



Global Development Trends 2013: An  
Analysis of Data Available on the  
Canadian International Development  
Platform

*by*

Aniket Bhushan

Senior Researcher, The North-South Institute

This report provides an overview and analysis of key data available through NSI's Canadian International Development Platform (CIDP). The CIDP is an interactive data and analysis platform on Canada's engagement with the developing world. The web-based platform is available through the main North-South Institute website or at [www.cidpnsi.ca](http://www.cidpnsi.ca).

## Contents

Figures .....	2
Human Development, Poverty, Inequality, and Economic Growth .....	3
Human development.....	3
Poverty.....	5
Inequality and economic growth.....	10
Foreign Aid, Trade, Investment, Migration, and Remittances.....	12
Foreign aid .....	13
Trade .....	24
Investment .....	26
Migration and remittances.....	30
Technical Notes .....	33
References.....	36

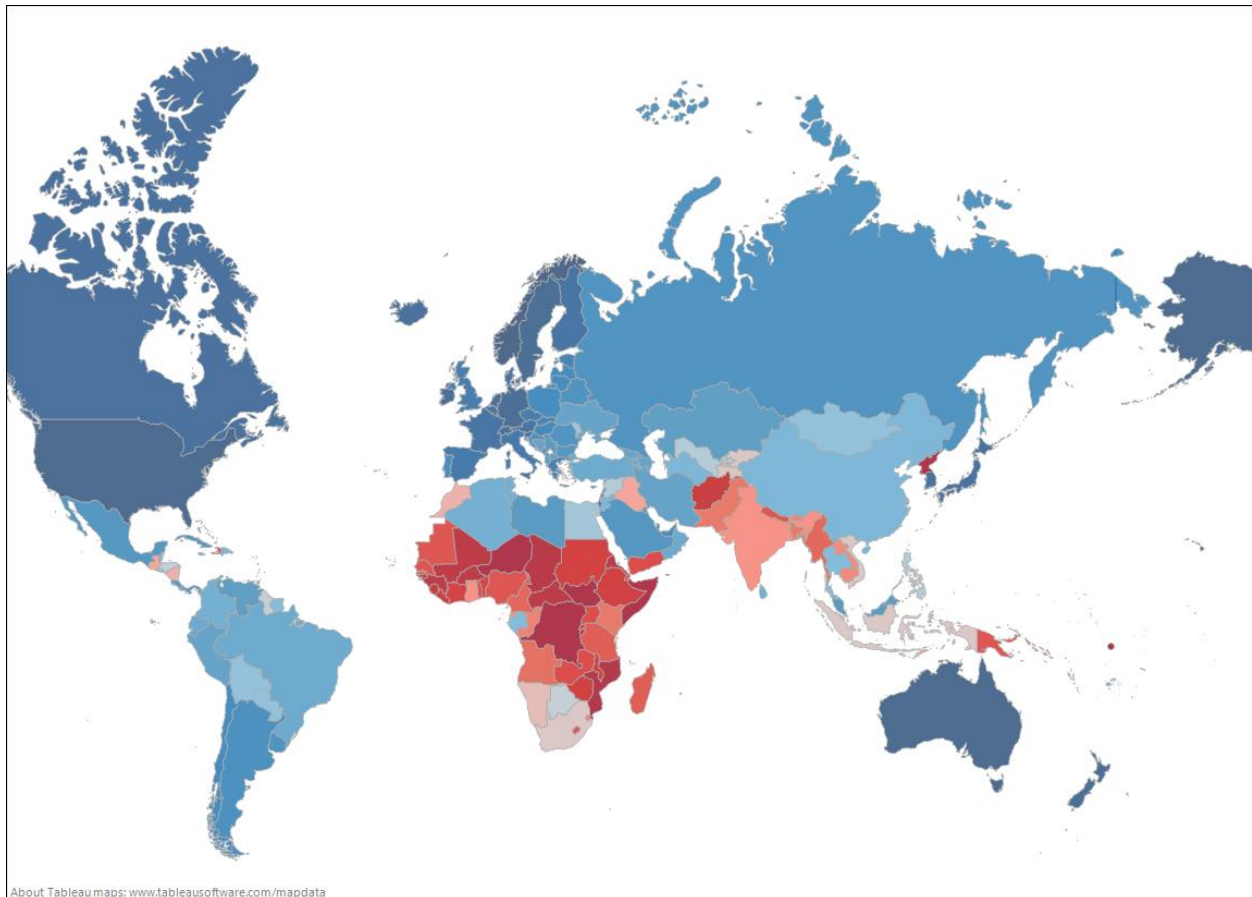
## Figures

Figure 1. Human Development Around the World.....	3
Figure 2. MDG Under-five Mortality Laggards and Leaders .....	4
Figure 3. Multidimensional Poverty Around the World.....	5
Figure 4. Income Poverty Trends .....	6
Figure 5. Share of Population in Extreme Poverty Across Regions .....	7
Figure 6. Number in Extreme Poverty Across Regions .....	8
Figure 7. Future of Global Poverty .....	9
Figure 8. Inequality Around the World .....	10
Figure 9. Economic Growth Across Regions.....	11
Figure 10. Top 50 Fastest-Growing Economies Around the World .....	12
Figure 11. Total Canadian Aid Disbursement 2000 to 2012.....	13
Figure 12. Top 30 Recipients of Canadian Aid in 2012 .....	13
Figure 13. Canada's Aid by Income Groups and Regions.....	15
Figure 14. Canada's Aid by Department or Agency .....	16
Figure 15. Canada's Bilateral and Multilateral Aid Shares .....	17
Figure 16. Largest Canadian Non-Profit NGOs by CIDA Funding Amount .....	18
Figure 17. Relative Size of Aid Volumes .....	19
Figure 18. Net official Development Assistance/GNI Ratio in the OECD .....	20
Figure 19. Countries for which Canada is Among the Top 10 Donors .....	21
Figure 20. Comparison of Financial Flows from DAC Donors and Canada to Developing Countries.....	21
Figure 21. Comparison of Private Grants from Voluntary Agencies Across Select Donors.....	22
Figure 22. DAC Donors Compared to Non-DAC Donors, BRICS, and Largest Foundations .....	23
Figure 23. Canada's Trade and Trade Balances by Region.....	24
Figure 24. Canada's Trade and Trade Balances by Income Group .....	24
Figure 25. Top 20 Trade Partners Among Developing Countries.....	25
Figure 26. Stock of Canadian FDI Abroad by Regions.....	26
Figure 27. Top 20 Destinations for Canadian FDI Among Developing Countries.....	27
Figure 28. Share of Canadian FDI Abroad by Income Group.....	28
Figure 29. Net FDI Positions Between Canada and Select Developing Countries.....	29
Figure 30. Migration to Canada by Category and Type.....	30
Figure 31. Migrant Remittances from Canada to Developing Countries.....	31

# Human Development, Poverty, Inequality, and Economic Growth

## *Human Development*

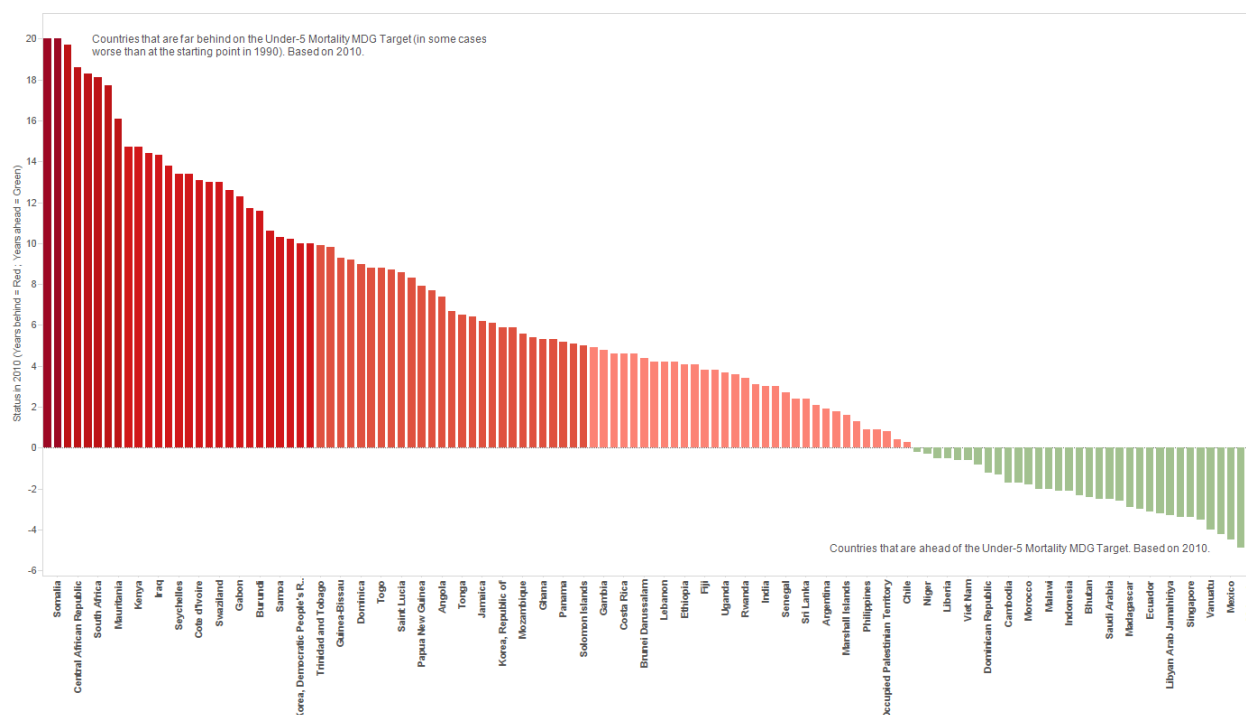
**Figure 1. Human Development Around the World**



*Source: UNDP (2013)*

Most of the countries lagging in terms of human development according to the 2013 Human Development Index (HDI) are in sub-Saharan Africa. The map above has been produced using a red-blue diverging scale—blue indicating higher human development, red lower. The highest index value (max = 1) is for Norway (0.9552), while the lowest value is for the Democratic Republic of the Congo (0.3038). The index covers 187 countries. Of the 30 countries at the bottom of the index, all but three (Afghanistan, Haiti, and Yemen) are in Africa.

**Figure 2. MDG Under-five Mortality Laggards and Leaders**

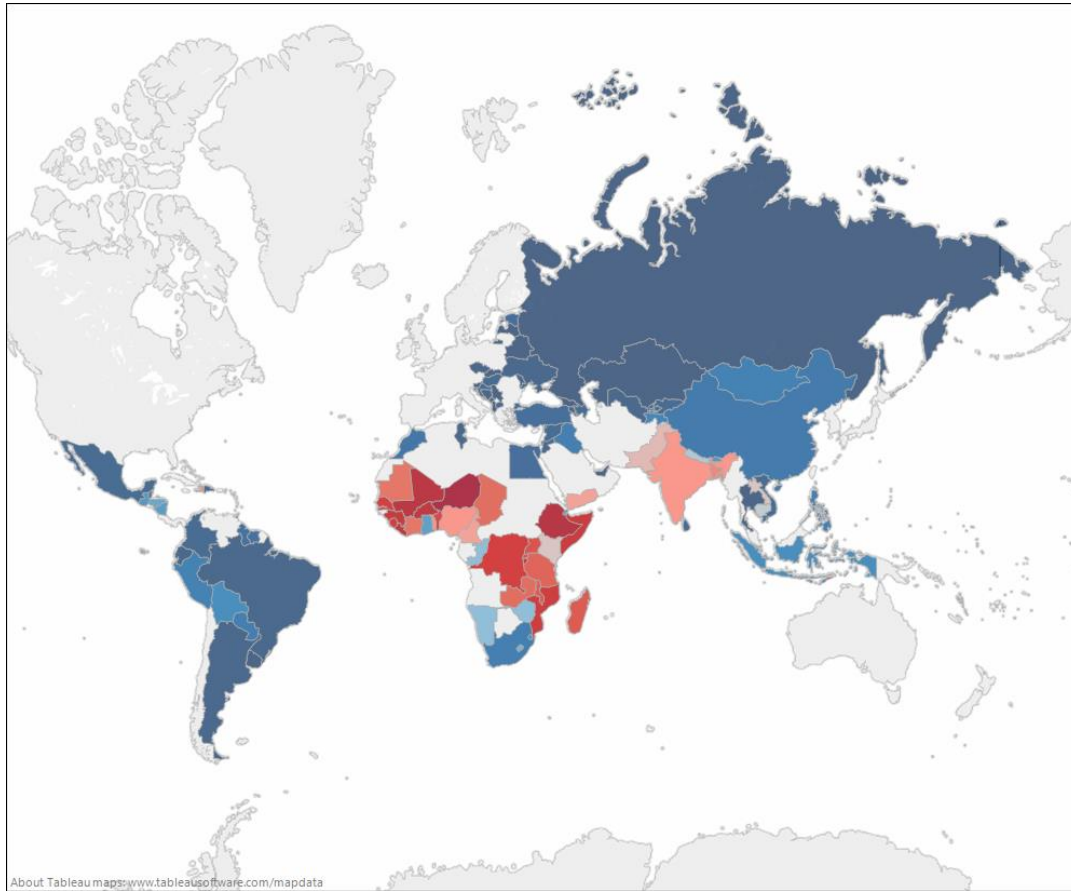


Source: Sicherl (2013)

Another benchmark for human development is the Millennium Development Goals (MDGs) framework. Reducing by two-thirds the under-five mortality rate, or the number of children per 1,000 children dying before the age of five in a given year, between 1990 and 2015 was a key MDG target. Since this is a time- and quantity-bound target, it can be used to assess how different countries are faring relative to the target date. This approach is called S-Time analysis. Using S-Time data, we can assess how many years ahead or behind countries are relative to the target of cutting the under-five mortality rate by two-thirds over the 25-year period. The analysis is done based on performance up to 2010. Data are presented above for 120 of 137 countries for which data are available—of the 17 excluded, 13 developing countries already achieved the target between 2004 and 2010, four others were worse off in 2010 than during the base year. Eighty-six countries are lagging in achieving the target by 2015, while 34 are proceeding at a rate that will enable them to achieve the target ahead of 2015. Nearly all countries in Africa will likely miss the target.

## Poverty

**Figure 3. Multidimensional Poverty Around the World**



Source: UNDP (2013)

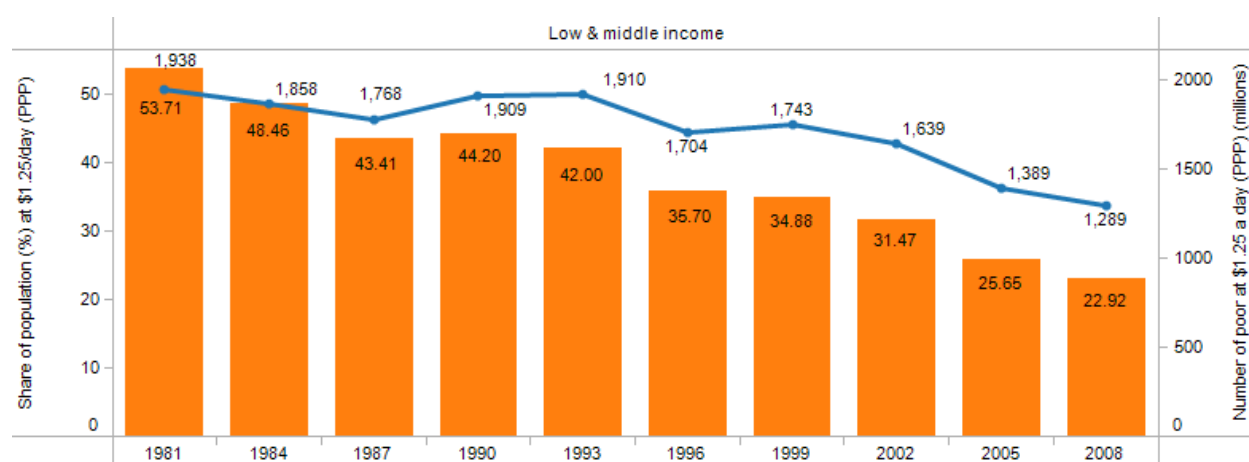
The map above has been produced using a red-blue diverging scale based on data from the Multidimensional Poverty Index (MPI). The data used are for the headcount rate, or the share of the population identified as living in multidimensional poverty. The MPI was born out of recognition of the limitations of income-based poverty measures. The MPI identifies multiple deprivations at the individual level in health, education, and standard of living using micro-level data from household surveys. It reflects both the prevalence and intensity of deprivation and is considered a better measure of poverty than standard income measures (such as the share of the population living on US\$ 1 per day). The MPI is more tightly correlated with the HDI than income poverty. Data are given for 103 countries, but the household survey year varies.<sup>1</sup> Similar to the HDI, the majority of countries with a very high share of their population in multidimensional

---

<sup>1</sup> All surveys were conducted in the 2000s. The earliest survey year is 2003.

poverty are in sub-Saharan Africa. Of the 30 countries with the highest share living in multidimensional poverty, all but four (Timor-Leste, Bangladesh, Haiti, and India) are in Africa. There can be large differences in multidimensional and income poverty. A good example is India. Over comparable time periods, the MPI headcount ratio is 53 per cent while the US\$1.25 per day income poverty headcount ratio is 32 per cent, indicating that actual poverty is far higher than suggested by purely income-based measures. India has the highest number of people living in multidimensional poverty in the world by far. Niger, Ethiopia, and Mali have the highest multidimensional poverty as shares of their respective populations.

**Figure 4. Income Poverty Trends**



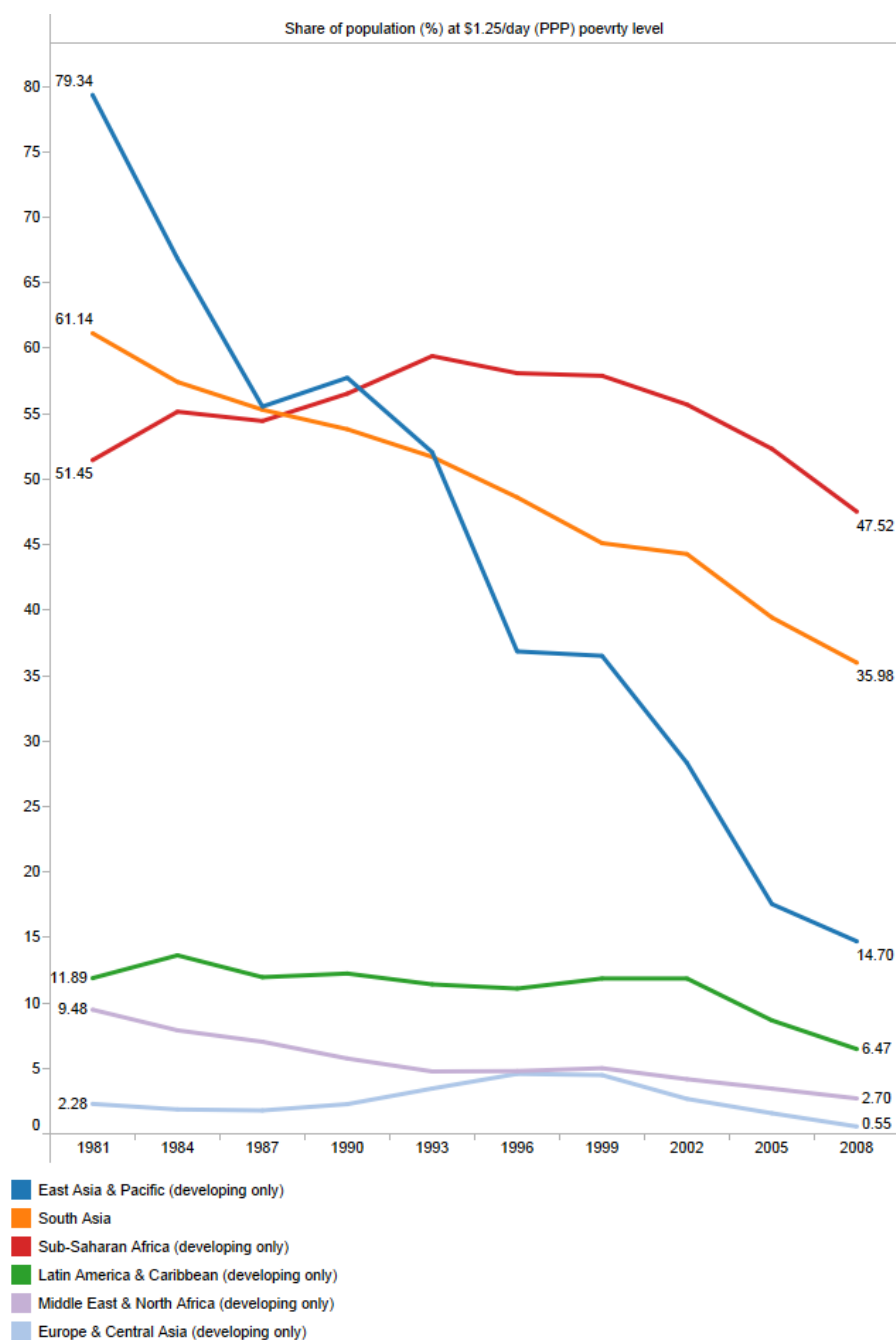
Source: World Bank (2013b)

The standard measure of poverty is the share of the population living in extreme poverty, defined as US\$1.25 a day at purchasing power parity. The bar graph above indicates the share of the population of low- and middle-income countries living in extreme poverty. This ratio has declined from over 53 per cent in 1981 to around 23 per cent in 2008. Based on this trend it has been argued that the MDG target of halving the share of the population living in extreme poverty, has been achieved, far ahead of the 2015 target date.<sup>2</sup> The number of poor living in extreme poverty on the other hand, while declining, is not falling at the same pace—from 1.9 billion in extreme poverty in 1981 to 1.2 billion in 2008. It is also important to point out that just a handful of countries, primarily China and India, are responsible for most of this decline due to their

<sup>2</sup> Based on S-Time analysis, while China achieved MDG 1 by 2002, Southeast Asia, East Asia, and North Africa by 2005, several others are lagging: sub-Saharan Africa is 10 years off target from halving extreme poverty.

large combined share of global poverty. By comparison, the total number of people assessed to be living in multidimensional poverty is approximately 1.5 billion.<sup>3</sup>

**Figure 5. Share of Population in Extreme Poverty Across Regions**

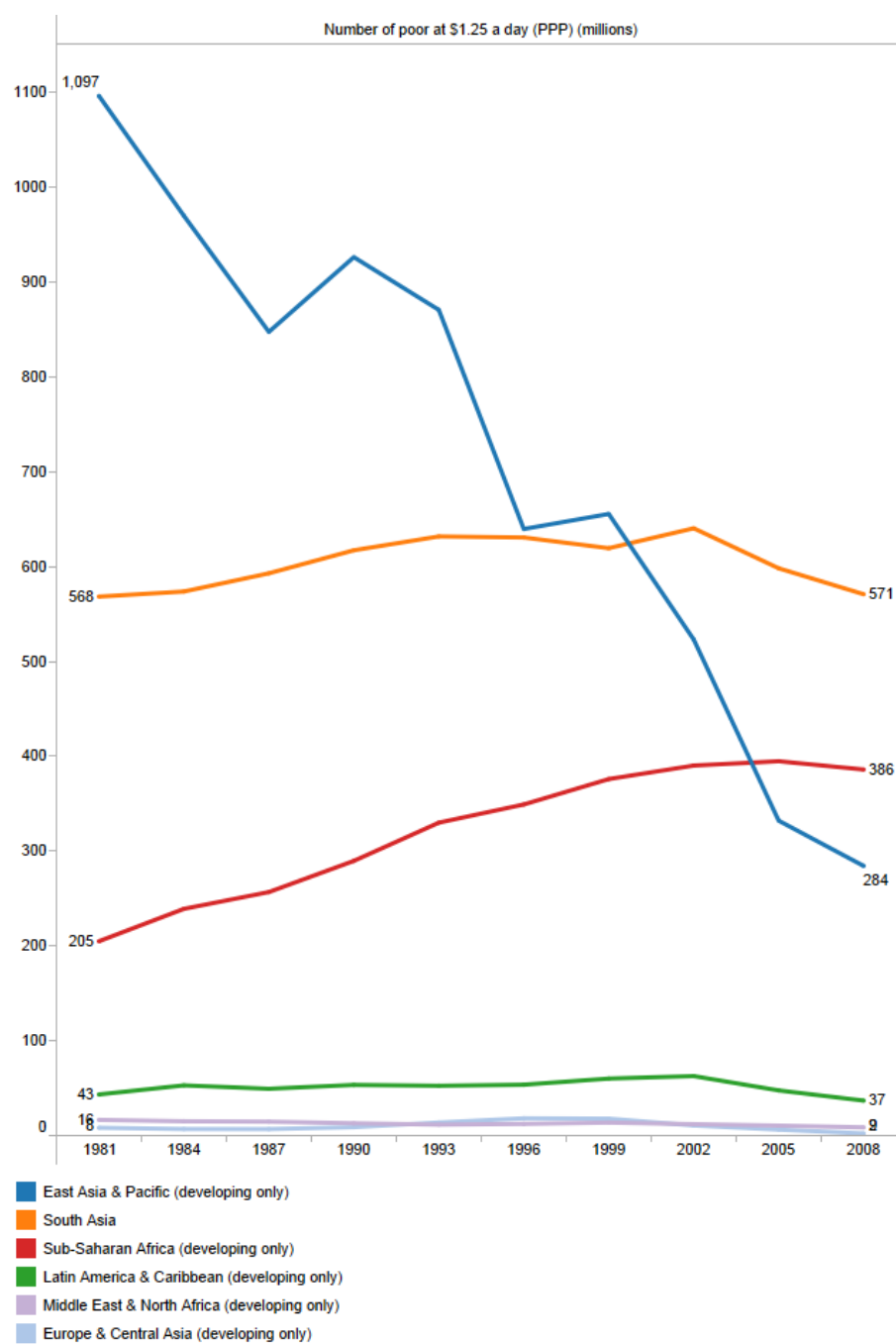


Source: World Bank (2013b)

<sup>3</sup> Based on the latest data covering 105 developing countries, with surveys conducted in the 2000s. Just five countries—India, China, Nigeria, Bangladesh, and Pakistan—account for over 1 billion of this or around 66 per cent of total global multidimensional poverty.



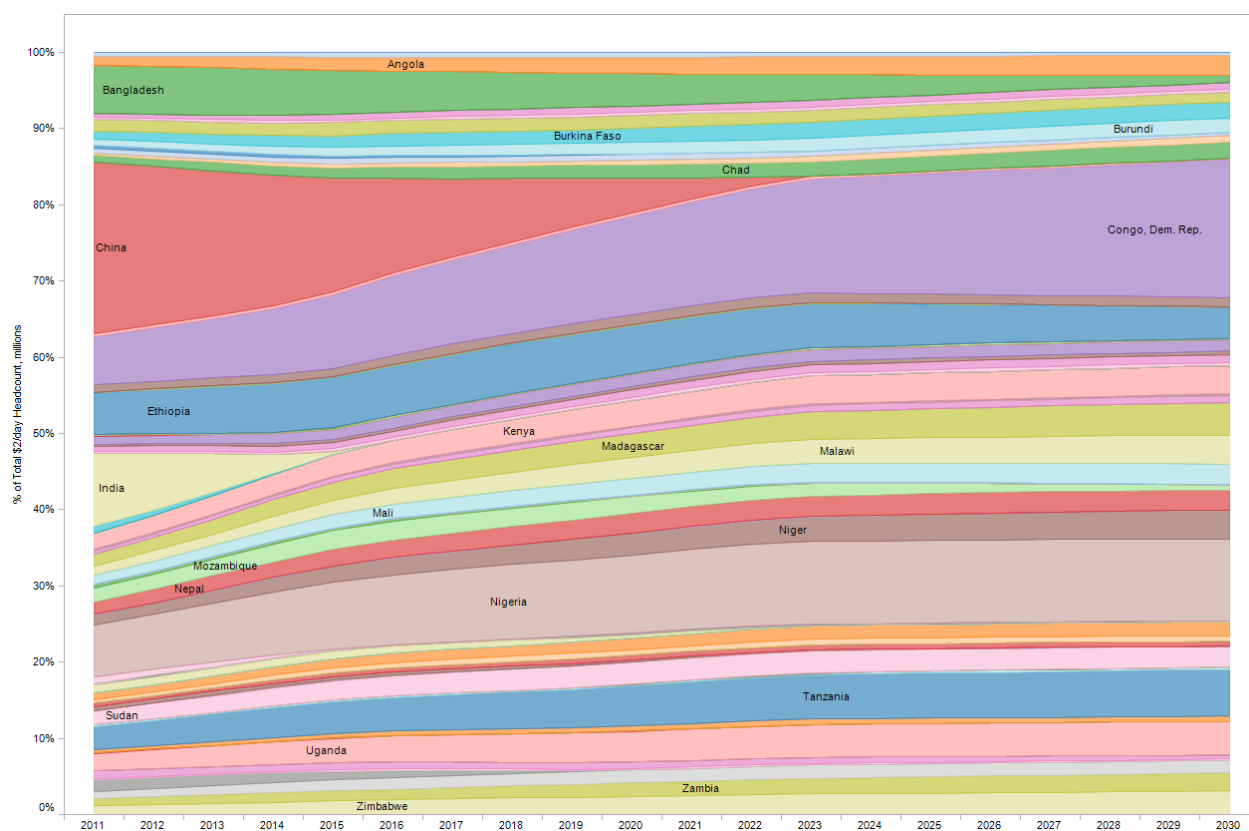
**Figure 6. Number in Extreme Poverty Across Regions**



Source: World Bank (2013b)

Figures above show more clearly the divergences in poverty reduction that are otherwise masked by the global picture. While extreme income poverty is falling in almost all regions, there are wide differences in the pace of decline. The decline has been most pronounced among developing countries in East Asia, both in percentage terms as well as in absolute numbers. However, sub-Saharan Africa and South Asia do not show the same rates of success in poverty reduction. Over a nearly 30-year period (1980 to 2008), the share of the population living in extreme poverty in sub-Saharan Africa has barely declined from 51 per cent to 47 per cent. Moreover, thanks to strong population growth, there are now over 180 million more people living in extreme poverty in sub-Saharan Africa than there were in 1981.

**Figure 7. Future of Global Poverty**

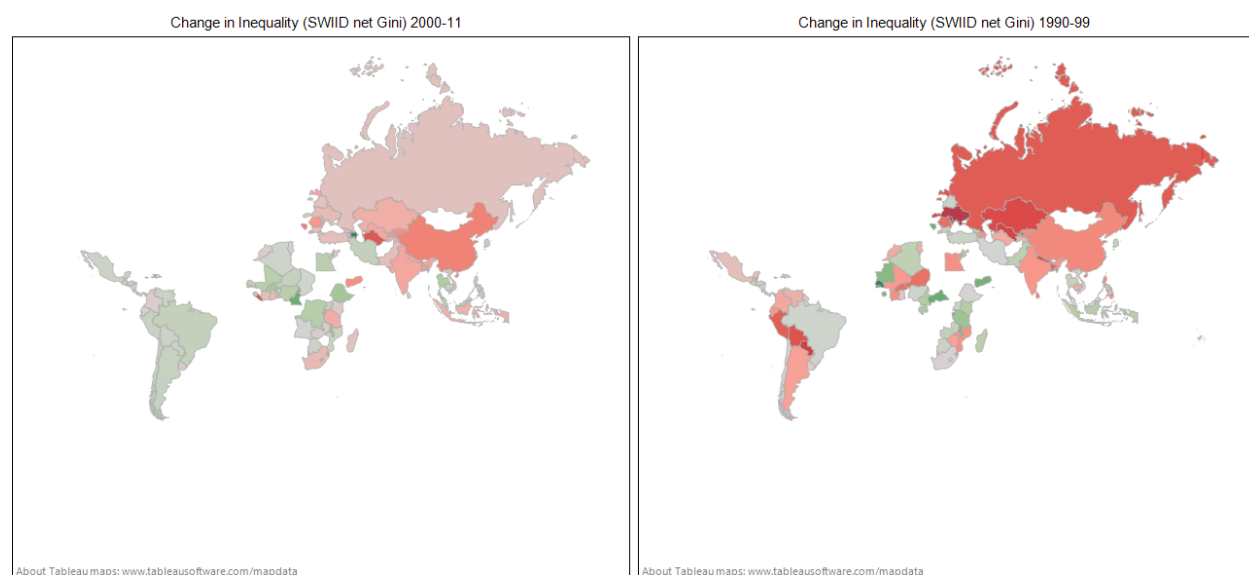


*Source: Author's calculations based on data from Kaufmann, Kharas, and Penciakova (2012)*

The question that emerges is what will happen to global poverty in the future. Given their sheer sizes, China and India still dominate global poverty. At the higher US\$2 per day threshold, one estimate indicates that China and India together account for around one-third of the world's poor. This picture is set to change dramatically in the coming years. By 2030, the global poverty picture will look quite different with the majority of the world's poor in the Congo (18 per cent), followed by Nigeria (11 per cent), Tanzania (6 per cent), Uganda, Madagascar, and Ethiopia (each around 4 per cent). China, India, and other developing countries including Vietnam, Indonesia, the Philippines, Pakistan, South Africa, and Cambodia all stand to be free from US\$2 a day income poverty ahead of 2030. According to these projections, global poverty will be even more concentrated in sub-Saharan Africa than it is today.

## *Inequality and Economic Growth*

**Figure 8. Inequality Around the World**



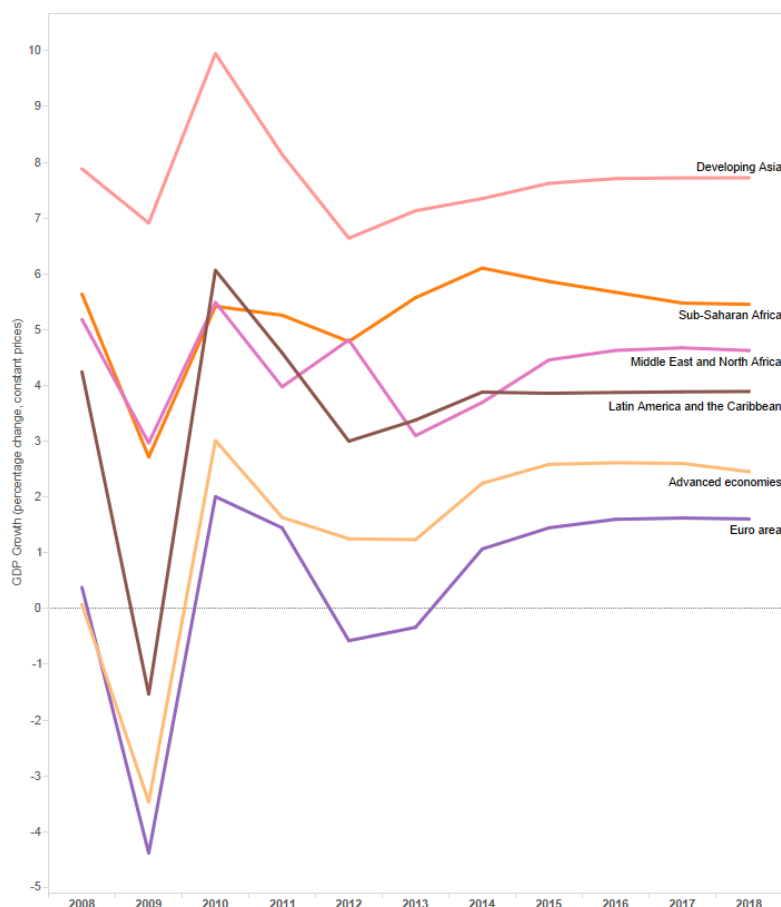
*Source: Author's calculations based on Solt (2009)*

Rising inequality has attracted a great deal of attention in recent years. The two maps above have been constructed using net Gini data.<sup>4</sup> The heat map on the right shows the average annualized change in the net Gini index over the 1990–99 period, while the heat map on the left shows the average annualized change in the net Gini index during the 2000–11 period. The darker the red, the greater the increase in the net Gini index,

<sup>4</sup> Net Gini refers to the Gini index after taxes and transfers.

while green indicates decline in the net Gini index. Data are available for 93 countries.<sup>5</sup> The data show that while inequality is increasing in many parts of the world, this not a universal trend. Two regions that stand out in terms of trend change are Latin America and Eastern Europe. Inequality was rising during the 1990s in both regions, in the case of Latin America from an already high base, in the case of Eastern Europe as a result of crises during transitions from closed to market economies. However, the trend changed in the 2000s. Inequality has either been declining or at least the pace of increase has moderated. It should be noted that countries in Latin America and Africa report the highest levels of income inequality anywhere in the world. The countries with the highest income inequality levels in the 2000s include: South Africa, Angola, Bolivia, Haiti, Honduras, Colombia, Ecuador, Botswana, Zambia, and Guatemala.

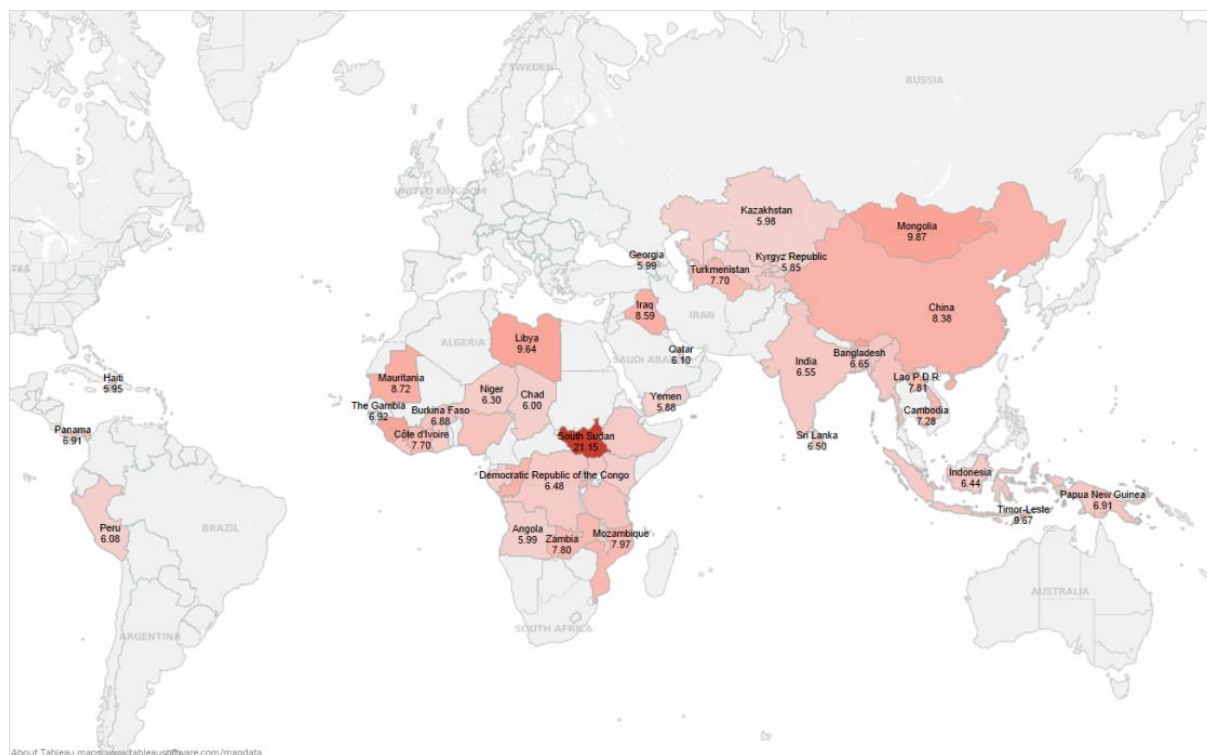
**Figure 9. Economic Growth Across Regions**



Source: IMF (2013)

<sup>5</sup> The maps are unbalanced in the sense that the start and end dates are different for different countries. Net Gini value for the earliest and latest year within each period range is used to calculate the average annualized rate of change.

**Figure 10. Top 50 Fastest-Growing Economies Around the World**



Source: IMF (2013)

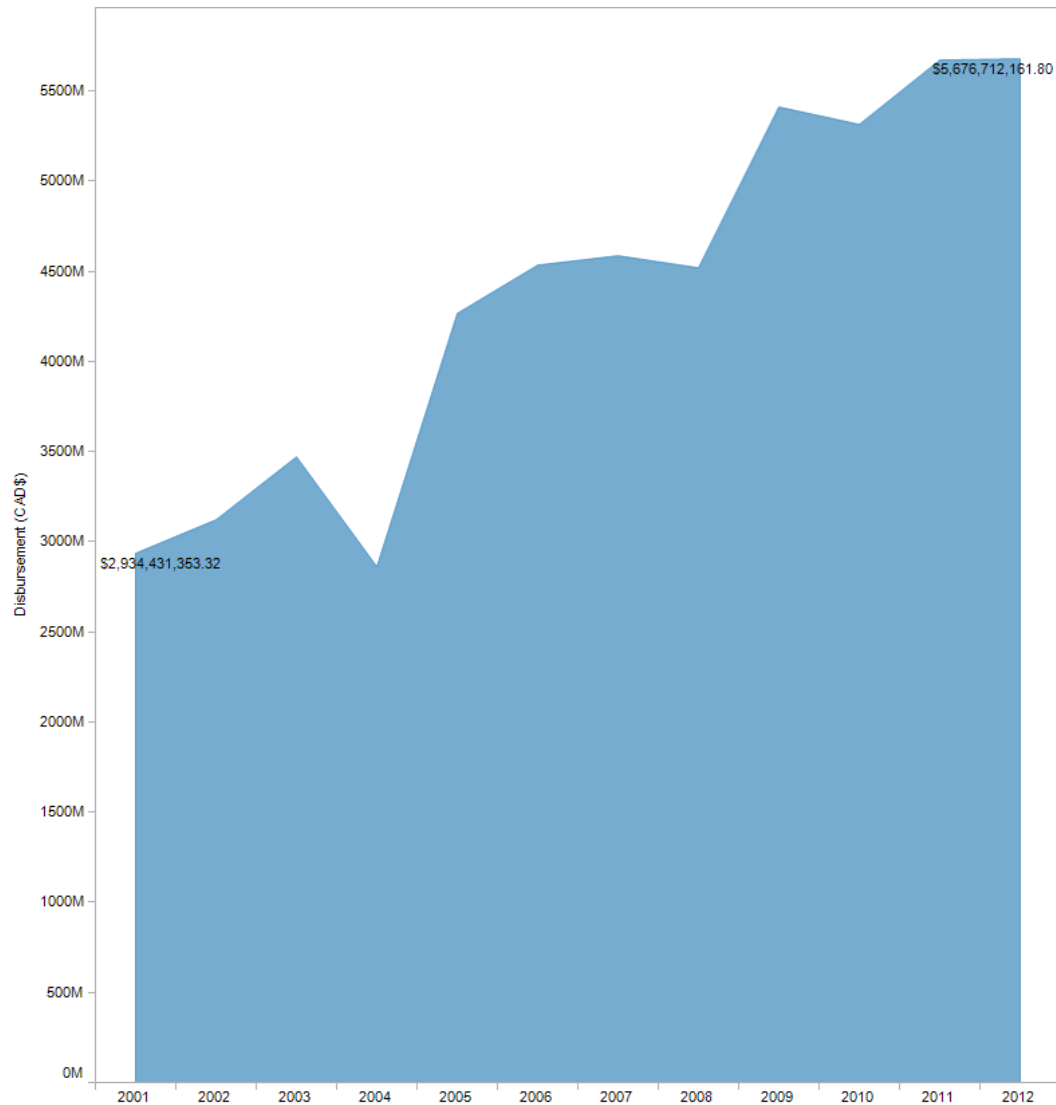
Figures above provide a comparison of growth trends. According to International Monetary Fund projections, sub-Saharan Africa will be one of fastest growing regions in the coming years, second only to developing countries in Asia. This is further shown in Figure 10. Seventeen of the 50 fastest-growing economies, based on International Monetary Fund projections to 2018, will be in Africa.

## Foreign Aid, Trade, Investment, Migration, and Remittances

This section highlights core data on Canada's engagement with developing countries available on the CIDP. These data cover four broad areas: foreign aid statistics, including detailed data on Canada as well as comparative data from the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD-DAC), bilateral trade statistics for Canada's goods, investment data on foreign direct investment (FDI) from Canada, and migration and remittances data.

## Foreign Aid

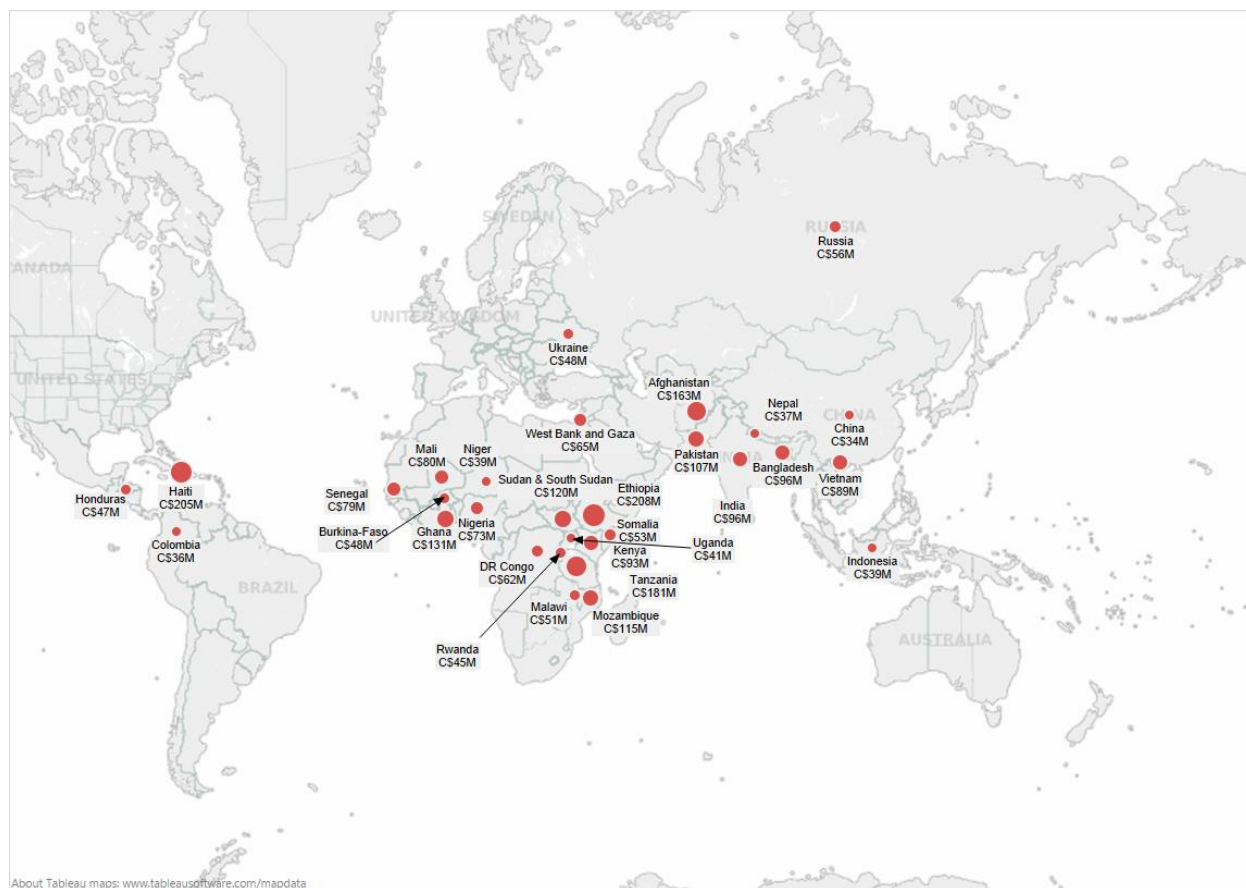
**Figure 11. Total Canadian Aid Disbursement 2000 to 2012**



Source: CIDA (2013)

Canada's foreign aid spending totalled C\$5.67 billion in 2012 (C\$5.7 billion on a gross basis), compared to C\$5.66 billion in 2011. This equates to about C\$165.30 per Canadian. Aid spending was 2.5 per cent of total 2012 budget expenditure, or 0.32 per cent of gross national income (GNI). From 2000 to 2013, Canada has spent around C\$52 billion on foreign aid.

**Figure 12. Top 30 Recipients of Canadian Aid in 2012**



About Tableau maps: [www.tableausoftware.com/mapdata](http://www.tableausoftware.com/mapdata)

Source: CIDA (2013)

The largest recipient in 2012 was Ethiopia, followed by Haiti, Tanzania, Afghanistan, Ghana, Sudan/South Sudan, Mozambique, and Pakistan. Figure 12 shows the top 30 recipients of Canadian aid in 2012.

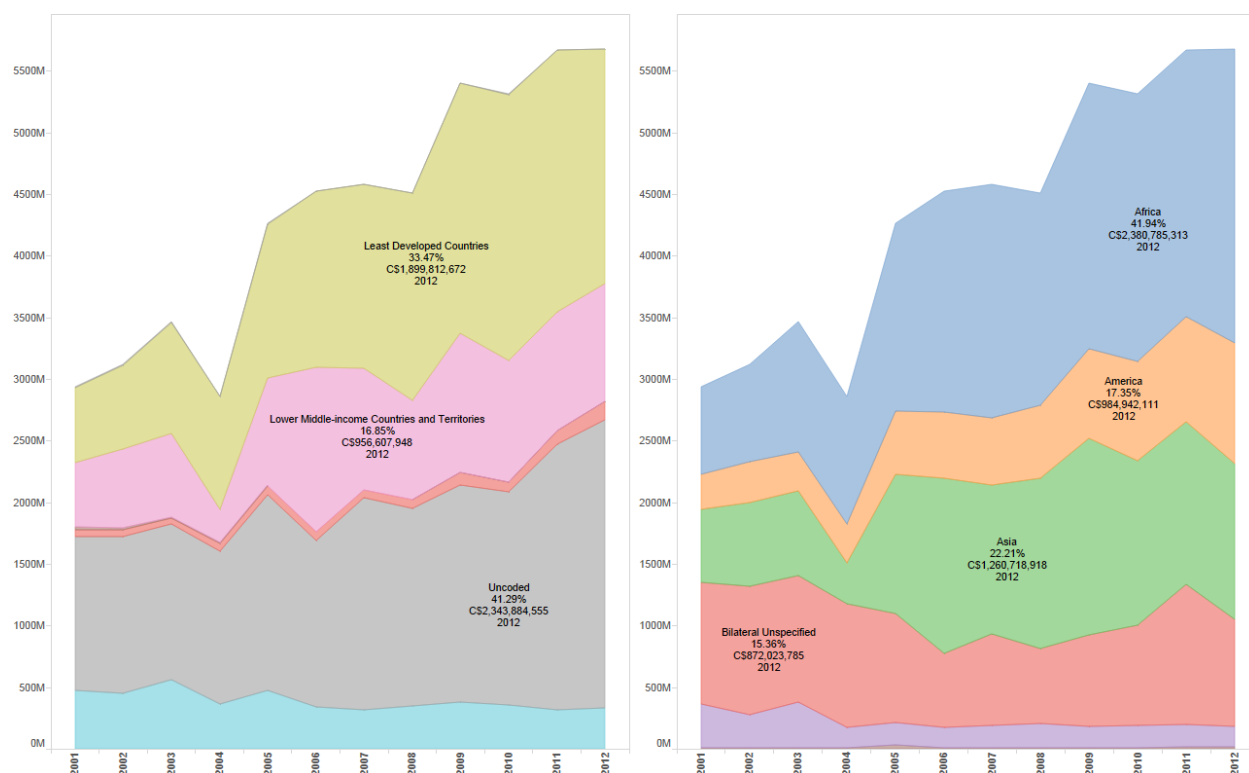
There have been notable changes in Canadian aid in recent years. In its 2012 budget, the Canadian government announced a “freeze on aid spending.” Recent data show the impact of the freeze starting to take effect. Figure 13 shows that after years of sustained increases, Canada’s aid spending has now been capped around 2011 levels. The full impact of austerity plans have yet to be seen. Compared to actual Canadian International Development Agency (CIDA) expenditure of about C\$3.81 billion in 2011–12, planned expenditure out to 2015–16 is only C\$3.03 billion, representing a significant decline.

Planned cuts as a share of 2011–12 actual spending range from 5.3 per cent for “global engagement,” 5.8 per cent for “fragile states,” and 13.5 per cent for “middle-income countries” to 13.6 per cent for “Canadian engagement” and 14.3 per cent for “low-

income countries.” Cuts are to be actualized primarily by exiting countries, where there is “modest presence,” and in programs with “higher operating costs.”

The bulk of the weight of the cuts already in effect is within “fragile states.” For instance, the latest data show a decline in aid to Haiti of C\$149 million (-42 per cent compared to the previous year) and a decline in aid to Afghanistan of C\$138 million (-46 per cent compared to previous year).

**Figure 13. Canada's Aid by Income Groups and Regions**

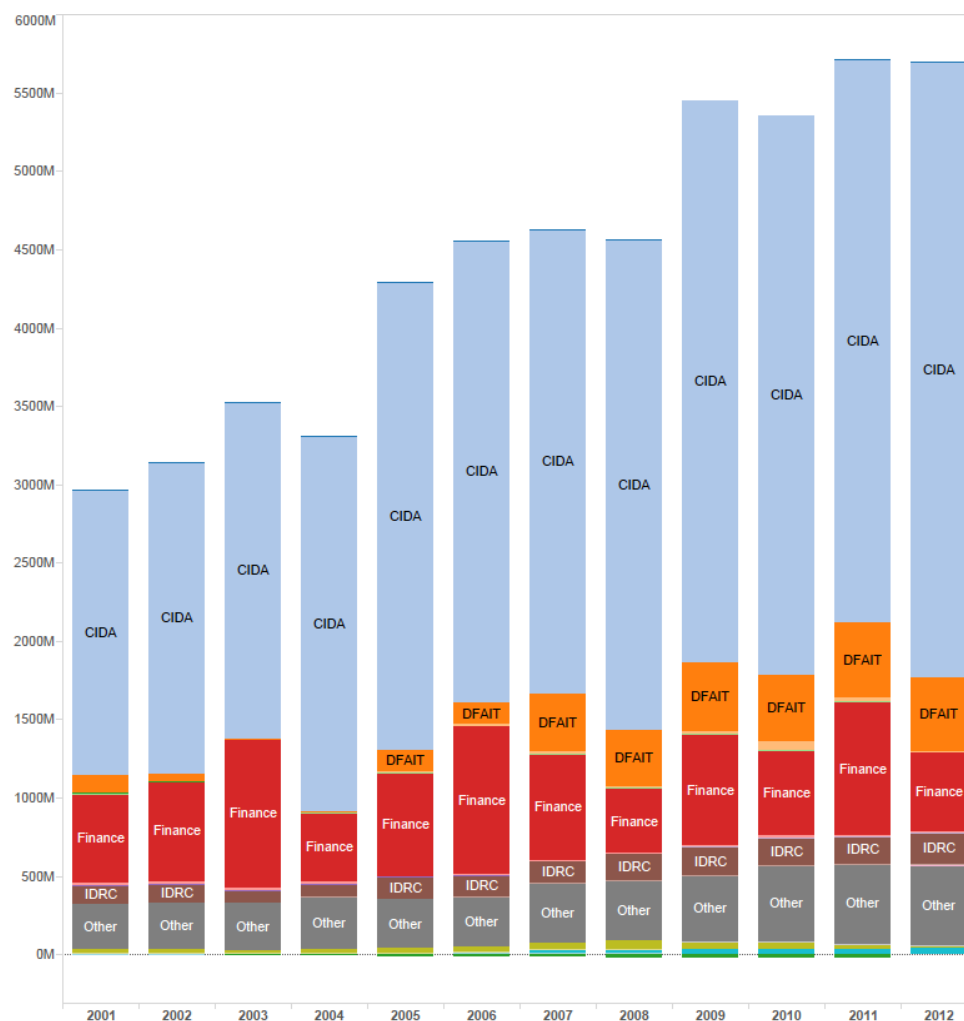


Source: CIDA (2013)

The majority of Canada's aid that is allocable by income group goes to the poorest countries. In 2012, 33.4 per cent of aid went to least developed countries, another 2.5 per cent went to other low-income countries, and 16.8 per cent went to lower-middle-income countries (41 per cent is not coded by income group). Africa received the highest share at almost 42 per cent, followed by Asia (22 per cent), and the Americas (17 per cent).



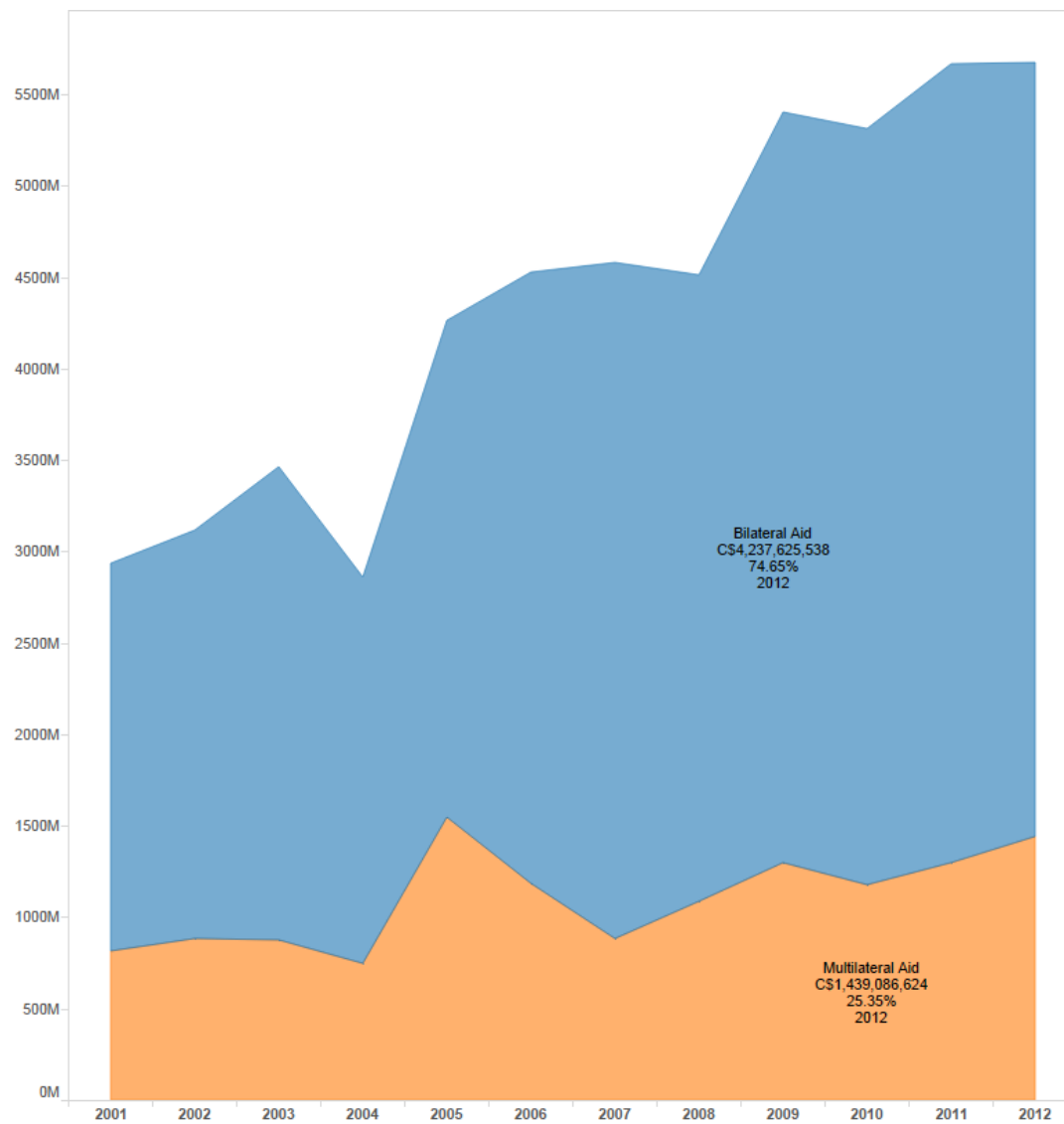
**Figure 14. Canada's Aid by Department or Agency**



Source: CIDA (2013)

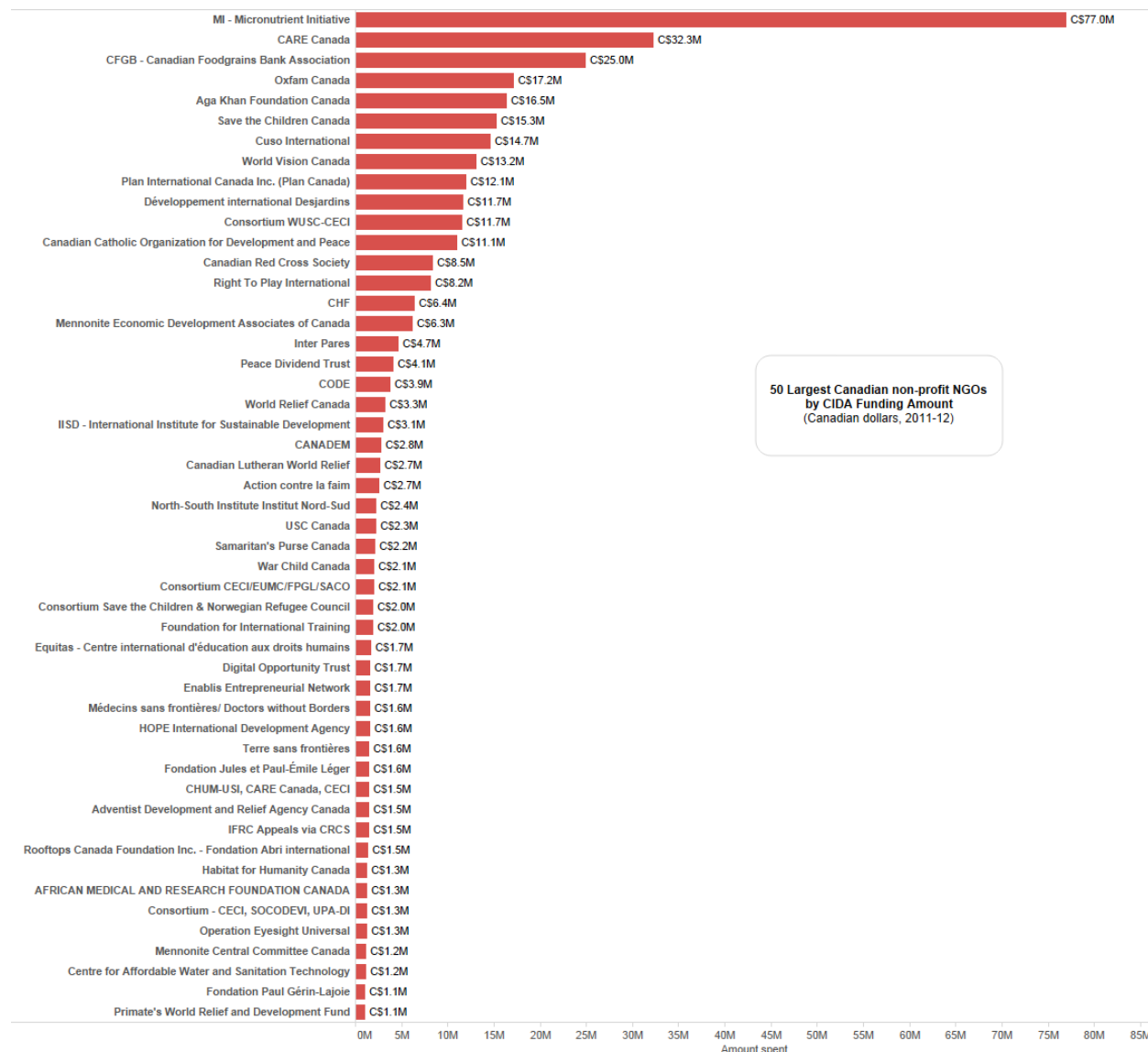
About 69 per cent of Canada's aid in 2012 was channelled through CIDA, about 9 per cent through Finance Canada, and 8.2 per cent through the Foreign Affairs and International Trade Canada, while the International Development Research Centre accounted for 3.5 per cent. As shown below, the majority of Canadian aid is provided in the form of bilateral assistance. A large share of bilateral aid, however, is sometimes channelled through multilateral institutions. If this aid is counted as multilateral aid, the ratio of multilateral to bilateral aid would be higher than suggested below. At the project level, multilateral agencies account for nearly 60 per cent of CIDA-funded projects (based on 2010–11 data).

**Figure 15. Canada's Bilateral and Multilateral Aid Shares**



Source: CIDA (2013)

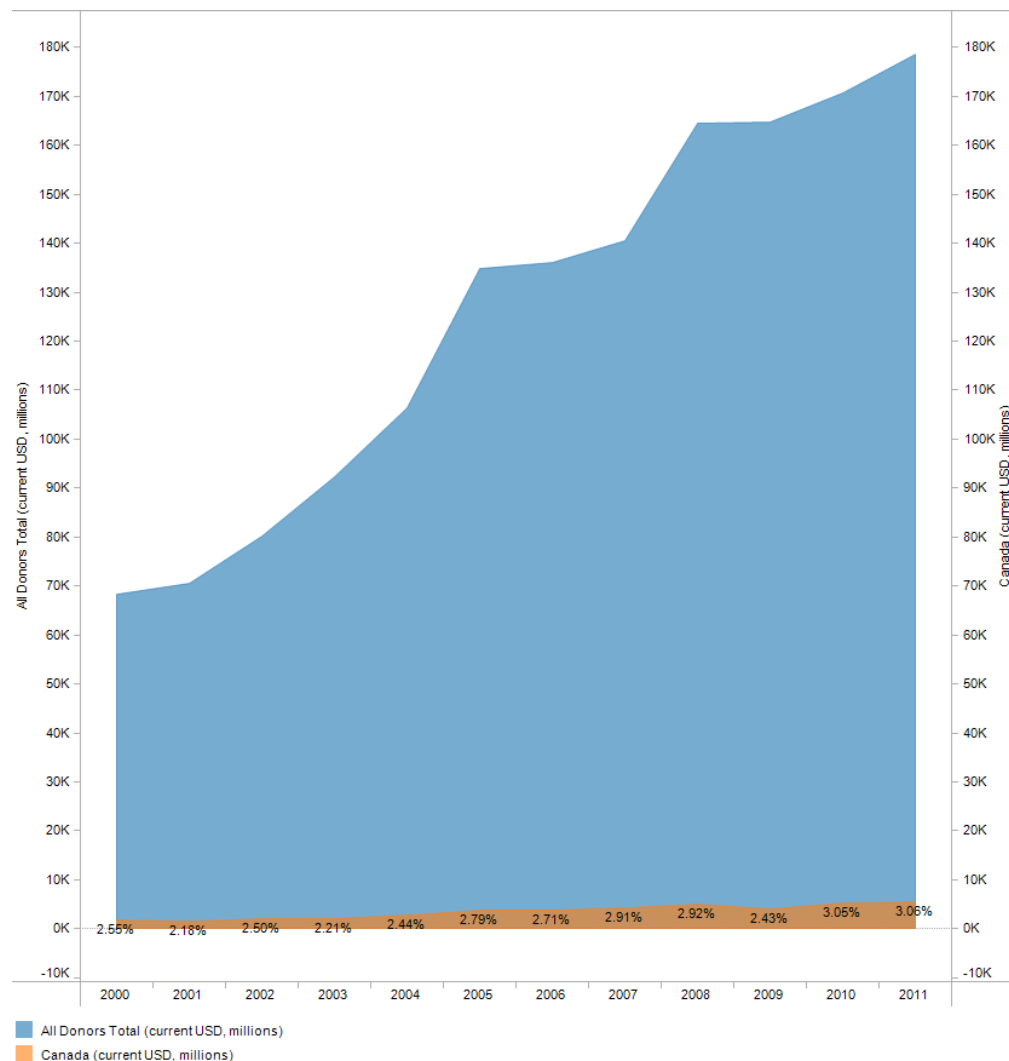
**Figure 16. Largest Canadian Non-Profit NGOs by CIDA Funding Amount**



Source: CIDA (2013) (via CIDP)

A large share of CIDA foreign aid is delivered through or in partnership with Canadian non-profit non-governmental organizations (NGOs) and international NGOs. Canadian non-profit civil society organizations accounted for 15.1 per cent, or approximately C\$559 million, in CIDA-funded aid projects in 2012, down from 17.4 per cent in 2011. The 50 largest Canadian non-profit NGOs are listed above by CIDA funding amount, based on 2011–12 data.

**Figure 17. Relative Size of Aid Volumes**



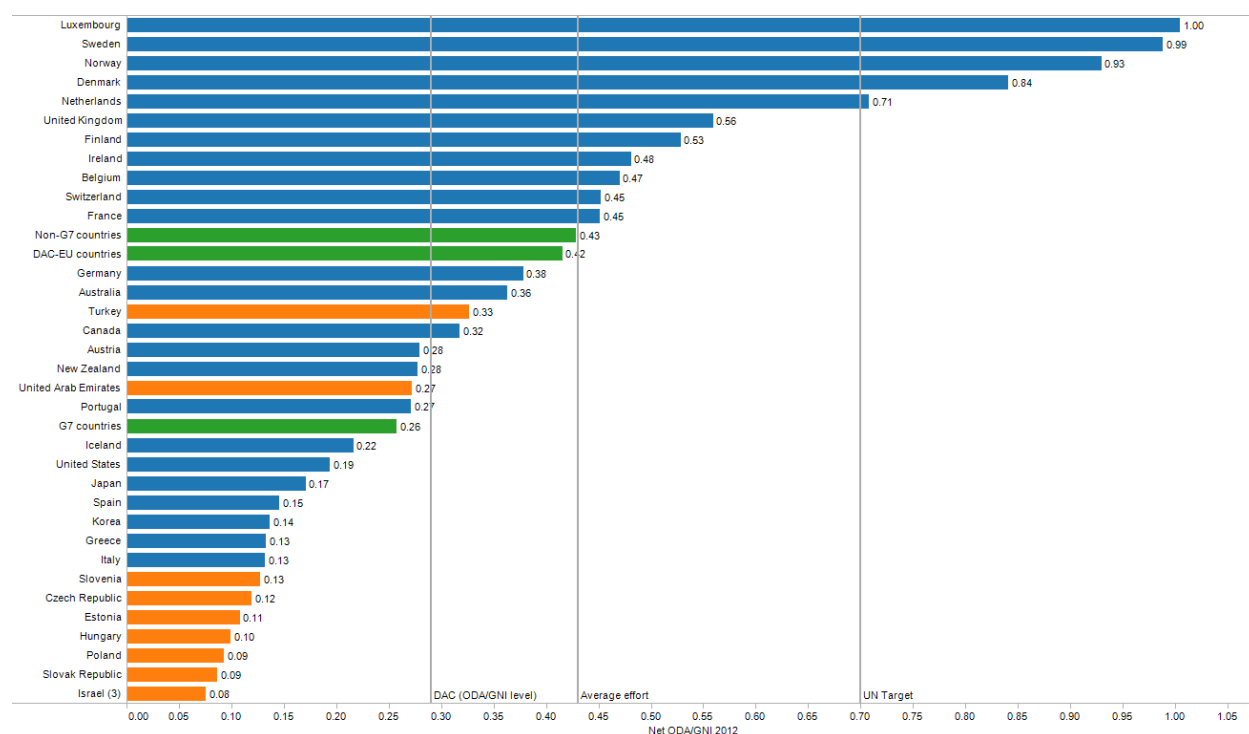
Source: OECD (2013)

In 2012, Canada was the sixth largest DAC donor in terms of aid volume. But the aid industry is highly concentrated and dominated by the largest providers—the United States, United Kingdom, Germany, France, Japan, and the European Union. Canada’s share of total DAC foreign aid in 2012 was 4.3 per cent (not shown above). In 2011, Canada’s share of total aid received by all developing countries from all donors was around 3 per cent.

When Canada’s “aid freeze” was announced in its 2012 budget, several analysts predicted that Canada’s global reputation and standing within the DAC club of donors would take a serious hit. While there are few, if any, objective measures by which to assess this, it is instructive to look at what the data show. Ironically, Canada’s rank as a

DAC donor in terms of absolute aid volumes has actually risen—from ninth in 2011 to sixth in 2012. This is due to fairly large declines for two donors, the Netherlands (aid fell 6.6 per cent in real terms) and Sweden (aid fell 3.4 per cent in real terms), both of which had ranked higher than Canada in the previous year.

**Figure 18. Net Official Development Assistance/GNI Ratio in the OECD**



Source: OECD (2013), 2012 provisional data

Absolute volumes may be misleading if assessing the generosity of a donor is the issue. The aid/GNI ratio is a better measure. How did Canada rank in terms of aid as a share of national income and how has that changed on the year? Canada's rank among DAC donors in aid/GNI terms is unchanged—14th both in 2011 and 2012. While Canada ranks in the bottom half of the DAC club, it is more generous than the DAC as a whole, and this differential increased on the year.

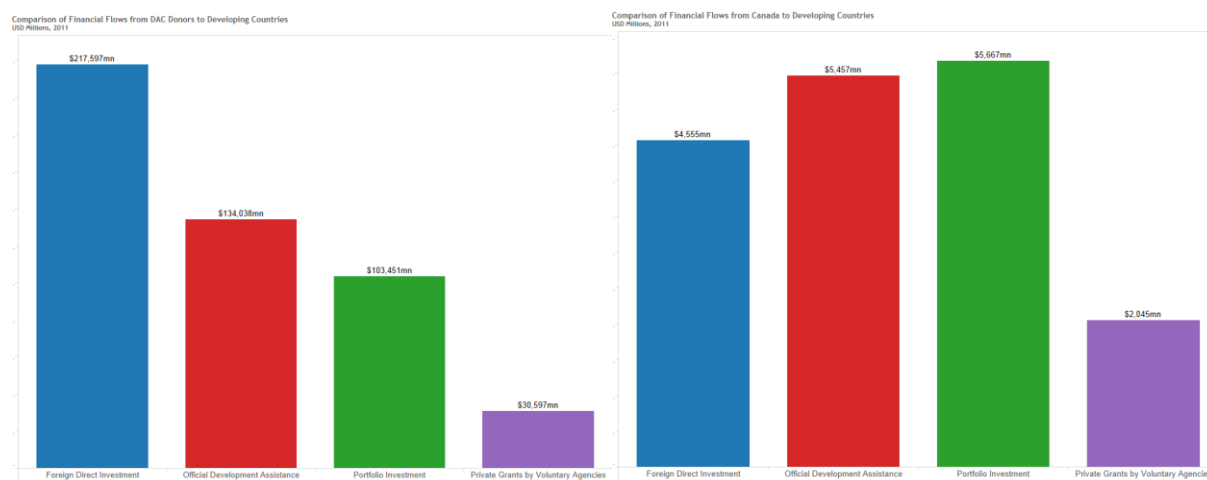
**Figure 19. Countries for which Canada is Among the Top 10 Donors**

Haiti	3
Mali	4
Afghanistan	6
Honduras	6
Mozambique	6
Peru	6
Colombia	7
Ethiopia	7
Ghana	7
Senegal	7
Sudan	7
Bangladesh	8
Ukraine	8
Pakistan	9
West Bank & Gaza Strip	9
Nigeria	10

*Source: OECD (2013), latest available year for data is 2011*

Canada ranks among the top 10 donors in 16 countries. More recent data may show that Canada's rank as a donor may have changed in a number of these countries because many of them (Haiti, Mali, and Afghanistan, for instance) witnessed major cuts in 2012.

**Figure 20. Comparison of Financial Flows from DAC Donors and Canada to Developing Countries**

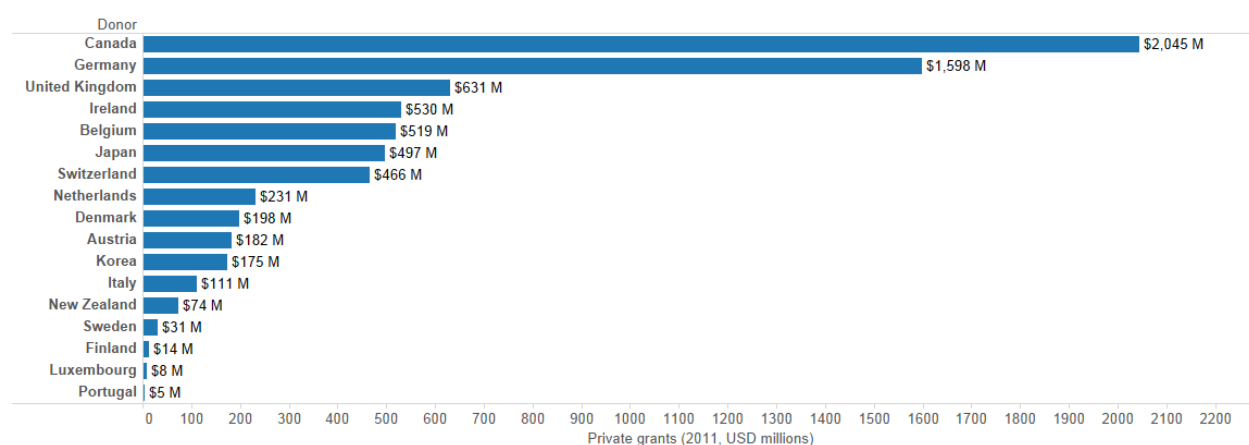


*Source: OECD (2013)*

*Note: The right panel on Canada is scaled differently than the left panel on the DAC.*

The composition of financial flows to developing countries from OECD-DAC countries is rapidly changing, with the share of aid declining relative to other flows such as FDI. FDI from DAC countries to developing countries already exceeds aid—portfolio flows in 2011 were lower than aid, though they are highly volatile. In addition to officially provided aid, private grants from voluntary agencies total around US\$30 billion. The composition for Canada is different in that aid is higher than FDI, though lower than portfolio investment.<sup>6</sup> Private voluntary grants are also more significant for Canada than they are for the DAC as a whole.

**Figure 21. Comparison of Private Grants from Voluntary Agencies Across Select Donors**

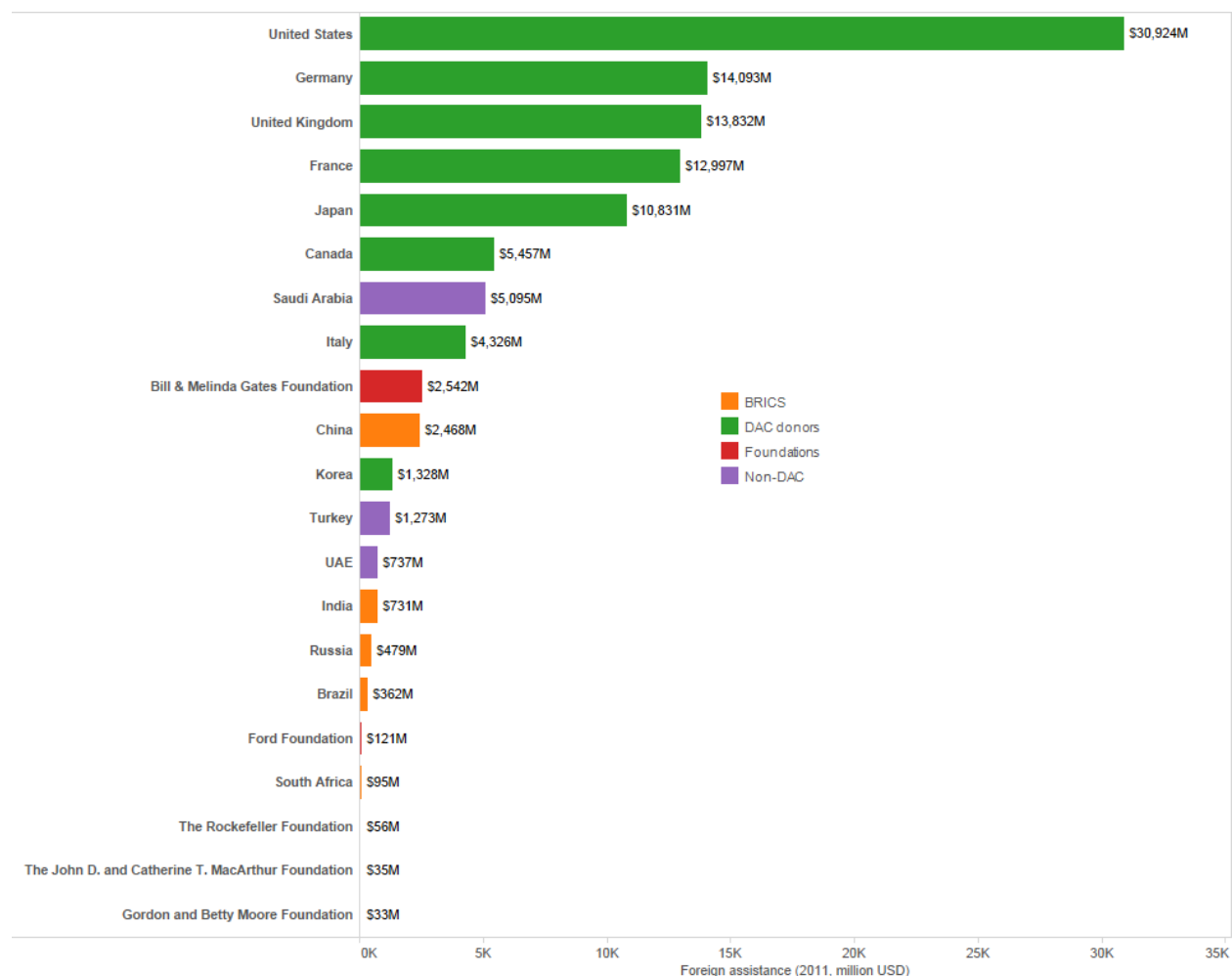


Source: OECD (2013)

Compared to other donors, private grants from Canadian voluntary agencies are large, estimated at US\$2 billion in 2011. The United States (excluded above) is the largest source of private grants from voluntary agencies going to developing countries, estimated at around US\$23 billion in 2011.

<sup>6</sup> This should be interpreted cautiously since portfolio flows are very volatile and vary greatly from year to year. As an average over the past decade, portfolio flows from Canada to developing countries have been higher than aid.

**Figure 22. DAC Donors Compared to Non-DAC Donors, BRICS, and Largest Foundations**



Sources: OECD (2013) and Foundation Center (2013), data are from 2011<sup>7</sup>

Data from the Foundation Center indicate that the total value of grants given by the 50 largest US foundations outside the United States in 2011 was approximately US\$3.26 billion. Figure 22 compares the five largest US foundations that make grants outside the US with DAC and Non-DAC donors and the BRICS countries (Brazil, Russia, India, China, and South Africa). DAC donors are still by far the largest providers of foreign assistance. Among non-DAC countries, Saudi Arabia and more recently Turkey are significant donors. Among the BRICS, China is a significant and fast-growing donor. Among foundations, the Bill & Melinda Gates Foundation is significant and larger than some DAC donors, all the BRICS donors, and most non-DAC donors. In particular

<sup>7</sup> To enable comparable data, the reference year 2011 is used, since more recent data are unavailable for most countries such as the BRICS and others outside the DAC. Data for Brazil are for 2009. Figures should be interpreted with caution because donors outside the DAC are not restricted to the OECD-DAC definition of aid.



sectors, such as health, the Gates Foundation is the third largest donor (behind the United States and the Global Fund to Fight AIDS, Tuberculosis and Malaria and far ahead of Canada, which ranks sixth).

## Trade

**Figure 23. Canada's Trade and Trade Balances by Region**

Region	% of Total Total Trade along Region			Total Trade			Trade Balance		
	2010	2011	2012	2010	2011	2012	2010	2011	2012
NORTH AMERICA	62.87%	61.93%	62.71%	502,491,514,111	551,143,529,830	572,597,074,574	95,732,050,167	108,556,952,508	104,940,066,946
EAST ASIA & PACIFIC	14.53%	14.72%	14.85%	116,160,528,658	130,988,693,953	135,562,862,202	-44,450,037,698	-41,548,133,643	-45,650,439,308
EUROPE & CENTRAL ASIA	12.58%	12.71%	12.07%	100,547,413,113	113,124,503,710	110,187,766,970	-18,080,846,585	-18,292,880,498	-20,447,746,932
LATIN AMERICA & CARIBB..	6.33%	6.41%	6.16%	50,550,536,015	57,074,357,129	56,205,096,987	-25,639,220,661	-29,112,413,661	-28,363,265,097
MIDDLE EAST & NORTH A..	1.81%	2.12%	2.34%	14,482,284,827	18,910,845,602	21,320,961,057	-4,427,461,589	-8,709,063,508	-9,337,572,043
SUB-SAHARAN AFRICA	0.97%	1.16%	0.99%	7,752,236,682	10,330,968,086	9,067,358,765	-3,880,654,832	-6,173,774,274	-4,442,609,189
SOUTH ASIA	0.88%	0.93%	0.88%	7,070,716,134	8,278,312,638	8,005,729,543	318,352,926	208,390,044	-927,576,405
Unspecified	0.02%	0.01%	0.01%	136,394,373	129,545,013	95,544,537	103,786,693	93,352,517	53,220,309

Source: Industry Canada (2013)

**Figure 24. Canada's Trade and Trade Balances by Income Group**

Income group	% of Total Total Trade along Income group			Total Trade			Trade Balance		
	2010	2011	2012	2010	2011	2012	2010	2011	2012
High income: OECD	79.04%	78.03%	78.10%	631,573,613,582	694,375,080,639	713,008,001,461	73,547,306,980	89,101,184,241	80,771,615,159
Lower middle income	10.35%	10.75%	11.08%	82,711,240,444	95,616,548,171	101,194,275,429	-39,336,895,844	-42,051,826,327	-43,768,814,227
Upper middle income	8.11%	8.37%	8.13%	64,791,565,141	74,440,160,892	74,224,944,994	-33,174,585,071	-38,379,395,212	-39,070,825,202
High income: nonOECD	2.11%	2.43%	2.22%	16,855,112,440	21,599,675,450	20,258,382,734	-1,473,684,542	-2,803,332,224	-1,069,451,320
Low income	0.39%	0.43%	0.47%	3,123,697,933	3,819,745,796	4,251,245,480	10,040,205	-937,573,510	-1,091,666,438

Source: Industry Canada (2013)

Canada's total bilateral trade in goods in 2012 was approximately C\$913 billion, while the balance of trade (exports minus imports) was C\$4.1 billion. Canada's bilateral trade is highly concentrated both regionally as well as among income groups. North America, Europe, and East Asia together account for about 90 per cent of Canada's total trade. High-income countries account for around 80 per cent of Canada's total trade. Trade with sub-Saharan Africa and South Asia, while growing, still represents less than 1 per cent of Canada's trade. Similarly, trade with low-income countries accounts for less than 0.5 per cent of total Canadian trade. Canada has a negative balance of trade with all regions, with the exception of a large positive trade balance with the United States.

**Figure 25. Top 20 Trade Partners Among Developing Countries**

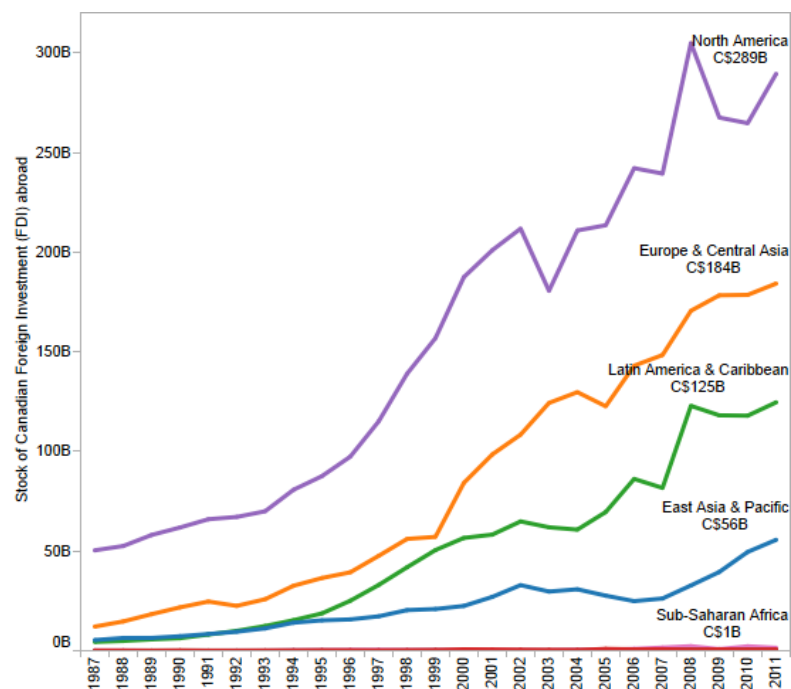
<b>Countries</b>	<b>Income group</b>	<b>Total Trade</b>	<b>Trade Balance</b>
China	Lower middle income	C\$70,056,504,596	- C\$31,364,327,640
Mexico	Upper middle income	C\$30,897,260,619	- C\$20,121,883,367
Brazil	Upper middle income	C\$6,598,975,076	-C\$1,443,542,876
Algeria	Upper middle income	C\$6,400,972,937	-C\$5,561,630,831
India	Lower middle income	C\$5,211,484,822	-C\$500,688,026
Iraq	Lower middle income	C\$4,398,008,370	-C\$3,608,090,196
Peru	Upper middle income	C\$4,219,668,983	-C\$3,147,336,783
Thailand	Lower middle income	C\$3,348,615,173	-C\$1,916,987,595
Kazakhstan	Upper middle income	C\$3,175,170,489	-C\$2,971,655,699
Malaysia	Upper middle income	C\$3,009,650,632	-C\$1,442,542,414
Indonesia	Lower middle income	C\$2,993,104,370	C\$366,804,046
Russia	Upper middle income	C\$2,759,014,069	C\$543,165,155
Argentina	Upper middle income	C\$2,520,261,629	-C\$1,920,611,591
Chile	Upper middle income	C\$2,466,201,156	-C\$888,227,090
Nigeria	Lower middle income	C\$2,332,708,288	-C\$1,679,541,190
Turkey	Upper middle income	C\$2,328,629,295	-C\$629,414,189
Angola	Lower middle income	C\$2,038,121,334	-C\$1,819,953,908
Vietnam	Lower middle income	C\$1,987,007,189	-C\$1,247,520,389
Bangladesh	Low income	C\$1,653,546,331	-C\$603,314,389
Philippines	Lower middle income	C\$1,519,093,154	-C\$463,254,572

*Source: Industry Canada (2013), data are for 2012*

Canada's trade is also highly concentrated in terms of products traded. Mining as well as oil and gas extraction dominate Canadian bilateral trade. Canada has one the largest mining sectors in the world. Mineral exports account for around 23 per cent of Canadian exports (NRCan 2013) and oil and gas exports account for another 20 per cent (Industry Canada 2013).<sup>8</sup>

## Investment

**Figure 26. Stock of Canadian FDI Abroad by Regions**



Source: Statistics Canada (2013)

<sup>8</sup> The mining figure is for 2011 and the oil and gas figure is for 2012.

**Figure 27. Top 20 Destinations for Canadian FDI Among Developing Countries**

<b>Countries</b>	<b>Income Group</b>	<b>Stock of Canadian FDI Abroad (2011)</b>
Chile	Upper middle income	C\$12,137,000,000
Brazil	Upper middle income	C\$9,793,000,000
Peru	Upper middle income	C\$7,682,000,000
China	Lower middle income	C\$4,463,000,000
Mexico	Upper middle income	C\$4,237,000,000
Kazakhstan	Upper middle income	C\$4,198,000,000
Indonesia	Lower middle income	C\$3,651,000,000
Argentina	Upper middle income	C\$2,745,000,000
Colombia	Upper middle income	C\$1,685,000,000
Turkey	Upper middle income	C\$1,525,000,000
South Africa	Upper middle income	C\$1,438,000,000
Mongolia	Lower middle income	C\$1,331,000,000
Venezuela	Upper middle income	C\$687,000,000
Thailand	Lower middle income	C\$669,000,000
Uruguay	Upper middle income	C\$605,000,000
India	Lower middle income	C\$587,000,000
Russia	Upper middle income	C\$538,000,000
Egypt	Lower middle income	C\$490,000,000
Lithuania	Upper middle income	C\$441,000,000
Dominican Republic	Upper middle income	C\$433,000,000

*Source: Statistics Canada (2013), data are for 2011*

**Figure 28. Share of Canadian FDI Abroad by Income Group**

Income Group	2008	2009	2010	2011
High income	91.61%	91.05%	90.46%	90.82%
Upper middle income	6.77%	7.17%	7.82%	7.45%
Lower middle income	1.48%	1.68%	1.72%	1.73%
Low income	0.15%	0.10%	0.00%	0.00%

*Source: Statistics Canada (2013)*

The stock of total Canadian FDI<sup>9</sup> abroad in 2011 was about C\$684 billion. Canadian FDI is highly concentrated, both in terms of regions and income groups. The majority of Canadian FDI remains within North America, with the United States accounting for the largest share. In percentage terms, 44 per cent of FDI remains in North America, followed by 28 per cent in Europe and Central Asia, 18 per cent in Latin America, and 8.5 per cent in East Asia. The geography of Canadian FDI has shifted over time, with the share in North America falling while the shares in Europe, Latin America, and East Asia are rising. That said, by far the destination of the largest shares of Canadian FDI is the United States, followed by the United Kingdom, Barbados, the Cayman Islands, and Australia. In 2011, these five countries together accounted for over 70 per cent of Canadian FDI. Notably, Canadian FDI is highly concentrated within high-income countries, which account for over 90 per cent of total FDI from Canada. The stock of FDI coming into Canada from overseas in 2011 totalled about C\$607 billion (not shown above). FDI coming into Canada is even more highly concentrated, with the United States (whose share is falling) still accounting for over 53 per cent, or C\$326 billion. The Netherlands, United Kingdom, Luxembourg, and Switzerland are other large investors in Canada. Only two developing countries, Brazil (C\$18.6 billion) and China (C\$10.9 billion), are among the top 10 investors in Canada. It is worth noting that Canada's net FDI position<sup>10</sup> with some of the largest developing countries, including Brazil, China, India, and South Africa, is negative, indicating that more investment comes into Canada from these countries than investment from Canada goes to these same countries. The share of FDI coming into Canada from Asia has more than doubled from 4.5 per cent in 2001 to 11.4 per cent in 2011, driven by China whose investment into Canada grew 45-fold from C\$219 million in 2001 to over \$10 billion by 2011. Canadian FDI is

<sup>9</sup> Data are presented on "stock" basis, in other words the total FDI up to the given year, as opposed to "flow," which is the amount of FDI in a given year. The discussion presented here is based on data for 69 countries and regions. FDI data are subject to confidentiality under certain conditions (for example, when there is only one investor in the country that accounts for the entirety or large majority of the amount). In 2011, data were kept confidential for 84 countries. However, regional and other aggregates ensure the total values reflect actual totals.

<sup>10</sup> FDI from Canada in the countries minus FDI from the country into Canada.

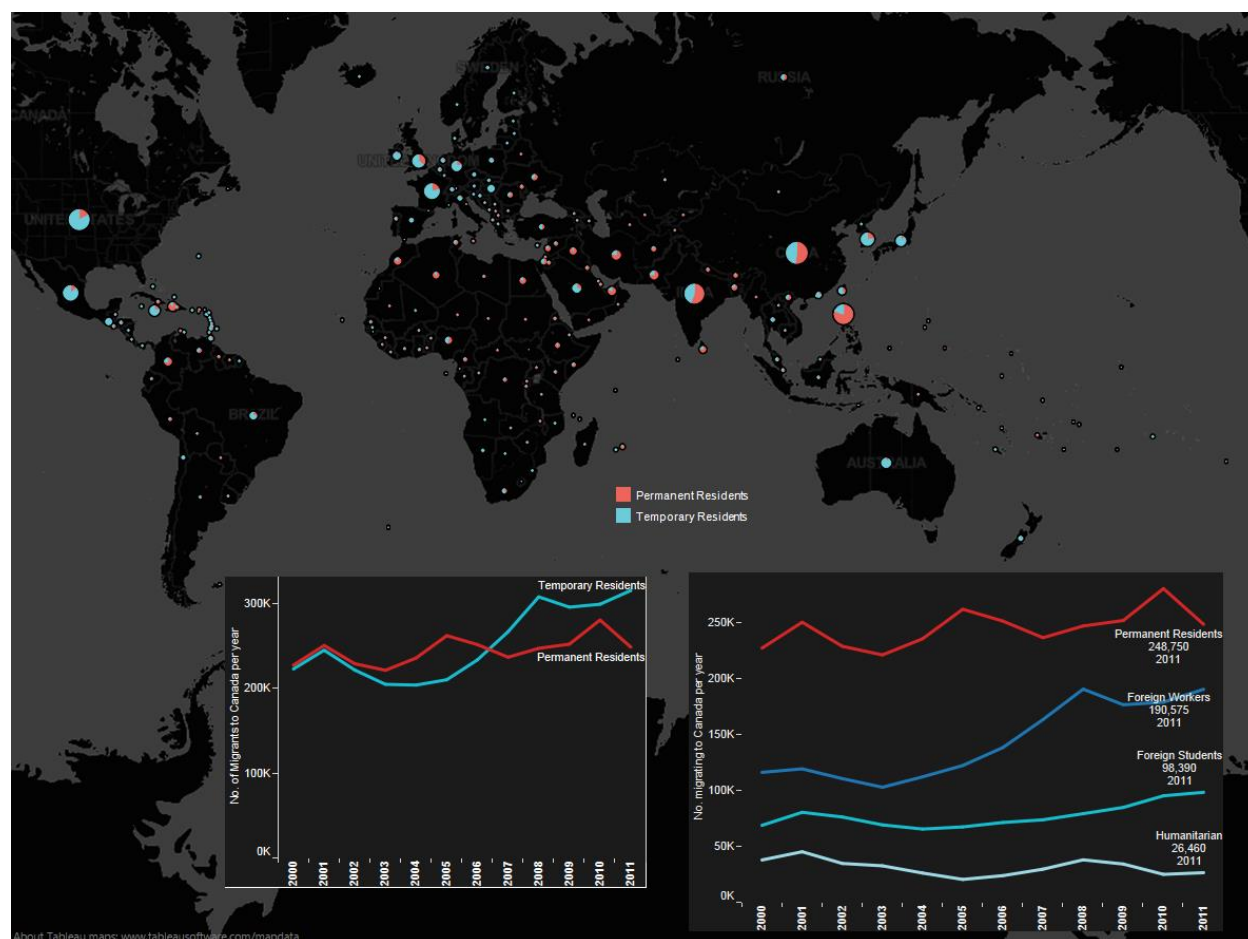
concentrated in the financial sector, which accounts for over 50 per cent of total FDI. The mining and oil and gas extraction industry saw an increased share of Canadian FDI, rising from 11.8 per cent to 18.8 per cent between 2001 and 2011.

**Figure 29. Net FDI Positions Between Canada and Select Developing Countries**

<b>Countries</b>	<b>Income Group</b>	<b>Net FDI position</b> (stock of Canadian FDI minus stock of FDI from country into Canada, 2011)
Brazil	Upper middle income	-\$8,833,000,000
China	Lower middle income	-\$6,442,000,000
India	Lower middle income	-\$3,809,000,000
South Africa	Upper middle income	-\$81,000,000
Colombia	Upper middle income	\$1,684,000,000
Argentina	Upper middle income	\$2,726,000,000
Mexico	Upper middle income	\$4,021,000,000

*Source: Statistics Canada (2013)*

**Figure 30. Migration to Canada by Category and Type**

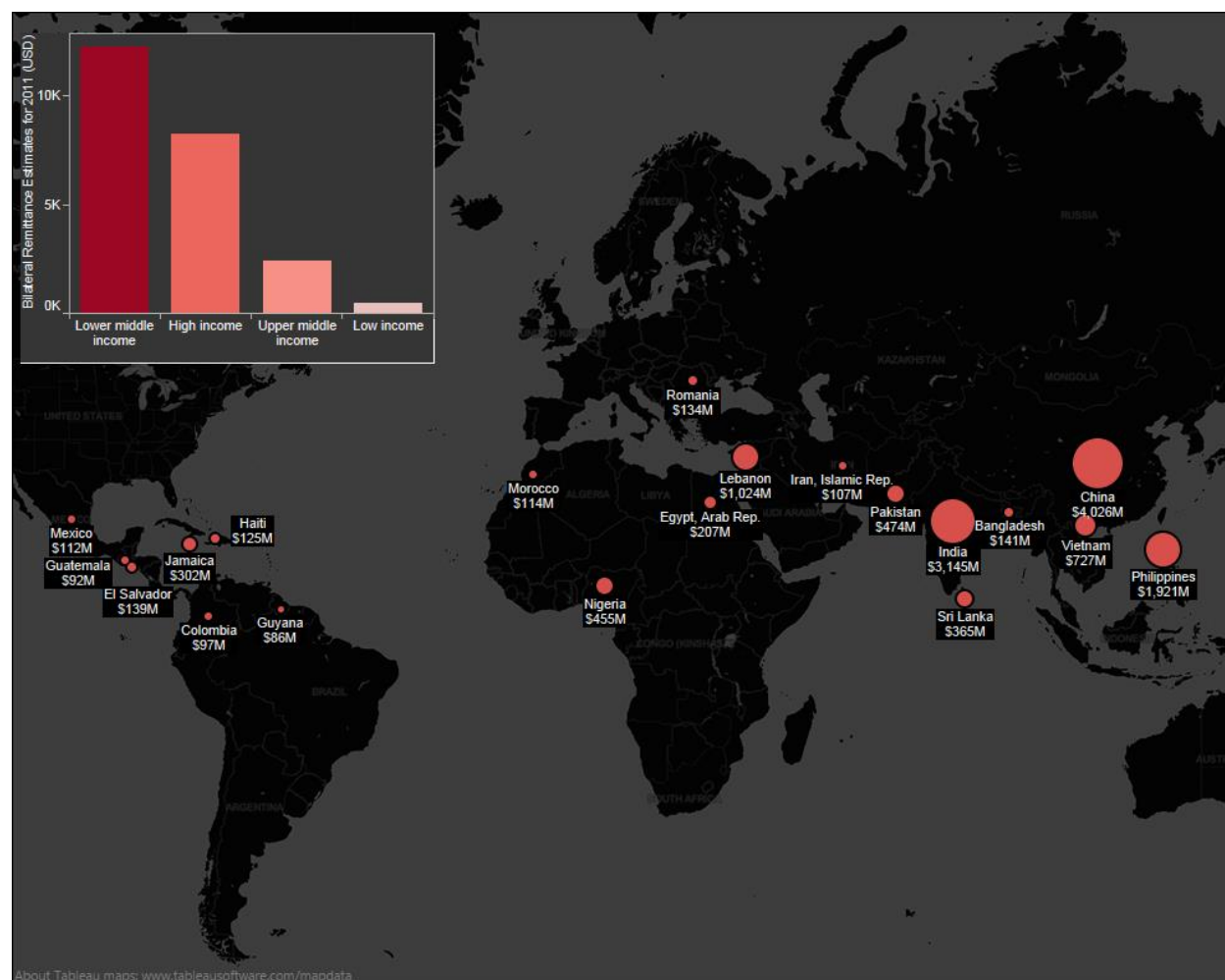


Source: CIC (2013)

About 550,000 migrants immigrate to Canada every year. This figure covers both permanent residents and temporary migrants. The number of migrants entering Canada who have been granted permanent resident status each year has remained steady over the 2000–01 period at around 250,000 a year. The number of temporary migrants has grown sharply from around 220,000 in 2000 to over 310,000 by 2011. This is driven by the sharp growth in entries of foreign workers and foreign students. Ontario by far remains the most important province of settlement for new immigrants coming to Canada. However, its share of total entries of new migrants per year has declined from over 53 per cent in 2000 to around 40 per cent in 2011, while the share of Alberta and smaller provinces including Manitoba and Saskatchewan has doubled during the same period. The top five countries from where new permanent residents came to Canada in 2011 were: the Philippines, China, India, the United States, and Iran. The top five

countries from where foreign workers came to Canada in 2011 were: the United States, Mexico, France, the United Kingdom, Australia, and Jamaica. The top five from where foreign students came were: China, India, South Korea, Saudi Arabia, and France. The top five countries from where humanitarian populations came to Canada were: Hungary, China, the United States, Pakistan, and Namibia.

**Figure 31. Migrant Remittances from Canada to Developing Countries**



Source: World Bank (2011)

Total remittance outflows from Canada in 2011 have been estimated at over US\$23 billion. A large share, US\$14.7 billion, of this goes to developing countries.<sup>11</sup> The map above shows the 20 largest developing country recipients of remittances from Canada,

<sup>11</sup> In this case, developing countries are defined as all country groups with the exception of high income, in other words low income, lower middle income, and upper middle income.



as well as remittance outflows by income groups. NSI's estimates for the 109 countries for which comparable data were available show that remittance outflows from Canada to these countries were about five times larger than aid flows. Remittance estimates are larger for some of Canada's largest aid recipients including: Pakistan, Bangladesh, Colombia, Peru, Kenya, Nigeria, Vietnam, and others. Sixty per cent of remittances from Canada go to middle-income countries. The largest recipients of remittance outflows from Canada are China (US\$4 billion) and India (US\$3 billion).

## Technical Notes

This report uses three different country classification systems for different figures, depending on the data source. There can be important differences in how countries are classified. The three systems and detailed tables are given below.

### **Figures 4, 5, 6, 23, 24, 25, 26, 27, 28, 29, 31**

Use World Bank country classification system for income and geography. Economies are divided according to 2011 GNI per capita, calculated using the World Bank Atlas method. The groups are: low income, US\$1,025 or less; lower middle income, US\$1,026–4,035; upper middle income, \$4,036–12,475; and high income, \$12,476 or more.

Classification is based on 2011 groupings (see below). Key changes in 2012 include: entry of South Sudan and classification as lower middle income, Albania fell to lower middle income, Angola moved up to upper middle income, Mongolia switched from International Development Association to blend financing, and Turkmenistan and Tuvalu moved to upper middle income. These changes will be reflected in NSI's future research.

For more, see World Bank (2013a).

### **Figures 9, 10**

Use International Monetary Fund country classification system. For more, see IMF (2013).

#### *Advanced economies*

Composed of 35 countries: Australia, Austria, Belgium, Canada, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong Special Administrative Region, Iceland, Ireland, Israel, Italy, Japan, South Korea, Luxembourg, Malta, the Netherlands, New Zealand, Norway, Portugal, San Marino, Singapore, Slovakia, Slovenia, Spain, Sweden, Switzerland, Taiwan, the United Kingdom, and the United States.

#### *Euro area*

Composed of 17 countries: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.

### *Latin America and the Caribbean*

Composed of 32 countries: Antigua and Barbuda, Argentina, the Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, and Venezuela.

### *Middle East and North Africa*

Composed of 20 countries: Algeria, Bahrain, Djibouti, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, the United Arab Emirates, and Yemen.

### *Sub-Saharan Africa*

Composed of 45 countries: Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, the Democratic Republic of the Congo, the Republic of the Congo, Côte d'Ivoire, Equatorial Guinea, Eritrea, Ethiopia, Gabon, the Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, São Tomé and Príncipe, Senegal, Seychelles, Sierra Leone, South Africa, South Sudan, Swaziland, Tanzania, Togo, Uganda, Zambia, and Zimbabwe.

### *Developing Asia*

Composed of 28 countries: Bangladesh, Bhutan, Brunei, Cambodia, China, Fiji, India, Indonesia, Kiribati, Laos, Malaysia, Maldives, Marshall Islands, Micronesia, Mongolia, Myanmar, Nepal, Papua New Guinea, the Philippines, Samoa, Solomon Islands, Sri Lanka, Thailand, Timor-Leste, Tonga, Tuvalu, Vanuatu, and Vietnam.

### **Figure 13**

Uses the CIDA and OECD-DAC regional and income classification system.

### **Figure 16**

Uses data drawn from CIDA's Open Data portal, specifically from the Historical Project Data Set. Selection is limited to Canadian non-profits, then NGOs and international NGOs.

### Figure 30

Classifies migrants into permanent residents and temporary migrants. Temporary migrants are further classified into foreign workers, foreign students, and the humanitarian population. The definition and system of classification used is that of Citizenship and Immigration Canada.

**Permanent residents:** People who have been granted permanent resident status in Canada. Permanent residents must live in Canada for at least 730 days (two years) within a five-year period or risk losing their status. Permanent residents have all the rights guaranteed under the Canadian Charter of Rights and Freedoms such as equality rights, legal rights, and mobility rights, freedom of religion, freedom of expression, and freedom of association. They do not, however, have the right to vote in elections.

**Foreign students:** Temporary residents who are in Canada principally to study during the observed calendar year. Foreign students have been issued a study permit (with or without other types of permits). Under the Immigration and Refugee Protection Act, a study permit is not needed for any program of study that has a duration of six months or less. Foreign students exclude temporary residents who have been issued a study permit but who entered Canada principally for reasons other than study.

**Foreign workers:** Temporary residents who are in Canada principally to work during the observed calendar year. Foreign workers have been issued a document that allows them to work in Canada. Foreign workers exclude temporary residents who have been issued a work permit but who entered Canada mainly for reasons other than work.

**Humanitarian population:** Temporary residents who are primarily refugee claimants. Also includes other foreign nationals allowed to remain in Canada on humanitarian or compassionate grounds under “special considerations.” The temporary humanitarian population is shown in the figure. This is distinct from “refugee” within the permanent resident category (for which data are also available but not included in the figure).

**Refugees:** Permanent residents in the refugee category include government-assisted refugees, privately sponsored refugees, refugees landed in Canada and refugee dependants (in other words, dependants of refugees landed in Canada, including spouses and partners living abroad or in Canada).

All data reported in this figure are on the basis of “country of last permanent residence.” Data are also available on the basis of last citizenship and place of birth.

## References

- CIC (Citizenship and Immigration Canada). 2013. "Research and Statistics." Accessed May 9, 2013. <http://www.cic.gc.ca/english/resources/menu-research-stats.asp>.
- CIDA (Canadian International Development Agency). 2013. "Open Data." Accessed May 9, 2013. <http://www.acdi-cida.gc.ca/data>.
- Foundation Center. 2013. "Foundation Center." Accessed May 9, 2013. <http://foundationcenter.org>.
- IMF (International Monetary Fund). 2013. "World Economic Outlook Database." April 2013 Edition. <http://www.imf.org/external/pubs/ft/weo/2013/01/weodata/index.aspx>.
- Industry Canada. 2013. "Trade Data Online." Accessed May 9, 2013. <http://www.ic.gc.ca/eic/site/tdo-dcd.nsf/eng/Home>.
- Kaufmann, Daniel, Homi Kharas, and Veronika Penciakova. 2012. "Development, Aid and Governance Indicators (DAGI)." <http://www.brookings.edu/research/interactives/development-aid-governance-indicators>.
- NRCan (Natural Resources Canada). 2013. "Canada's Mining Assets (CMA) by Country and Region, 2011 and 2012." Accessed May 9, 2013. <http://www.nrcan.gc.ca/mining-materials/publications/15406>.
- OECD (Organisation for Economic Co-operation and Development). 2013. "OECD.Stat Extracts." Accessed May 9, 2013. <http://stats.oecd.org>.
- Sicherl, Pavle. 2013. "Gaptimer MDG Progress Chart: Visualisation of MDG Implementation with Time Distance." <http://www.developmentprogress.org/gaptimer-mdg-progress-chart-visualisation-mdg-implementation-time-distance>.
- Solt, Frederick. 2009. "Standardizing the World Income Inequality Database." *Social Science Quarterly* 90 (2): 231–42. SWIID Version 3.1, December 2011.
- Statistics Canada. 2013. "CANSIM." Accessed May 9, 2013. <http://www5.statcan.gc.ca/cansim/home-accueil?lang=eng>.
- UNDP (United Nations Development Programme). 2013. "Human Development Indicators and Thematic Tables." Accessed May 9, 2013. <http://hdr.undp.org/en/statistics/data>.
- World Bank. 2011. "Bilateral Remittance Matrix." Microsoft Excel file. [http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1110315015165/Bilateral\\_Remittance\\_Matrix\\_2011.xlsx](http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1110315015165/Bilateral_Remittance_Matrix_2011.xlsx).
- . 2013a. "How We Classify Countries." Accessed May 9, 2013. <http://data.worldbank.org/about/country-classifications>.
- . 2013b. "PovcalNet." Accessed May 9, 2013. <http://iresearch.worldbank.org/PovcalNet/index.htm?3>.

## About the Author

Aniket Bhushan is a Senior Researcher at the North-South Institute (NSI), a Canadian-based policy research institution. His research focuses on open data and domestic resource mobilization in sub-Saharan Africa. Mr. Bhushan heads NSI's work on the Canadian International Development Platform (CIDP), a data and analytical platform on Canada's engagement with the developing world. Mr. Bhushan's current research focuses on the impact of big data and open data on public policy. His academic background includes degrees in political science and commerce, and he completed his M.A. in political science at Carleton University (Canada).

The author wishes to thank Nathan Bowers-Krishnan for research assistance.

## About The North-South Institute



The North-South Institute is a non-profit organization that provides research, capacity-building and policy advice on international development to governments, inter-governmental organizations, the private sector and civil society. [www.nsi-ins.ca](http://www.nsi-ins.ca)