: The primary reporting mechanisms for the Americas Strategy rely on individual departments and DFAIT divisions to record activities and results. Without a broad results framework for the Strategy, these activities are simply compiled to show progress.***

The Americas Strategy does not have a clear results framework for what was to be accomplished. The Strategy had some general results stated but these were related to activities in specific countries or with specific multilateral partners. Since the Strategy was unfunded, no Results-Based Management and Accountability Framework was prepared.

As a consequence, no consistent reporting against agreed results under the Strategy was established. The 2009 Canada and the Americas: Priorities and Progress Report and the yearly decks have been the primary mechanisms used to report results; however they represent amalgamations of activities by various departments and not a structured method for assessing progress being made on the Strategy. In addition, Departments report on various activities through their yearly Reports on Plans and Priorities. Except for reports related to specific events such as the Summit of the Americas, only a few other reports are prepared on activities, issues or challenges.

A results framework is needed which DFAIT and partners can then report against. This would also help to clarify and if need be to revise and update the objectives of the Strategy and how these can be achieved. Without a results framework, the reporting will continue to be anecdotal and activity-based.

#### **4.3 Demonstration of Efficiency and Economy**

***Finding #18: Underlying the original approval of the Americas Strategy was an assumption that OGDs would be able to mobilize internal resources to support increased programming in the Americas. In reality, this was not feasible in some cases.***

The Americas Strategy was not intended to be funded and was based on the assumption that government departments would be able to realign their existing funding to increase their work and presence in the Americas. Most OGDs see the lack of new funding as a blockage to achieving greater results in key areas in the Americas.

To date, OGDs have not been able to reallocate sufficient funds to meet the objectives of the strategy. Many departments and agencies have limited discretionary funding that can be used for international work. The lack of flexibility in their current funding pools, and the lack of new funding for the Americas Strategy, has resulted in missed opportunities for more coordinated planning and interdepartmental cooperation in the Americas.

Health Canada, for example, provides a wide range of experts to support PAHO in its work in the Region and organizationally. However, due to the lack of funds at HC for international work, PAHO has been covering the costs for the participation of 60-70 technical experts from HC each year to support PAHO's programming.

Despite the above limitations, some groups have been creative in mobilizing resources to increase their work in the Americas. DND, for example, has realigned its program funds under the Military Training and Cooperation Programme to increase the proportion going to programs in the Americas. Thus, DND has gone from 18% of the total programming budget in 2005-2008 to 30% (approximately \$4 million) for the period 2008-2011. Overall funding for the Americas, however, remains limited.

Two groups—Environment Canada and HRSDC—were able to leverage funding internally and from CIDA to support their programs of institutional strengthening for the environment and labour parallel agreements to the FTAs. Without the CIDA support, there would have been no assistance to the countries signing FTAs in meeting the conditions of the parallel agreements for labour and environment.

***Finding #19: DFAIT has effectively used the means available to achieve results. Since the Americas Strategy was unfunded, the Department heavily relied on existing programs, priorities and staff. While this has allowed DFAIT to deliver on many commitments, the limitations to staff and resources have also meant that some aspects of the Americas Strategy could not be effectively implemented.***

DFAIT has realigned some of its existing programs toward the Americas to achieve greater results in support of the Americas Strategy. For example, a series of initiatives under START have increased their funding going to the Americas. The major change under the GPSP to support the Americas Strategy has been the inclusion of Guatemala as a new country of focus. Approximately, \$1 million has been committed per year starting in FY 2009-2010. Increases have also been seen in Haiti, primarily as a result of the earthquake with funding going from \$15 million per year to \$25 million in 2010-11. The funding for Colombia has stayed the same.

The Global Peace Operations Program (GPOP) has traditionally focused on Africa. Since FY 2007/08, GPOP has gradually increased its funding for the Americas, totalling \$2.6 million to date. Approximately \$1 million of the total \$8 million annual GPOP budget is going to the Americas. This supports the security pillar and covers activities such as peacekeeper training at Peacekeeping Training Centres, funding non-governmental organizations and increasing the capacity of LAC countries to contribute to UN peace keeping missions in Haiti and other locations. In addition, one-third (\$1 million) of the democracy envelope of the Glyn Berry Program is directed toward the Americas.

New initiatives have also been put in place at DFAIT. The recent approval of the Anti-Crime Capacity Building Program provides new funding for program initiatives specifically in the Americas. The priorities are seen in areas such as illicit drugs, human trafficking, money laundering and a security system reform. This initiative started in 2009 and will supply \$15 million per year to support a wide range of projects with multilateral, DFAIT and OGD partners. ACCBP complements the Counter-Terrorism Capacity Building Program, (a global program), which has 54% of its total funding (\$7 million) going toward the Americas.

A new short-term scholarship program, the Emerging Leaders in the Americas Program, was approved in 2008 with a budget of \$17 million over a five-year period. It will support up to 1,880 short-term exchange scholarships over five years for students from Brazil, Mexico, Peru, Colombia and the Caribbean. This program, combined with the Canada-Chile Leadership Exchange and Canada-CARICOM Leadership Awards, has substantially expanded the coverage of scholarships in the Americas.

The establishment of the security and democracy hubs has also increased Canada's presence in the Region. For example, by the end of the summer 2010, 8 staff will be in place to support the Andean Unit in Lima, Quito, La Paz, Caracas and Bogotá. In addition, \$500,000 has been allocated to the Andean Unit for program funding out of the Glyn Berry Program's democracy envelope.

While the success stories and programs described above indicate DFAIT's efforts to meet the commitments made under the Americas Strategy, they do not reflect the challenges experienced by the Department in the implementation of the Strategy. For example, the Latin America and Caribbean Bureau's human resources have been stretched over the last three years to implement the increased level of activities as a result of the Americas Strategy. The threefold increase in high-level bilateral visits has strained the staff at both HQ and Posts. The appointment of a Minister of State of Foreign Affairs for the Americas and the addition of a Secretariat function within the Bureau to support the Minister's program have increased the intensity of the exchanges. Staff have taken on increased roles in areas such as supporting the Summit of the Americas process, and organizing the international conference for Haiti in Montreal.

DFAIT has been able to meet these increased commitments at HQ and in the field without increased staff levels or funding.

The Latin American and Caribbean Bureau's (GCD) workload has historically been higher in terms of management when compared to other regional bureaux. For example, in 2009, unlike the Asian and European regions, with 26 and 32 missions respectively, which were covered by two bureaux each, relations with Latin America and the Caribbean were the responsibility of one bureau only, covering 26 missions.<sup>30</sup> In

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<sup>30</sup> Capacity Constraints & Delivery Impediments in the Latin America and Caribbean Bureau (GCD). DFAIT. July 2009.

addition, as a result of compression demands at DFAIT, the FTE count of the GCD bureau was reduced by 6% over a period of three years.<sup>31</sup> This ultimately resulted in a greater administrative burden in areas such as development and approval of country strategies, mission staffing, Heads of Mission (HOM) performance management and budgetary oversight, as well as in fewer opportunities for the Bureau to capitalize on its demonstrated intellectual capacity and foreign policy leadership. While the ability of the staff to continue to deliver on the increased commitments made to the Americas is a tribute to their professional skills and dedication, it is unsustainable vis-à-vis the current rate of demand and expectations.

While, the Latin American and Caribbean Bureau has effectively used its existing human resources to meet the increased demands generated by the implementation of the Americas Strategy, there is some question as to the trade-offs from the broader Americas Strategy picture. As pointed out elsewhere in this evaluation, key aspects of the Strategy, such as greater outreach to partners, stakeholder engagement and follow-up on high-level visits have not received enough attention due to the lack of sufficient resources, both human and financial, within the Bureau and posts.

There were expectations that other departmental strategic initiatives, such as the Global Commerce Strategy and the SR-400 initiative would provide necessary support to the implementation of the Americas Strategy, especially the prosperity pillar. With the support of the GCS, twelve new positions were created at posts.

The results from the annual SR-400 initiative have been more mixed. For 2009, the Americas received 7% of the resources that were moved to the field, compared with 18% each in other markets such as the US and Asia. The positions for the Americas allowed the initial staffing of the security and democracy hubs but there were only a few new positions at missions to support the increased workload.

The 2010 SR-400 process allocated a greater share of the positions to go to Latin America, representing 26% of the total. Ten new positions will complete the staffing of the two hubs. In addition, five new positions will be staffed at Posts—two trade positions in Quito, one position in Haiti and two specifically focussed on education in Brazil. It will also support the introduction of the new business model announced in July 2010 and the re-organization of the Latin America and Caribbean Bureau. This model will see changes such as an expanded responsibility of the Ambassador and Permanent Representative to the OAS who will be overseeing operations at both PRMOAS and Headquarters. At HQ, the political and trade functions will be amalgamated and two new integrated divisions developed—one dealing with bilateral relations and one with strategic relations.

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<sup>31</sup> Ditto

While additional new staffing will strengthen the delivery of programs, DFAIT's limited ability to reallocate resources within the Region and across regions may not allow for further flexibility and adjustment of workloads, including number of staff, among posts in the Region based on changing priorities. This inflexibility exists both within missions, e.g., between Trade and the Political, Economic Reporting and Public Affairs Program (PERPA) and between missions in terms of segregation of funds, and ability to shift resources amongst countries as priorities change. In some missions, such as Rio de Janeiro, the lack of space becomes an additional impediment.

As a consequence, the ability of the Bureau to further improve efficiency in the field is limited. At the same time, the increased demands placed on staff by official commitments and rising expectations of partners in the region will test the ability of the Department to continue to deliver on the results expected from the Americas Strategy.

### **Increasing Global Competition**

***Finding #20: Latin America is not only a dynamic region but also a diverse one. A wide range of factors are impacting Canada's ability to effectively implement the Americas Strategy, including the growing international competition and shifting influences in the Region.***

The Americas Strategy has raised expectations of Canada being able to play a leading role in the Region; however, competition for influence in the Americas has steadily been growing over the past years. A number of other countries are also trying to engage or re-engage. This includes traditional players, such as the EU and US, and non-traditional ones, such as China, India and Australia.

Within the last year, the EU has started to place increased emphasis on the Americas. The EU - Latin American summit in May 2010 was seen as a way to "re-launch" relationships with the Americas. This was partially due to Spain having the rotating presidency of the EU and partially because China is now starting to overtake the EU as Latin America's second largest trading partner.<sup>32</sup> The EU has recently finalised FTAs with Peru, Colombia and the Central American states, completed an Economic Partnership Agreement (EPA) with CARICOM, and is restarting negotiations with the MERCOSUR trading block.

This increased focus by the EU on the Americas has already had an impact on Canada and its priorities. Canada's negotiations on an FTA with CARICOM have been very slow to date—partly because of the perception in the Caribbean Region that the EPA negotiated with the EU has not had a positive impact in the Region in terms of increased exports or economic growth.

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<sup>32</sup> Andrew Willis. June 30, 2010. "EU Warned not to ignore Latin America" EU Observer.

China's position in the Region has strengthened not only as a trade and investment partner but also in other areas. In 2008, for example, China issued a White Paper on Latin America and the Caribbean,<sup>33</sup> calling for comprehensive cooperation in not only economic but also political, social, cultural, judicial and security areas. Results are already being seen in terms of the range of high level official visits taking place in both directions and the increased levels of development assistance. China is suddenly rivalling the World Bank and the IDB as a major lender to the Americas. Groups, such as the Economic Commission for Latin America and the Caribbean (ECLAC) are promoting stronger and more extensive relationships between the Americas and China.<sup>34</sup>

In times of economic crisis, influence is becoming more closely aligned with who can provide countries in the Americas with needed funding and support. This may make it more challenging for Canada to remain competitive since it has less flexibility and fewer tools at its disposal. As noted above, since Canada cannot tie trade and development funding together as the EU does, negotiations may become more difficult than expected. China has also demonstrated higher flexibility and adjustment to the needs of the Region by providing a wide range of development funding with no strings attached, even in the area of governance.

### **Shifting Influence Trends in the Region**

The influence of countries within the Americas is also shifting. Brazil is taking a greater leadership role not only in the Region, but globally. In the last several years, the Government of Brazil has established additional consulates throughout the Americas including small Caribbean countries. Its extensive development assistance program is undertaking projects to help the poor. In fact, when considering all routes of funding from the Brazilian government, Brazil is now implementing a global development assistance envelope larger than CIDA's.<sup>35</sup> Brazil is also taking a leadership role in other areas. Brazil led the group in opposition to the ouster of Honduran President. Brazil is also taking a leadership role in the reconstruction of Haiti.

The leaders from Latin America and the Caribbean met in February 2010 to discuss a unified agenda for the Region on key issues. The resulting Declaration of Cancun outlines a broad regional consensus on major areas of concern including democracy, development, human rights and the environment. A decision was reached to constitute the Community of Latin American and Caribbean States. This decision was based on the perceived need for the countries to have their own regional space where consensus

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<sup>33</sup> For the full text, see [http://news.xinhuanet.com/english/2008-11/05/content\\_10308117.htm](http://news.xinhuanet.com/english/2008-11/05/content_10308117.htm).

<sup>34</sup> UN ECLAC. May 2010. *The People's Republic of China and Latin America and the Caribbean: towards a strategic relationship*.

<sup>35</sup> The Economist. July 15, 2010. "Brazil's foreign aid programme: Speak softly and carry a blank cheque".

could be built without the influence of outside groups and countries such as Canada and the US. What this decision means is unclear at this point. Some people contend that it will decrease the influence of the OAS; others that it will simply provide an additional forum for discussions. The next meeting to discuss the Community is scheduled for July 2011. Regardless of what happens, there is a clear trend toward greater cooperation and consensus building within the Region on key issues, without Canadian or US participation.

These trends within the Region will make Canada's ability to position itself on emerging issues even more critical in the future. In the past, Canada has played a role of a neutral party and trusted broker. To continue with this role and have influence in the Region Canada will have to make strategic decisions, which take into account Canadian interests and Regional trends, while providing a clear idea of how to move forward the objectives of the Americas Strategy.

### **Communications and Outreach**

***Finding #21: One of the weakest areas of the Americas Strategy implementation is seen in the area of communications. Information available on the Strategy and its priorities is limited even within government departments. Broader communications efforts to non-government stakeholders or partners are very limited.***

Interviews with staff at both DFAIT and OGDs indicated that the information circulated on the Strategy has been very limited. In July 2008, DFAIT developed a primer on the Strategy to assist in its implementation. This was circulated to a wide range of departments involved in the development and implementation of the Strategy and was to be used as a tool for briefing new staff members. While it appears to be comprehensive in terms of information on the Strategy, it has not been used extensively for new staff since those interviewed for this evaluation had not seen the document.

Very little information is currently shared or available beyond a listing of activities being undertaken. The Canada and the Americas: Priorities and Progress report published in 2009 is seen as an informative document, but contains only broad concepts and a list of activities being undertaken or accomplished.

This lack of clearly stated priorities and action plans makes it difficult for partners within the government, civil society and the private sector to understand what the Strategy is intending to achieve in the medium and long term, and how. Non-government organizations, private sector groups, and even OGDs have indicated that they still do not have a clear sense of what "re-engagement" means or what the priorities of the Government are under the three pillars. Besides episodic press releases, no information has been provided to the public for over a year. This lack of information and publications

leads to a variety of misunderstandings and misinterpretations in terms of the intent of the Strategy.

Even programs that rely on the direct participation of outside groups in Canada are not well communicated. One example is the Emerging Leaders in the Americas Program. Despite the fact that the Program is intended to bring international students to Canadian universities, the lack of sufficient information in Canada on the Program has become a major blockage at Canadian universities, which have to sign exchange agreements with universities in Latin America.

***Finding #22: The limited general knowledge of the Americas Strategy is further aggravated by the lack of effective outreach strategies for partners in the Region.***

The Americas Strategy recommended that a high level, proactive approach be taken to highlighting and communicating the importance of the Americas and Canada's objectives in the Region. While it called for the development and implementation of a detailed communications plan, such plan has not yet been developed. Some elements of the Strategy have been implemented, including a website on the Americas and announcements around high level visits. A communications plan was developed for the Summit of the Americas in 2009 which included the publication of the Priorities and Progress report. No systematic approach has been taken to communications, however.

After the announcements in the Region in 2007 of Canada's re-engagement, the only visible signs of the Strategy were isolated initiatives. For example, there was movement ahead on FTAs with Peru and Colombia. A few funding announcements were made such as the creation of a Colombia country envelope under the GPSF and disaster management support for the Caribbean. Some high level visits took place as well, but none of these clarified what the re-engagement really meant and how Canada's relationship to the Americas would shift.

The publication in 2009 shed a bit of light on activities underway but was not considered a good document for articulating Canada's vision for its participation in the Americas or the priorities being targeted. Simply reiterating the three pillars and general statements did not provide partners within the Region with a clear sense of Canada's focus.

The lack of effective outreach strategies has created challenges in the field and has reduced the opportunities to promote Canada's engagement and visibility in the Americas. Partners in the field know about the official announcement of Canada's re-engagement in the Region made by the PM and other ministers during high-level visits, but have little information on what this means in practical terms. The announcements made during official visits have raised expectations but the lack of follow up in most cases has made Canada appear "silent" and indecisive to local partners and country governments.



This lack of an effective communications and outreach strategy is having an impact on Canada's objectives in the Region and achievement of results. The ability to implement the intent of the Strategy is lessened.

## 5.0 CONCLUSIONS

***Conclusion #1: The rationale for having an Americas Strategy is sound and Canada's decision to engage in the Region is timely.***

The re-engagement of Canada with the Americas has received a wide-spread support within government and with outside partner countries and groups. Canada has historically played an important role in the Americas and the Strategy re-emphasizes methods for building greater linkages and results. The changing character of the Region, and the nature of the new prospects and challenges, makes this an opportune time for Canada to strengthen its programming and support.

***Conclusion #2: Solid results have been seen to date with specific initiatives supporting the three pillars of the Strategy—economic prosperity, security and democratic governance. Strategic advocacy goals, aimed at increasing Canada's influence in the Region, have had more mixed success.***

DFAIT and OGDs have produced results to date in key areas in support of the Americas Strategy. These include: completion of FTAs; establishment of environment and labour parallel agreements; capacity development with key institutions in the Americas; support to multilateral organizations; establishing security and democracy hubs; and increasing the number of civil servants deployed to the Region.

The Americas Strategy also had strategic advocacy objectives aimed at demonstrating leadership in the Region, influencing decision making and fostering dialogue. In this area, the results have been more mixed. Canada has increased its influence in multilateral fora and is seen as a strong supporter of multilateral initiatives.

On the bilateral front, however, the results are harder to gauge. The primary tool for increasing influence and leadership has been the increased number of official visits including those by the Prime Minister, Governor General and Ministers. While these visits provide the perception that Canada remains interested and committed to the Region, there are concerns that Canada might not be able to deliver over time on the expectations created in the Region by these visits and the related announcements. Limited follow up has been done to date to deliver on these commitments. Human and financial resources are not sufficient to meet the increased expectations and commitments on a sustainable basis.

**Conclusion #3: *The biggest implementation challenge remains the lack of clear objectives and a Results Framework for the Americas Strategy.***

Three years after the Strategy was approved, confusion continues to exist among DFAIT, OGDs and outside partners on the objectives of the Strategy, the exact nature of Canadian interests in the Region and the results being targeted. A number of factors contribute to this confusion, including the lack of an action and/or implementation plan. There are no results frameworks which articulate what the actual priorities and objectives under each of the three pillars are. This contributes to the lack of coordination across government departments and between government and outside groups operating in the Region.

The lack of clarity has lessened the effectiveness of the implementation of the Strategy and caused partners to be hesitant regarding Canada's intentions.

**Conclusion #4: *While the Strategy indicated that a whole-of-government approach was to be taken, this has not happened outside of the emergency response to the earthquake in Haiti.***

The Americas Strategy indicated that a whole-of-government approach was critical for increasing the coherence among policies and programs of various departments, optimizing resources and building synergies and cooperation. Few examples have been seen to date.

Government departments and agencies have interpreted the Strategy broadly with limited coordination of efforts. The Strategy is not seen as a binding document or a whole-of-government initiative. Departments dictate their own priorities and then fit them under one of the three broad pillars. Mechanisms for coordination are not effective.

The reasons for this lack of coordination range from differing departmental mandates to lack of clarity on what is to be accomplished under the Strategy. The whole-of-government approach cannot work effectively without strong leadership and clear priorities, and neither of these is currently in place.

**Conclusion #5:** *No effective coordination mechanisms are in place to build a consensus on priorities or an understanding of how the Strategy could be implemented as a whole-of-government initiative. The high level Advisory Committee identified in the Strategy has never met.*

The current Inter-Department Committees on the democratic governance and security pillars are not effective methods for coordinating efforts or determining priorities for work in the Americas. They presently act as fora in which departments can exchange information on activities.

For whole-of-government initiatives to be effective, there needs to be a high level mechanism for discussing priorities and building a consensus on approaches to be taken. The fact that the multi-sectoral Advisory Committee has never met represents a missed opportunity to bring clarity to the objectives of the Strategy and increase coordination and synergy among departments and initiatives.

**Conclusion #6:** *The assumption in the Americas Strategy that DFAIT and OGDs could mobilize internal resources to increase programming in the Americas has faced a series of challenges.*

The Americas Strategy assumed that both DFAIT and OGDs could realign their existing resources (human and financial) to increase Canada's work and presence in the Region. While both DFAIT and OGDs have attempted to do this, there has been mixed success partially due to the inflexibility of the current funding pools.

DND has shifted the funding within its Military Training and Cooperation Program to focus more on the Americas. EC and HRSDC have been able to mobilize their internal resources to increase activities as well as leverage funding from CIDA to do longer term technical assistance to support partner countries' implementation of the environment and labour parallel agreements.

DFAIT has realigned some of its existing programs toward the Americas. It has also put in place a number of new initiatives such as the security and democracy hubs and the new Anti-Crime Capacity Building Program.

While DFAIT has done an effective job of delivering on the commitments in the Americas Strategy, it has been constrained by the lack of new resources and staff to meet the growing demands. The increase in activities in the Region, such as high level visits, has severely stretched the human and financial resources available.

There has not been any realignment of staff resources within DFAIT toward the Americas that would allow a better tackling of the outstanding shortcomings in the

implementation of the Strategy. As a consequence, the LAC Bureau has had limited ability to improve its efficiency and may be facing issues around the sustainability of the current levels of activities. A recent reorganization may alleviate some of the problems but there is still no evidence of whether and how it will address many of the current constraints.

***Conclusion #7: The Americas Strategy needs to be nourished by the people on the ground and informed by two-way communication strategies. The lack of clear communication guidelines and outreach strategies is causing confusion not only among departments but also among partners in the Region.***

Information and communications around the Strategy have been poor to date. Besides the 2009 *Canada and the Americas: Priorities and Progress Report*, no further documents are available outlining the intention and objectives of the Strategy.

Official announcements in the Region of re-engagement have been followed by silence in many cases. Outreach strategies in partner countries are limited, reducing the ability to promote Canada's engagement and visibility. This lack of a communications strategy and effective outreach undermines the visibility of the work Canada is doing in the Region and the results being achieved.

## 6.0 RECOMMENDATIONS

**Recommendation #1:** *That DFAIT, in consultation with OGDs update the priorities, approaches and results framework of the Americas Strategy.*

The Region has changed substantially since the Americas Strategy was formulated. A review will allow the Americas Strategy to become a more dynamic strategy that better reflects the changing nature of the Region over time. This would also allow a greater differentiation in the approaches and initiatives for the various sub-regions in the Americas, recognizing the needs and priorities of each region and/or country.

The review should look at trends in the Region, lessons to date and best practices. It should also look at the extent to which the reallocation of resources toward the Americas is in line with the commitments being made under the Strategy. Methods to improve coordination and coherence of efforts should also be identified.

**Recommendation #2:** *That a high level Inter-Departmental Steering Committee be formed with a decision-making mandate for the implementation of a whole-of-government approach to the Americas.*

An effective whole-of-government approach requires the establishment of a decision-making Steering Committee with a mandate to identify priorities and provide direction to all government departments on the goals to be achieved in the Americas. This high-level Committee will also act as a forum for reconciling issues arising from the different mandates and priorities across government departments. The Committee will be responsible for periodically analyzing the issues, needs and trends in the Region and deciding on Canada's approaches to best engage by leveraging the efforts and streamlining the resource allocations of various departments. The level of the Committee Members (DG or ADM) and its specific mandate should be discussed and agreed upon among departments, implementing agencies and missions.

**Recommendation #3:** *That an effective mechanism be established to coordinate initiatives and implement a whole-of-government approach in the field.*

With a high level decision making body in place, there is also a need to revamp the approaches being used for coordinating the implementation of activities at the country or regional level. The current Inter-Departmental Committees are not effective in this role.

Methods for greater coordination could be explored including:

- A new Inter-departmental Committee with a clearer mandate and authority to coordinate;
- A Task Force approach as seen for Haiti; or
- Identification of other feasible options for better coordination both in Ottawa and in the field.

**Recommendation #4:** *That a clear communication strategy be developed by DFAIT for regular sharing of information among departments, agencies, NGOs, the private sector and the Canadian public.*

In Canada, the challenge is to clarify the domestic value proposition of the "what" and "why" we are doing in the Americas, i.e., what are the domestic drivers for the Strategy, and how can they bring various government departments, NGOs and private sector organizations to work together toward a common goal.

Once Canada's medium and long-term goals are identified, a communication strategy needs to be developed to support government departments in making informed and coordinated decisions on approaches and activities in the Region.

Clearly communicating the goals of Canada's engagement in the Region is a major condition for the successful involvement of other players, such as the private sector, NGOs and provinces in order to leverage their participation and streamline efforts and resources.

The communication strategy also needs to reach the Canadian public and the local Diaspora, who could play an important facilitating role in the implementation of the Strategy.

**Recommendation #5:** *That a clear outreach strategy be developed for sending a consistent message to the Region, reflecting Canada's goals and expectations in the Region.*

The current challenge for Canada in the Region is "how to sell" the Americas Strategy. No outreach strategy is currently in place for the Region to allow consistent messages and information to be shared with partners. Partners are confused about what the Strategy entails.

The outreach strategy needs to be developed and implemented in the Region in order to ensure that partners understand Canada's interests, priorities, how Canada is planning to engage with them and what Canada's expectations are from the partners/countries in the Region.

## 7.0 MANAGEMENT RESPONSE AND ACTION PLAN

### RECOMMENDATION 1

That DFAIT, in consultation with OGDs update the priorities, approaches and results framework of the Americas Strategy.

**Associated Findings: 3, 4, 5, 6, 7, 9, 10, 11, 12**

Management Response & Action Plan	Responsibility Centre	Time Frame
<p><b>Agreed.</b> The results of the Americas Strategy are assessed on an ongoing basis and priorities and approaches are regularly updated by DFAIT and our partners across the Government of Canada. GNM/GBD/GBA will incorporate existing consultation mechanisms with OGDs regarding Government of Canada priorities and approaches in Latin America and the Caribbean into a more integrated structure. This will facilitate the updating of priorities and approaches on a more systematic basis.</p> <p>This is accomplished through interdepartmental discussions which are an integral part of the <b>annual briefing to Cabinet</b> on the Americas Strategy. This annual briefing to Cabinet allows Ministers and Cabinet to confirm our results and approach going forward. MSFA will take the updated strategy to the Foreign Affairs and Defence committee of Cabinet in the spring.</p> <p>It also includes building on existing <b>interdepartmental working groups</b> under the security and democratic governance pillars to ensure they provide an effective forum for policy analysis and that they feed into higher-level review and decision-making activities.</p>	GNM, GBD	Ongoing through annual briefings to Cabinet and regular interdepartmental working group meetings.



## RECOMMENDATION 2

That a high level Inter-Departmental Steering Committee be formed with a decision-making mandate for the implementation of a whole-of-government approach to the Americas.

### **Associated Findings: 7, 8**

Management Response & Action Plan	Responsibility Centre	Time Frame
<p><b>Agreed.</b> Existing ADM-level interdepartmental meetings will be regularized, with the committee being convened two times per year. These meetings will be complemented by DG-level meetings, also to be held at least two times per year, with a view to using this process both to report activities and results related to the Americas Strategy and to take necessary decisions regarding updating priorities and approaches.</p> <p>These meetings will feed into the <b>DM-level Sub-Committee on Representation Abroad</b>, which will place the Americas Strategy on its agenda regularly, to ensure that the vision for the region and decisions on implementation of the Strategy are agreed to at the highest level.</p> <p>The ADM- and DG-level meetings will also ensure that the strategic direction provided by the DMs is acted upon in an effective and efficient manner.</p>	GNM, GBD	Throughout 2011-2012 Fiscal Year

### RECOMMENDATION 3

That an effective mechanism be established to coordinate initiatives and implement a whole-of-government approach in the field.

**Associated Findings: 7, 8**

Management Response & Action Plan	Responsibility Centre	Time Frame
<p><b>Agreed.</b> Americas Strategy initiatives are already coordinated and a whole-of-government approach implemented in the field by our Heads of Mission (HOMs) in their role as representatives of the Government of Canada in their respective countries of accreditation. This in-the-field coordination is further enhanced by regional coordination amongst our HOMs both on an ongoing basis as required and during their annual regional meetings. The annual meeting of regional HOMs also includes participants from DFAIT headquarters as well as representatives of other key departments and agencies involved in the implementation of the Americas Strategy.</p>	GBD, GCD, regional HOMs	Ongoing
<p>In addition, the two interdepartmental working groups—one each on security and democratic governance—promote similar coordination for implementation in the region amongst key participants in the Americas Strategy. Efforts are currently being made by DFAIT to promote more interactive policy discussion during these meetings.</p>		Ongoing
<p>Effective implementation of a whole-of-government approach in the field will be reviewed on an annual basis through the Department's evolving Mission planning process and Integrated Planning &amp; Reporting Process. Missions, in cooperation with DFAIT headquarters and interested OGDs, will implement agreed-to improvements.</p>		Throughout 2011-2012 Fiscal Year

## RECOMMENDATION 4

That a clear communication strategy be developed by DFAIT for regular sharing of information among departments, agencies, NGOs, the private sector and the Canadian public.

### ***Associated Findings: 6, 13***

Management Response & Action Plan	Responsibility Centre	Time Frame
<p><b>Agreed.</b> Communications and Outreach strategies are being developed for the Americas Strategy. A new Communications and Outreach officer was added to the Hemispheric Policy Unit in Washington, DC, in January, 2011. This officer is working with Communications specialists at headquarters to develop Communications and Outreach strategies. These will be used to communicate with relevant stakeholders, partners, etc in Canada.</p> <p>The Communications and Outreach strategies will help to clarify the domestic drivers and priorities for the Americas Strategy, and encourage various government departments, provincial, territorial and municipal governments, NGOs and private sector organizations to work together toward a common goal.</p> <p>The Communications and Outreach strategies will also target members of the Canadian public—the local Diaspora in particular—who might play an important facilitating role in the implementation of the Strategy.</p> <p>The “2009 Canada and the Americas: Priorities and Progress Report” will be updated to serve as a key document for communicating Canada’s recent achievements and vision for future engagement in the hemisphere.</p>	GBA, BCF	Strategies will be developed within 6 months; implementation will be ongoing.

## RECOMMENDATION 5

That a clear outreach strategy be developed for sending a consistent message to the Region, reflecting Canada's goals and expectations in the Region.

### **Associated Findings: 6, 14**

Management Response & Action Plan	Responsibility Centre	Time Frame
<p><b>Agreed.</b> As noted above in response to Recommendation 4, the new Communications and Outreach officer in Washington, DC, is contributing to the development of Communications and Outreach strategies to enhance our interactions with relevant partners within the Latin America and Caribbean region.</p> <p>While no formal outreach strategy is currently in place for the Region, visits by high-level officials, including the Prime Minister and the Minister of State for Foreign Affairs, and activities by Canadian officials posted in the region have allowed for the effective delivery of messages and sharing of information with our partners in the region. The development and implementation of formal Communications and Outreach strategies in the Region will promote consistent messaging that ensures that partners understand Canada's interests and priorities, how Canada is planning to engage with them and what Canada's expectations are from the partners/countries in the Region. In turn, this will also help to manage the expectations of partners vis a vis Canada's engagement. The strategies will include a proactive program of activities to raise Canada's profile and visibility where appropriate and throughout the hemisphere generally.</p>	GBA	Strategies will be developed within 6 months; implementation will be ongoing.