



Redefining Development in the New World Disorder: Harnessing Artificial Intelligence and Innovative Finance to Reach the Sustainable Development Goals

CONFERENCE REPORT

2026

Annual Policy Conference of
the Group of 78, University of
Ottawa, October 10, 2025

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Acronyms

AI	Artificial intelligence
APEC	Asia Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
CAFA	Climate-Aligned Finance Act
CC	Cooperation Canada
CIGI	Centre on International Governance Innovation (University of Waterloo)
CIPS	Centre for International Policy Studies (University of Ottawa)
CSOs	Civil society organizations
FfD	Financing for Development (Conferences)
G7	Group of Seven Countries
G20	Group of 20 Countries
G78	Group of 78
GAC	Global Affairs Canada
IDRC	International Development Research Centre (Government of Canada)
LMICs	Lower and middle-income countries
LLMs	Large language models (artificial intelligence)
NPSIA	Norman Patterson School of International Affairs (Carleton University)
ODA	Official development assistance
OECD	Organization for Economic Cooperation and Development
SDRs	Special drawing rights
SDGs	Sustainable Development Goals
SLMs	Small language models (artificial intelligence)
uOttawa	University of Ottawa
WTO	World Trade Organization

1. Overview

On October 10th, 2025, 160 members of Canada's international-cooperation community-including representation from government, academia, and civil society-gathered in person at the University of Ottawa and online to reflect on the progress of the [Sustainable Development Goals, the impacts of the new world disorder on this agenda, and to share ideas for a path forward, now, and beyond 2030](#).

The day-long event featured Group of 78 hosts Edward Jackson, Susan Tanner, and Roy Culpeper, 14 distinguished speakers, and six moderators, sharing expertise and analysis on the Global Goals, development finance, the economies of developing countries, Canada's role in and contribution to international assistance, and the application and potential of artificial Intelligence (AI) within the sector and the larger world. Eight graduate students from Carleton University and the University of Ottawa also joined as rapporteurs to document the proceedings, guided by chief rapporteur Susanne Ure.

The Group of 78 was grateful for the sponsorship and participation of Canada's International Development Research Centre (IDRC) and the Centre for International Policy Studies (CIPS) at UOttawa.

Elder Verna McGregor opened the conference with a view into the Indigenous history of the land upon which the meeting was being held, highlighted the importance of Indigenous perspectives, and underscored the threats to sustainability local communities are currently facing, particularly as they pertain to the stewardship of water resources and the land.

The meeting objective and the guiding questions

The proceedings were framed by four points of inquiry. Can the SDGs and Agenda 2030 be brought back on track? Are there new or innovative sources of financing to replace shrinking ODA? Are there opportunities as well as threats from new technologies, such as AI, that would support sustainable and equitable development? And lastly, which form of globalization might provide the most enabling environment in which to build the strength and vitality of the economies of developing countries, optimize the contributions of international cooperation and assistance, and advance the development agenda?

The objective of the meeting was to generate key messages and recommendations to convey to policy makers in Canada and for wider advocacy and dialogue at home and abroad. These messages and recommendations are highlighted in this document.

This report summarizes the dialogue at the conference and highlights the messages and recommendations. All conference sessions with full presentations and discussions can be viewed in video format. Links to these sessions are embedded within the report.

2. Welcome and Introduction: New paradigms for sustainable development

[Maggie Gorman Véléz, Vice-President of the International Research Development Centre \(IDRC\)](#), in her introductory remarks, and [Professor Dani Rodrik of Harvard University in his keynote address](#), opened the conference by calling for reconsiderations of the current approaches to both the delivery of international assistance, and economic development in low-and-middle-income countries.

There is a need to build a new paradigm for development to meet the moment

[Maggie Gorman Véléz](#) placed international development at a crossroads – a point of view echoed throughout the day by other speakers: **“The geopolitical landscape is now being remade. We are living in a multipolar era where our traditional understanding of cooperation is being eclipsed by national priorities and an emerging complex realignment globally. Support for development assistance is waning.”**

Later in the day Laura Macdonald, moderating a session on finance, would describe the current state of the world as a ‘polycrisis’.

Gorman Véléz envisioned development’s future being founded in the intangibles of knowledge, innovation, and technological progress (including the adoption of AI), with investment in science and research, to discover what works and what doesn’t and why, as the primary drivers.

She advanced the belief that **Canada can leverage its global leadership as an investor to unlock new and more affordable solutions to pressing global challenges** if an ethos of mutual benefit is adopted, and strong relationships with emerging powers are built.

In the session on AI and technology, speaker Rafal Rohozinski added: “Development as we’ve known it for the last 25 years...it’s done. It’s not coming back ... it’s going to have to be something different, a combination of technical assistance in the way we had prior to 1990, and value creation. I think we as practitioners need to get our minds around that value-creation.”

An innovative approach to domestic wealth generation and job creation in developing countries

In the [opening keynote](#), economist Dani Rodrik outlined arguments from his new book (released in November 2025) advocating that **governments in developing countries must assume a leadership role in generating economic growth by creating industrial policies to produce high quality jobs in the services sector**. He pointed to the example set by China’s leadership and success in the use of this strategic policy approach, and the resulting rapid growth over the past several decades. Rodrik noted that, even in China, industrialization is waning as a job-absorbing sector, hence the need to focus not on industry but rather on **services**, moving forward. He added that countries could not expect the magnitude of growth experienced by Asia, but concluded that **focussing on human capital, skills development, local expertise, and allying with the private sector to generate more employment in existing industries, especially in services, would lead to high quality, stable jobs**, and that this would have the most beneficial impacts on future economic growth.

Strengthening the quality of jobs in the service sector

Development policies should move away from assuming low-income countries can replicate the traditional industrialization models of advanced economies. This calls for more innovative strategies that reflect countries’ existing capacities and resources—particularly by strengthening labour-absorbing service sector, recognizing the abundance of low-skilled workers, supporting micro-entrepreneurship as a means of empowering local communities and fostering greater economic autonomy. In short, solutions must remain realistic and reflective of the existing capacities on the ground.

This domestic focus would also have the knock-on benefit of buffering local economies from the pressures and intrusions of international trade volatility, especially in the current environment.

Professor Rodrik's view of the world's current disarray was tempered with hope. Acknowledging that we are living in dark times, and that many national governments are not up to the task of fighting climate change or addressing global development, he nonetheless painted an optimistic picture of where we might be able to go, referencing humanity's historical track record of creating cohesive societies, and documented success in addressing big challenges. He pointed to the experiences and practices of leaders at the subnational level – local governments and municipalities – as another source of his optimism.

His positive outlook extended to the question of AI and its uses. Characterizing the impact on jobs as speculative at this point, he sees a world where AI and the new digital technologies can be used in ways that are friendly to workers. Instead of using them to monitor and control, extracting every ounce of effort, they might be used to increase the agency and autonomy of workers, supporting them in performing more sophisticated tasks.

Moderator Manfred Bienefeld closed the keynote by reiterating his concerns about the power of the profit motive and the immense pressure and sway of private capital driving government actions, and its potential to subvert and derail people-centred economic models and structural transition.

To which Professor Rodrik responded: “Who put capital in charge?”

He noted that it's possible to envisage a world where capital doesn't have that power. There are countries that have chosen different paths, which have disciplined capital and were able to grow, nonetheless. While acknowledging the challenge of the pressure for profit, he expressed the view that capital is not aligned with any ideology. It just wants to make money, and it can do so in an environment not defined by neoliberalism and hyper-capitalism. He does not see an incompatibility between the profit motive and the changes that he is proposing for the economy. The key is to redirect capital in socially desirable directions. It's in creating the supporting narratives for this approach that economists, policymakers, and technocrats can and should play a greater role. “In that sense **I give less priority to capital, where our ideas about what needs to be done doesn't come from capital ... it comes from our conception of what's the right way to move forward.**”

However, no one can deny the enormity or the complexity of meeting the challenge politically of wresting the power of neoliberal capital allocation from a debt-driven international financial system. Moreover, if developing countries can't replicate traditional industrial models and must instead focus on labour-absorbing services, it may be very difficult for them to balance their external trade accounts unless they dispense with many of the industrially produced goods and global services of the modern world.

Link to related session videos

Welcome, Introduction and Opening Keynote: Speakers: Ted Jackson, Chair of the Board of Group of 78, Susan Tanner, Vice-Chair of the Group of 78, Elder Verna McGregor, and Maggie Gorman Véléz, Vice-President of Strategy, Regions, and Policy at the International Development Research Centre (IDRC). Gorman Véléz begins her speech at minute 9:51 and Professor Dani Rodrik starts his keynote at minute 23:47. [Click here to watch video.](#)

Find out more

[*Shared Prosperity in a Fractured World: A New Economics for the Middle Class, the Global Poor, and Our Climate.*](#) Dani Rodrik. Princeton University Press, 2025.

[*Reimagining the global economic order.*](#) Review of Keynesian Economics, vol. 12(4), pages 396-407. Dani Rodrik, August 2024.

3. [Can the SDGs be brought back on track?](#)

Speakers in several sessions examined the Sustainable Development Goals (SDGs) from three perspectives: the efficacy of the goals themselves as they exist currently; how Canada might lead the effort to improve the framework for 2030 and beyond; and a consideration of what needs to be done by Canada to become a more effective partner in international assistance and development.

Informed by the ideologies of our current economic system, which are seen to be impeding their progress, the SDGs were not deemed robust enough, currently, to navigate the challenges of the ecosystem in which they are being implemented. The consensus was that they should be retained but refined.

Professor Adam Sneyd of the University of Guelph observed that, after almost a decade, **80% of the goals are failing.** Professor Ruby Dagher of the University of Ottawa, and a G78 Board member, described the goals as too numerous, flawed in their conception, poorly written, rife with contradictions, and attached to indicators that are difficult to measure. Execution has been, and remains, uneven. The issue of which countries benefit, and which must sacrifice for that benefit, persists. With countries under pressure to show success, many have adopted some goals, and sidelined others.

Almost a decade into the implementation phase, **the challenge of the development finance gap has yet to be met and remains the most intransigent impediment to progress.** In addition, costs to deliver on the Goals continue to rise, boosted by the recent pandemic and the geopolitical turmoil, and now stand at USD 4.3 trillion annually. At the same time, official development assistance, **ODA, the traditional source of funding, and only a drop in the bucket, is in decline.**

These weaknesses were attributed partly to the dominance of powerful countries and commercial interests at the negotiating tables, edging out the voices and perspectives of other stakeholders, such as Indigenous peoples and the lowest-income countries. The primacy of diplomatic compromise over evidence-based research was also noted as a contributing factor. The almost complete absence of anything in the goals and indicators related to tackling wealth inequality is testimony to that assessment.

Professor Sneyd believes **Canada could help transform the SDGs into a more practical and measurable framework through the development of an independent commission to assess the existing SDG indicators scientifically and systematically. In an environment of declining development assistance, clear and actionable targets will be critical to maintaining support from key donor countries.** Professor Dagher expressed the hope that this will be a space where voices are equalized, and that negotiations will happen in a democratic fashion that was missing from the original process to craft the SDGs.

Adam Sneyd also identified the need for the West to undertake a deep-thinking exercise to determine where it really stands with respect to international development.

The status of Canada's Feminist International Assistance Policy (FIAP) as the framework for Canada's approach to international development.

Professor Valerie Percival of Carleton University's [Norman Patterson School of International Affairs](#) (NPSIA) summarized the recommendations in *Moving the Needle: Re-imagining Canada's Development and Humanitarian Engagement*, a report produced to provide guidance to the newly elected Liberal government on Canada's contributions to development.

After the G20 meeting held in November 2025, which took place after the G78 policy conference, Prime Minister Carney announced that Canada's approach to international assistance was no longer going to be characterized as feminist, although it would continue to have a strong gender lens. However, **while Canada's earlier Feminist International Assistance Policy had come under some criticism, it was also praised for having brought a strong gender-based architecture to Global Affairs Canada, with values well-aligned with peacebuilding—values that are currently under attack internationally on many fronts.**

Still, Prime Minister Carney's new direction corresponds with recommendations outlined in *Moving the Needle*: "...Canada's support for gender equality is more important now than ever. **Gender equality should therefore remain a goal of Canadian development and humanitarian assistance, and the gender equality architecture within Global Affairs Canada be sustained** ... development policy also needs to be flexible, adaptable, and responsive, with a focus on diagnosing the problems – not on implementing a single solution", the report argued. **"We therefore recommend that Canada's development framework incorporate gender equality as a clear goal, but not the defining focus of Canada's development and humanitarian assistance."**

Recommendations: Getting the SDGs back on track and Canada's future development engagement

1) International development and growing inequality have retreated from the public eye. Civil society organizations (CSOs) need to change the narrative on how they explain development issues to the public. **It is critical that civil society articulate a positive and constructive vision for the future and mobilize within the Canadian political arena to execute that vision.** CSOs need to ask themselves: What sort of vision do we have for the post-2030 world? What does it look like, and how do we construct a roadmap to get there?

2) **The international assistance and humanitarian aid community must launch a coordinated effort to ensure that the voice and value proposition of this sector are represented at every table, forum, meeting, and conference where Canada's role internationally is being discussed and decided.** They must: hone and synchronize talking points and narratives; join coalition efforts; build solutions; use digital media channels to connect with influencers and decision-makers on a daily/weekly basis; publish op-eds and analyses on all policy announcements relative to the sector; create and cultivate a roster of media experts who are available at short notice; speak at Parliamentary committee meetings; have regular correspondence with Ministerial aides; lobby for keynote and speaker roles at meetings and conferences; submit research and abstracts; join conference programming committees; stake out a presence by having booths and side events at major meeting and events; invite people

from other sectors (security, military, economics, business, labour, government) to their own meetings and conferences.

3) Canada must move forward with the recommendations outlined in [Moving the Needle](#), including: developing a new framework which clearly articulates Canada’s core principles and goals for development and humanitarian engagement, one that retains gender equality as a driving principle and focuses on the protection of civilians, peacebuilding, building ecosystems for development, a sustained commitment to health and education, and strengthening ties between trade and development. Canada must use the convening power of its 2025 G7 Presidency, and work with France’s Presidency in 2026, to form and lead a G7 Working Group on International Responses to Conflict, Fragility and Development, and to articulate a new framework to guide its engagement in fragile, conflict-affected and developing contexts.

4) As a G7 country, Canada must take a leadership role in driving the recommendations outlined in the African Expert Panel’s submission to the G20 meeting, *Growth, Debt and Development: Opportunities for a New African Partnership*, released in November 2025.

5) Canada should work with other countries to amplify, support and learn from the voices and knowledge of Indigenous communities in resource and infrastructure projects while strengthening Indigenous languages and culture. Canada should also redouble its efforts to **implement the United Nations Declaration on the Rights of Indigenous Peoples** in Canada and abroad.

6) Canada should provide funding in support of an independent scientific task force to reassess, reorient and strengthen the Sustainable Development Goals, and develop post-2030 targets, anchored by development scholars at Guelph and Ottawa universities.

Links to related session videos

[Beyond 2030 – Panel Discussion](#). Speakers: Adam Sneyd, University of Guelph and Ruby Dagher, University of Ottawa. Moderator: David Peck.

[NPSIA Report – Moving the Needle: Re-imagining Canada’s Development and Humanitarian Engagement](#). Speaker: Valerie Percival, Carleton University. Moderator: Stephen Brown.

Find out more

[Moving the Needle: Re-imagining Canada’s Development and Humanitarian Engagement Recommendations for Canada’s New Government](#). May 2025

[Canada’s Feminist International Assistance Policy after Eight Years: What Have We Learned So Far | Panel Discussion](#). Centre for International Policy Studies, uOttawa. 29 September 2025

[Hidden Politics in the UN Sustainable Development Goals](#). Adam Sneyd. November 2024.

[The Role of monitoring and evaluation in the UN 20230 SDGs Agenda](#), Nadini Persaud and Ruby Dagher. June 2021

4. [Redefining finance for development](#)

There was a wide-ranging discussion throughout the conference on how finance could be a catalyst for the development agenda. This stream of discussion covered reforms to the international financial system, approaches to generating wealth in developing countries, new sources of aid funding and development partnerships beyond blended finance, the urgent need to address the sovereign debt of the poorest countries, and the role of Canadian financial institutions as a catalyst for the nation's green transition.

Tackling sovereign debt, attracting new sources of funding, and reforming international financial systems

For four days in June and July 2025, in Sevilla, Spain, government leaders and high-level representatives met at the fourth International Conference on Financing for Development (FfD4) to reaffirm their commitment to realizing the 2030 Agenda for Sustainable Development and its 17 goals, “to end poverty and hunger everywhere, and leave no one behind.” **The conference outcome document reaffirmed that “poverty in all its forms and dimensions, including extreme poverty, remains the greatest global challenge, and its eradication is an indispensable requirement for sustainable development.”**

In his keynote remarks to the Ottawa conference, [Professor José Antonio Ocampo](#) of Columbia University provided an overview of the **Sevilla Consensus, the political commitment emerging from the gathering, which sets out 130 initiatives in a blueprint outlining how nations would establish a framework for action on development finance over the next decade, covering domestic resource mobilization, international tax cooperation, development banking, governance, trade, and science, technology and innovation.**

Professor Ocampo identified the strengths of the consensus document as: its promotion of transparency in fiscal systems, support for progressive taxation, taxation of natural resources, and capacity building (including subnational authorities); commitment to unlocking the potential of national development banks and advocacy for the expansion of multilateral bank lending; the opening of more concessional windows (notably the World Bank's International Development Association), longer maturities, grace periods, lower rates, and broader use of borrowers' domestic currencies; championing the channelling of Special Drawing Rights (SDRs) into development objectives; protection of ecosystems; support for small firms; the deepening of domestic banking and capital markets, and the reaffirmation of the goal of 0.7% of gross national income that countries should spend on overseas development assistance.

The Sevilla Consensus also called for mobilizing the full range of sources of finance, including domestic public sources and resources, international public finance, private capital, and blended finance.

Building on Sevilla, G78 researcher Kennisyn Longford-Daum prepared a background paper for the G78 conference on a range of innovative financing [strategies](#), including debt relief, international tax cooperation, national development banks, domestic resource mobilization, and private sector resources.

The central role of public banks

The delegates at FfD4 assigned **significant importance to the role of public banks in development**, seeing them not just as funders but as strategic actors, drivers of SDG finance, convenors, risk managers and key reform partners. **They have a central role to play** in leveraging private finance while staying aligned with development priorities and were seen as less likely to worsen the debt vulnerabilities of low- and moderate-income borrowers in developing countries.

Professor Susan Spronk of the University of Ottawa advanced the argument that **public banks, rather than the private sector institutions, would be better partners for governments in tackling the development finance gap**. She was critical of the adoption, in the last several years, of blended finance as the preferred model to attract private sector resources into the development space. Its aggressive promotion by Canada and other major donor nations has resulted in them ‘tackling the debt problem by creating more debt’ for countries least able to manage it. She argues that this approach, while often referred to as ‘innovative’, is just the time-worn practice of paying the private sector to do some good in the world. Public money, in the form of scarce ODA, is being used to de-risk private capital investment. Furthermore, private capital tends to gravitate towards infrastructure projects rather than the more socially impactful programs to promote education, health, and gender equality, and leans toward middle-income countries over the poorest nations, creating an asymmetry among core development values and objectives, the biggest arenas of need, and prioritized projects.

Public development banks, with their USD 91 trillion in assets worldwide, mandates for local wealth generation and returning profits to communities, and the ability to make loans in local currency, are more aligned with development goals, Professor Spronk argued: “... **the money is there. Why are we asking these public banks to do blending?**”

Private capital may have a role to play in financing development, but Professor Spronk echoed Oxfam in suggesting that **the private sector can make its most powerful contribution simply by paying its fair share of taxes**, flowing billions of dollars into economies that could be used for broad social benefit.

Making Canadian financial institutions accountable for Paris Agreement outcomes

Senator Rosa Galvez turned the attention of the gathering to Canada’s progress on its SDG commitments, noting that **Canada is lagging far behind in its green energy transition**. She argued that the country is stuck in an extractive economy, an economy of the past. By persisting in this direction, **Canada is depleting the resources upon which 85% of its GDP depends**. Canadian resource projects promise returns insufficient to attract private capital, so the government is using public resources to de-risk these projects, calling it ‘investment,’ when, with minimal returns, this is really a subsidy. This parallels the federal government’s use of scarce public resources to de-risk private sector participation in development projects through blended finance. **Inevitably, Senator Galvez noted, Canada will strand or deplete its resources, undermining economic growth and wealth generation, reducing its continued capability and effectiveness as a major donor of international assistance.**

Senator Galvez has sponsored the **Climate-Aligned Finance Act (CAFA), Bill S-243**, which aims to make Canada’s financial sector climate-responsible by legally requiring major financial institutions and federally regulated entities to align with Canada’s climate goals. If passed, it has the potential to shift capital in Canada to more sustainable investments, and to reduce financial support for fossil-based assets, reinforcing Canada’s net-zero aspirations.

Recommendations: Redefining finance for development

7) Canada should work with the governments, civil society organizations and scholars of other countries to strengthen the capacity of the State to reassert control over the allocation and direction of capital in national economies and development initiatives. Neo-liberalism has pushed governments to the side, making them peripheral actors in many countries.

8) Canada needs to fulfill the commitments it made at the Sevilla meeting, converting intentions into actions, creating policies and mobilizing resources domestically to ensure that it can optimally leverage its influence as a G7 country, and has the means to make progress on the initiatives it championed: the provision of technical assistance with debt management through approaches such as debt-for-development swaps; the implementation of ‘pause clauses’ in current and future loan contracts with both public and private actors to help countries manage debt obligations during periods of crisis; influencing reform in multilateral development banks by taking advantage of its long association with them; and broadening Special Drawing Rights (SDRs) to benefit developing countries. Canada has led initiatives for debt management and relief before and should do so again.

9) A key measure to improve national economic sovereignty is to strengthen the role of national public development banks. With Canada’s experience and record in this area, the Canadian government is well positioned to assist developing countries in this task and should do so.

10) Canada must implement fair levels of taxation on top earners in the country and redistribute the proceeds for maximum social benefit, rebuild its own economy for the future, and contribute to the economic health of its global partners. It needs to lead the world in acting against the scourge of extreme wealth inequality.

11) Through both foreign and domestic policy, Canada must accelerate its progress on its own green energy transition and move away from the outdated extractive economic model to one based on knowledge and services and clean energy. Canada must protect the assets and resources upon which its wealth depends so that it will continue to have the means to contribute to global economic development. Canada must do this for its own future and to be considered a competent and reliable international partner, an inspiring example to other extractive economies, and not a cautionary tale. Further, Canada’s aid, both bilateral and multilateral, should support clean energy projects, not those based on fossil fuels. **Civil society groups and other actors need to reinforce the message that the green transition is unstoppable—and more affordable.**

12) Canadian foreign-aid projects working with developing-country governments, business associations, trade unions, and educational institutions should test wealth- and job-creation strategies that focus on human capital, skills development, local expertise, and alliances with the private sector across a range of business sizes and sectors, to generate more high-quality employment in existing industries, especially in services, in Africa, Asia and the Americas.

13) As it makes its way through the Parliamentary process, Canada’s Parliament must support the Climate-Aligned Finance Act (Bill S-238), a bill sponsored by Independent Senator Rosa Galvez, and reintroduced in October of 2025, calling for Canadian financial institutions to be held accountable for

meeting the Paris Agreement targets, and driving Canada's progress on the green energy transition. This applies to the overseas investments of financial institutions based in Canada, as well.

14) The International assistance community in Canada must advance a powerful coordinated campaign to communicate the value proposition of ODA to the Canadian public and the government. The community must push for a recommitment from Canada to the achieving UN guideline of 0.7% of Gross National Income in every forum where Canada's role in the world is being discussed and decided upon. ODA has been a stable and reliable source of development funding for the past several decades and must continue to be a key part of the mix.

Links to related session videos

[Outcomes and implications of Financing for Development Conference in Sevilla - Keynote](#)

Speaker: José Antonio Ocampo (Columbia University). Moderator: Laura MacDonald.

[Financing development: What are the implications of the massive cutbacks in Official Development Assistance and multilateral cooperation.](#) Speakers: Susan Spronk, University of Ottawa and Senator Rosa Galvez, Parliament of Canada. Moderator: Lauchlan Munro.

Find out more

[Fourth International Conference on Financing for Development – Outcome Document](#)

Sevilla Commitment. Sevilla, Spain 30 June-3 July 2025

[Climate Aligned Finance Act \(Bill S-243\).](#) October 2025 (first reading). Senator Rosa Galvez

[Harnessing Innovative Finance for Development Redefined.](#) G78 Conference Background Paper, October 2025.

Author: Kennisyn Longford-Daum

5. [Technology: Opportunities and threats in artificial intelligence](#)

In preparation for this session, G78 researcher Leah Darbyson, who also moderated this panel, prepared a background paper for the G78 conference entitled [Harnessing Artificial Intelligence for Development Redefined](#). The paper included case studies and recommendations for applications of AI for sustainable and inclusive development.

In his presentation Dr. Sathy Rajasekharan, a consultant, and former Co-Executive Director of Jacaranda Health in Kenya, recounted his on-the-ground experience over the last several years deploying AI tools for health promotion and support, illustrating both an opportunity and a threat.

He described the development of a platform intended to provide timely information through text messages to pregnant women, in a bid to reduce maternal mortality rates. What started as 100 information requests per day grew to thousands from the four million women from several African countries who came to use the service. AI agents were critical in supporting the efforts of 10 staff members to triage the messages for importance, and in re-routing women to the care they needed. Because Jacaranda wanted to transfer the responsibility for the program to the government, it was

critical that costs be kept low. AI was instrumental in helping to scale the program and manage costs. This was the opportunity.

Insight into possible threats were apparent in the recent development of an AI agent to provide counselling services to adolescents. Mentions of suicidal ideation were met with no response from the bot - an 'edge case' in the use of the technology, but one raising serious concerns. The safety guardrails failed and raised the need for proper evaluation and response to protect end users.

For Dr. Rajasekharan, the critical issue is this: **If AI is to create value in the world and solve problems, to actually help people, we must overcome our fear of technology, stop using AI for trivial purposes, and look to it instead to build things.** This is the most assured path to gaining sufficient knowledge to influence and optimize the social benefits of the technology. **Using the tool to discover first-hand what it can and cannot do, and what it must not do, is particularly important for political leaders and bureaucrats charged with the task of developing governance models, regulations, and policies.**

Dr. Rafal Rohozinski agreed with this analysis, noting that the pervasive confusion about AI is caused by the lack of familiarity with it. Both he and Dr. Rajasekharan agreed that people must not just be casual users of the tools but instead become *developers* to achieve the level of understanding necessary to create social value with them.

Adding to the understanding of potential threats, Dr. Rohozinski noted that AI is emerging at time when nation-states are increasingly moving away from global cooperation and toward re-sovereignization.

Because of this, he is concerned that **the technology may not be as widely available as it has been in the West.**

The software, platforms, and databases upon which the whole world depends are controlled by two countries, the US and China, and by a handful of American companies. **The US government may decide to leverage these technologies to build its own wealth and power, providing them only to countries with valuable assets to exchange, but not to all countries.** This may open the resources of low-and-middle-income states to exploitation if they want to have continued access to AI. Dr. Rohozinski noted that this is a scenario we have seen play out in Ukraine, where the country was pressured into giving American companies access to mine its critical minerals in exchange for continued US military support.

China offers an alternative to the cloud-based Western model of accessing and delivering the new technologies. AI-in-a-box permits the platform and the associated data to be housed on servers physically located within countries supporting more digital sovereignty and security. The use of small language models (SLMs) means countries can leverage local and specialized expertise, boosting competitiveness, and better protecting their data from the global re-distribution and exploitation prevalent with the large language models (LLMs) currently used in the West. **Developing countries may be better served by a retreat from the globalization of data.**

However, because of China's record of human rights abuses and mass surveillance, it too has potential to be a domineering and intrusive partner. This presents the world with two uneasy paths. But a third way is possible. An alliance of nations that seek to use the technology for social benefit and are willing to lead the world in that direction must emerge as a countervailing force. **The future of AI does not need to remain solely in the control of two countries – the US and China. Working collectively, middle**

powers like Canada can promote international regulation, norms and accountable governance through partnerships, research networks and judicious policymaking.

For Canada to be influential in the rollout and direction of AI and other emerging technologies - to be contributors of the rules rather than just followers - **it must carve out a unique, critical, and strategic role.** In particular, there is an opportunity for Canada to become an energy supplier for AI development, providing resources, and sequestering the carbon from data centres, recognizing the environmental consequences. With its cheap electricity and further advancement on the green energy transition path, China may be a major competitor, however. Lacking the necessary investment resources, Canada is not going to create the next generation of AI, but there are ways to position itself in the space and contribute, nonetheless. The federal government is already charting this path in its recent agreement with the Alberta Government.

The issue of most countries not enjoying digital sovereignty notwithstanding, both speakers showcased the benefits of AI, believing it to have a net positive contribution to make in the developing world now and in the future.

Dr. Rajasekharan re-emphasized **the cost advantages of using AI.** Financial constraints on programs and projects that aspire to generate impact necessitate the use of AI to ensure their sustainability long-term as they scale. He believes that everything must be done to keep the costs of using the tools down, ensuring continuing low barriers to entry: **“The cost savings of the technology are its true value at this point.”**

Dr. Rohozinski concluded with a forecast: “AI is the next great competition for the commanding heights of the future economy and that’s going to permeate and impact everything – jobs, defence, ethics, everything. Those who win are the ones who are going to write the rules and those who don’t are going to have to be subservient to those rules. This means that, either we as a country and as individuals, are ready to compete in that market, not constraining ourselves, or we are simply going to become consumers to other people who are going to develop faster and better than we can.”

AI is a phenomenal technology, but it is not neutral. It is driven by the power, policies and priorities of the companies and countries where it is anchored. It needs to be managed in a positive and effective way. **The speed of technological change cannot excuse the absence of governance and regulation. Progress demands scrutiny and public oversight. Innovation without accountability leads to inequality.**

Recommendations: Technology - opportunities and threats in artificial intelligence

15) Canada should work with other countries to strengthen the United Nations Global Compact to maximize the options of low- and middle-income countries (LMICs) to build their own AI capacity, support local developers, create social and economic value, and ensure affordability of access to AI for their populations and institutions. Developing countries are particularly vulnerable to the control of AI by other countries and international corporations. Canada should adopt a position and take action to assist them to create and local control of AI technologies and systems.

16) Canada should work through other multilateral bodies of which it is a member—G7, G20, APEC, ASEAN, OECD, WTO—and some of which it is not a member—such as the BRICs bloc—to advance

policies and practices on AI that maximize the options of LMICs to build their own AI capacity, support local developers, create social and economic value, and ensure that local access to AI is open and affordable.

17) Global Affairs Canada must open a new program window to expand its support of AI capacity building in priority LMIC partner countries, including exploring local developer acceleration, SLMs and AI-in-a-Box options and lower cost services.

18) The International Development Research Centre must be provided with sufficient financial resources from the Government of Canada to expand its research partnerships on AI capacity and innovation in LMICs, particularly in Africa, and to test and adapt local developer acceleration, and SLM and AI-in-a-Box approaches.

19) The Centre on International Governance Innovation (CIGI) must be provided with sufficient financial resources from the Government of Canada to expand its research and policy development on artificial intelligence in terms of the global and national governance and risk management of AI, threats to democracy, and other emerging issues, such as digital sovereignty, greater access, lower pricing, local developer strengthening, and the potential of SLM models.

Links to related session video

[Technology: Opportunities and Threats – Panel Discussion.](#) Speakers: Sathy Rajasekharan, Independent Consultant and Rafal Rohozinski, CIGI and SecDev. Moderator: Leah Darbyson, MA Candidate, Carleton University

Find out more

[Harnessing Artificial Intelligence for Development Redefined.](#) Case studies and recommendations for applications of AI in development. Leah Darbyson. October, 2025

[Sathy Rajasekharan is Transforming Maternal Healthcare with AI.](#) Fast Forward, April 29, 2025.

[Sovereignty: Terms and Conditions Apply.](#) Centre for International Governance Innovation, Waterloo. Rafal Rohozinski. January 8, 2026

6. Conclusion – The imperative of hope

Throughout the course of the conference, the need for continued hope, a view expressed repeatedly by the speakers and the attendees, emerged as a compass for navigating the hostile landscape and daunting tasks that lie ahead for the international assistance sector. The success of the meeting in nurturing that level of hope, especially for emerging professionals, was reflected in the closing remarks of University of Ottawa PhD candidate Kaima George-Chuka: **“I’ll be leaving this room with more hope than when I entered. Hopeful, not because the challenges have diminished, but because we are finally asking the right questions like, how do we innovate, and how do we build a development model that is politically, socially, and culturally inclusive? ... So yes, there is hope, not just hope, but relentless and radical hope.”**

Links to additional conference documents

[Conference website](#)

[Conference program](#)

[Speaker, moderator, and rapporteur bios](#)

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Appendix A: Summary of recommendations

Note: Key messages have been embedded in the report narrative to preserve context and appear in **bold text**. Recommendations have been inserted into each thematic area. The full list is summarized here, broken out by theme:

Getting the SDGs back on track and Canada's future development engagement

- 1) International development and growing inequality have retreated from the public eye. Civil society organizations (CSOs) need to change the narrative on how they explain development issues to the public. **It is critical that civil society articulate a positive and constructive vision for the future and mobilize within the Canadian political arena to execute that vision.** CSOs need to ask themselves: What sort of vision do we have for the post-2030 world? What does it look like, and how do we construct a roadmap to get there?
- 2) **The international assistance and humanitarian aid community must launch a coordinated effort to ensure that the voice and value proposition of this sector are represented at every table, forum, meeting, and conference where Canada's role internationally is being discussed and decided.** They must: hone and synchronize talking points and narratives; join coalition efforts; build solutions; use digital media channels to connect with influencers and decision-makers on a daily/weekly basis; publish op-eds and analyses on all policy announcements relative to the sector; create and cultivate a roster of media experts who are available at short notice; speak at Parliamentary committee meetings; have regular correspondence with Ministerial aides; lobby for keynote and speaker roles at meetings and conferences; submit research and abstracts; join conference programming committees; stake out a presence by having booths and side events at major meeting and events; invite people from other sectors (security, military, economics, business, labour, government) to their own meetings and conferences.
- 3) **Canada must move forward with the recommendations outlined** in NPSIA's [Moving the Needle](#) report, including: developing a new framework which clearly articulates Canada's core principles and goals for development and humanitarian engagement, one that retains gender equality as a driving principle and focuses on the protection of civilians, peacebuilding, building ecosystems for development, a sustained commitment to health and education, and strengthening ties between trade and development. Canada must use the convening power of its 2025 G7 Presidency, and work with France's Presidency in 2026, to form and lead a G7 Working Group on International Responses to Conflict, Fragility and Development, and to articulate a new framework to guide its engagement in fragile, conflict-affected and developing contexts.
- 4) **As a G7 country, Canada must take a leadership role in driving the recommendations outlined in the African Expert Panel's submission to the G20 meeting, *Growth, Debt and Development: Opportunities for a New African Partnership*, released in November 2025.**
- 5) **Canada should work with other countries to amplify, support and learn from the voices and knowledge of Indigenous communities in development projects** while strengthening Indigenous languages and culture. Canada should also redouble its efforts to **implement the United Nations Declaration on the Rights of Indigenous Peoples** in Canada and abroad.

6) Canada should provide funding in support of an independent scientific task force to reassess, reorient and strengthen the Sustainable Development Goals, and develop post-2030 targets, anchored by development scholars at Guelph and Ottawa universities.

Redefining finance for development

7) Canada should work with the governments, civil society organizations and scholars of other countries to strengthen the capacity of the State to reassert control over the allocation and direction of capital in national economies and development initiatives. Neo-liberalism has pushed governments to the side, making them peripheral actors in many countries.

8) Canada needs to fulfill the commitments it made at the Sevilla meeting, converting intentions into actions, creating policies and mobilizing resources domestically to ensure that it can optimally leverage its influence as a G7 country, and has the means to make progress on the initiatives it championed: the provision of technical assistance with debt management through approaches such as debt-for-development swaps; the implementation of ‘pause clauses’ in current and future loan contracts with both public and private actors to help countries manage debt obligations during periods of crisis; as well as influencing reform in multilateral development banks, taking advantage of its long association with them; and a broadening of Special Drawing Rights (SDRs) to benefit developing countries. Canada has led initiatives for debt management and relief before and should do so again.

9) A key measure to improve national economic sovereignty is to strengthen the role of national public development banks. With Canada’s experience and record in this area, the Canadian government is well positioned to assist developing countries in this task and should do so.

10) Canada must implement fair levels of taxation on top earners in the country and redistribute the proceeds for maximum social benefit, rebuild its own economy for the future, and contribute to the economic health of its global partners. It needs to lead the world in acting against the scourge of extreme wealth inequality.

11) Through both foreign and domestic policy, Canada must accelerate its progress on its own green energy transition and move away from the outdated extractive economic model to one based on knowledge and services and clean energy. Canada must protect the assets and resources upon which its wealth depends so that it will continue to have the means to contribute to global economic development. It must do this for its own future and to be considered a competent and reliable international partner, an inspiring example to other extractive economies, and not a cautionary tale. Further, Canada’s aid, both bilateral and multilateral, should support clean energy projects, not those based on fossil fuels. **Civil society groups and other actors need to reinforce the message that the green transition is unstoppable—and more affordable.**

12) Canadian foreign-aid projects working with developing-country governments, business associations, trade unions, and educational institutions should test wealth- and job-creation strategies that focus on human capital, skills development, local expertise, and alliances with the private sector in a range of business sizes and sectors, to generate more high-quality employment in existing industries, especially in services, in Africa, Asia and the Americas.

13) As it makes its way through the Parliamentary process, the Canadian Parliament must support the Climate-Aligned Finance Act (Bill S-238), a bill sponsored by Independent Senator Rosa Galvez, and

reintroduced in October of 2025, calling for Canadian financial institutions to be held accountable for meeting the Paris Agreement targets, driving Canada's progress on the green energy transition. This applies to the overseas investments of financial institutions based in Canada, as well.

14) The International assistance community in Canada must advance a powerful coordinated campaign to communicate the value proposition of ODA to the Canadian public and the government.

The community must make a push for a recommitment from Canada to the achieving the UN guideline of 0.7% of Gross National Income in every forum where Canada's role in the world is being discussed and decided upon. ODA has been a stable and reliable source of development funding for the past several decades and must continue to be a key part of the mix.

Technology - opportunities and threats in artificial intelligence

15) Canada should work with other countries to strengthen the United Nations Global Compact to maximize the options of low- and middle-income countries (LMICs) to build their own AI capacity, support local developers, create social and economic value, and ensure affordability of access to AI for their populations and institutions. Developing countries are particularly vulnerable to the control of AI by other countries and international corporations. Canada should adopt an appropriate position and take action to assist LMICs to create local control of AI technologies and systems.

16) Canada should work through other multilateral bodies of which it is a member—G7, G20, APEC, ASEAN, OECD, WTO—and some of which it is not a member—such as the BRICs bloc—to advance policies and practices on AI that maximize the options of LMICs to build their own AI capacity, support local developers, create social and economic value, and ensure that local access to AI is open and affordable.

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Appendix B: Reflections on the day by the members of the graduate student rapporteur team

Members of the Student Rapporteur Team, who represent the cohort that will take international development forward over the next thirty or forty years, were asked to share their top take-aways from the conference:

Surbhi Gautam, MA student, Carleton University: “I had such an amazing time listening to all the panelists today, and it made me really think about Canada's diplomatic role, specifically when it comes to humanitarian aid and diplomacy and the intersection of that. I know that in the global context, the sustainable development goals were built on belief, and we can see that shift a little bit so that the frameworks are looking more towards domestic states, rather than what the Sustainable Development Goals can do on a global level. And in that context, specifically looking at Canada's domestic diplomacy and global diplomacy, we can see the quiet retreat from humanitarian peace building leadership, marking a little bit of an identity shift as well. Because peacekeeping wasn't just what Canada did, it was its identity and the basis of the nation's reputation in a national sphere. Yet as the United Nations influence wanes and we see international cooperation fade a little bit, we can see that that identity is sort of fading away as well. And what that makes me think of is, in 2010, when the Governor General issued an apology for the inaction and the Rwandan genocide, and what was occurring there, I see a little bit of a cycle occurring again, where we're taking a step back from what we, maybe some people say, do best.”

Kaima George-Chuka, PhD student, University of Ottawa: “As we close today's conversation, I would like to say that I'll be leaving this room with more hope than when I entered. Hopeful, not because the challenges have diminished, but because we are finally asking the right questions like, how do we innovate, and how do we build a development model that is politically, socially, and culturally inclusive? The world has changed, and today's developing countries cannot simply replicate the industrial models of the past. However, we need to rely on value creation, research, science, and innovation, not imitation. I would like to echo what I heard from some of the panelists. Specifically, there is a need for citizens at all levels, especially the grassroots civil society organizations, and others, to hold our government accountable. ODA remains important in terms of, to quote Susan, ‘reparations and commitment to global humanity’. I'd also like to emphasize that ultimately, development in the New World Order will belong to those who combine innovation with inclusion, profit with purpose, and growth or de-growth with environmental and social justice. We need to be better at framing and articulating and communicating the vision of why development and humanitarian engagement matter. So yes, there is hope, not just hope, but relentless and radical hope.”

Tyrus Kalanyos, MA student, Carleton University. “Today's goal was understanding and rethinking partnerships. The current geopolitical climate that our speakers have illustrated is one of consensual and non-consensual partnerships. By this, I mean that there is a crisis in the representation of those that are impacted through how our governments finance development, how involved AI has become in many aspects of our lives, and what shared prosperity should mean. As our speakers highlighted, there are geopolitical issues on a macro level which have obfuscated the micro, when, in reality, they are greatly interconnected, and one cannot, and should not, be analyzed without the other. Moving forward, as Canada and the world face a future of unstoppable development in AI, financing, and climate change, it should take time to ensure that there are normative opportunity structures to inform and legitimize

their efforts and foster inclusive consensual relationships that better reflect the groups most affected and often, left out.”

Fatoumata Mansaré, MA student, University of Ottawa. “Thank you again to Group of 78 for providing this forum so we can reimagine global governance together. My main takeaway from this conference is that because of today's global uncertainty, which is shaped by emerging technologies, rising protectionism and aggressive aid cuts and trade policies ... adaptability will become our most valuable and competitive skill in overcoming these challenges, and will determine who will survive and who will ultimately be carried away by these present conditions. Dani Rodrik reminded us that progress requires working with forces that were once seen as threats or obstacles to sustainable development, such as the private sector, by leveraging large and small entrepreneurial enterprises, and, also, a bigger and more active government role in facilitating the creation of labor absorbing service jobs. They all remain essential actors in reshaping the economy to serve people first, rather than profit. From the technology panel, we learned that rather than rejecting technologies, we should embrace them, like AI, and learn to work with them, because ... they're here to stay. And so, for me, among this chaos, I believe that there are still emerging opportunities, and we still have to continue experimenting and building adaptability as a vehicle to emerge stronger and successful from this. Order can only be built through opening ourselves to a wider range of actors with an emphasis on a more accountable government.”

Alison Pang, MA student, Carleton University: “I'm very grateful to be invited here today to hear so many insightful and courageous speeches from experts from development. The main takeaways for me here are two important ethos: the ethos of self-criticism and reflection, as well as empathy. It is very refreshing and pleasantly surprising to hear certain concepts that have been taken for granted in the field of development, such as the SDGs or innovative finance, being challenged in such an honest and radical way. Here it is very common to hear these buzzwords without really questioning the contradictions and the deep power imbalance and dynamic that sustained them. So, it is very eye-opening to hear these problems being so openly discussed. And only when we admit our past mistakes and missteps can we move forward better. Another point is that we need to carry this conversation on outside this room. It is encouraging to see so many people here remain committed to the global humanitarian mission despite the various domestic and international challenges we have. But we know outside this room there are many people who remain unconvinced, apathetic, or skeptical toward our goals. It is important to engage with those people to frankly discuss the structural inequalities and power imbalances that keeps many of us down here in Canada, as well as in the rest of the world.”

Mina Syed, MA student, Carleton University: I wanted to touch on a tension that Senator Rosa Galvez talked about, which lies at the heart of sustainable development. On the one hand, we're told that growth is essential and that countries have to industrialize, expand out, and raise GDP, and on the other, we recognize that the logic of endless growth is also what drives ecological collapse. The notion of green growth tries to reconcile with these opposites, and it suggests that we can decouple prosperity from resource use through technology and efficiency. But like people said before, this hasn't happened at the scale or speed that we wished it would have, and what we call sustainability often masks continued extraction. I believe that we can't solve a crisis driven by growth by insisting on more of it. And I think real sustainability requires a re-definition of prosperity itself. And this is what Adam Sneyd was also talking about earlier when he said we need one comprehensive understanding of what progress means for us.”

Fernanda Vera, MA student, University of Ottawa: “For me, this conference has highlighted the tension between ambition and reality in the current global development framework. On one hand, we have

global models that push for technological and economic growth, relying on the idea that the benefits will trickle down to benefit everyone, and prioritizing private sectors priorities over public outcomes. On the other hand, if we look at the news, if we see the reality out there, we see that those models of global development policy have failed to address the systemic inequalities for minorities like LGBTQ plus racialized individuals, women, and youth. While I believe in leveraging tools like AI and technology, and innovative financing models, I believe that development should put people at the center of everything we talked about. At the at the end of the day, it comes down to improving people's wellbeing. I feel like we can all try to reconcile those two views, and yeah, there is hope."

Alyssa Warga, MA Student, Carleton University: In a declining climate of global cooperation, official development assistance, and increased geopolitical tensions, how do we achieve our development goals? Today encouraged me to take a step back and consider the "what" and "why" of this question, not just the "how": what development goals have been outlined and who defined them? Do they prioritize the most pressing development issues around the world? Do they offer the best plan to advance global peace and prosperity with the available resources? When considering the redefinition of the SDGs, I would encourage the democratization of their reformulation while cautioning against hollow representation. Even when the decision-making table becomes more diverse, we should remember that not all seats hold the same weight. If we can keep this in mind, we may well succeed in reimagining the SDGs in a way that prioritizes the needs of those who require aid the most. Another recurring and thought-provoking discussion from today was the idea of aid as a zero-sum game - when did we start thinking about aid this way? I think we need to recentre the idea that both accepting and donating states can benefit from aid relationships. Aid donations are not an automatic loss in resources that could be spent in Canada but rather an investment in the future of the world order in which Canadians exist.