



Honourable Bill Morneau
Minister of Finance
House of Commons Ottawa, Ontario
K1A 0A6

February 13, 2020

Dear Minister Morneau,

The Canadian Coalition on Climate Change and Development (C4D) welcomes your recent affirmation that climate change will be a central focus of the 2020 federal budget.

As you work toward the completion of the budget, we urge you to ensure Canada upholds its Paris Agreement and Agenda 2030 commitments to support climate action in developing countries. As a champion of the "[Year of Action on Adaptation](#)" and with its commitment to feminist foreign policy, Canada's emphasis in 2020 should be on the following three priorities:

- 1- Meeting Canada's fair share of international climate finance
- 2- Closing the global adaptation funding gap (and)
- 3- Putting gender equality at the centre of Canada's efforts to promote resilience to climate change

Meeting Canada's fair share of international climate finance

Under the Paris Agreement and Copenhagen Accord, Canada has committed to jointly mobilize US\$100 billion annually for developing countries by 2020, and to provide scaled-up, new and additional, predictable funding. Based on its relative Gross National Income, Canada's fair share¹ of this target is double its commitment for 2020-21. ***Canada's federal budget 2020 should reflect its ambition to increase Canada's international climate finance to reach US\$4 billion annually from all sources, of which CAD \$1.8 billion should be public funds for bilateral projects, in line with the fair share scenario outlined in the table below.***

¹ Of the US\$100 billion, developed countries are expected to contribute US\$66.8 billion annually (with US\$37.3 billion as bilateral provider funds and US\$29.5 billion from multilateral resources), with US\$33.2 billion to be mobilized from the private sector. US\$1.4 billion or Cdn\$1.8 billion is Canada's fair share of the US\$37.3 billion.

This table illustrates how Canada can meet its fair share of bilateral climate finance by 2025, through annually increases of 18%.

2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Five Year Total
\$800	\$945	\$1,115	\$1,315	\$1,550	\$1,830	\$6,755

(millions of Canadian dollars)

Doing our part to close the global adaptation funding gap

We are pleased that Canada is a convening country and funding partner to the Global Commission on Adaptation (GCA). However, Canada’s rhetorical recognition of the importance of building resilience through adaptation is so far not reflected in Canada’s international climate finance portfolio. Under the Paris Agreement, countries have committed to balance all funding for adaptation and mitigation. Under the Green Climate Fund, where Canada acts a Board member, this represents 50% of all climate finance going towards adaptation. Canada, by contrast, devotes less than 35% of its international climate finance to adaptation. ***With climate impacts expected to push an additional 100 million people into poverty by 2030, it is imperative that Canada increase the proportion of its international climate finance going towards adaptation to 50%.***

Putting gender equality at the centre of Canada’s international climate finance portfolio

Climate change impacts women and men differently and is likely to increase existing inequalities and vulnerabilities between them. Adaptation finance is therefore essential to achieving gender equality and development goals. Canada can further reinforce coherence with its Feminist International Assistance Policy by committing at least 15% of its international climate finance towards projects that target gender equality as a primary objective, taking measures to ensure those resources are accessible to local women and girls, and ensuring that these funds are in the form of grants as opposed to loans. Loans can exacerbate debt in low-income countries, increasing the burden on those who are least responsible for contributing to climate change. ***Towards that end, C4D recommends that the Government of Canada build on the experience and success of the Equality Fund and announce the creation of a dedicated financing mechanism to support local women’s adaptation.***

Minister, in April 2019, the Standing Committee on Environment and Sustainable Development recommended, in its [19th report](#), that the Government of Canada contribute its fair share of Cdn\$1.8 billion annually in bilateral climate finance, and that it dedicate 50% of those funds to adaptation. The Committee also recommended that Canada channel more of its international climate finance through bilateral partners and local organizations who are best equipped to deliver local solutions to global problems, and that demonstrate a preference for grants over loans.

Our recommendations are not only consistent with the Paris Agreement, the Sustainable Development Goals and Canada's very own Feminist International Assistance Policy, they are also an opportunity to demonstrate leadership consistent with Canada's bid for a seat at the UN Security Council, the call to action of the Global Commission on Adaptation and countless other international expert bodies.

The stakes are high for Canada to act on climate change in 2020. Canadians have made it clear that they expect greater action on climate change, and many will be watching to see if Canada is taking its international and domestic policy commitments seriously. We urge the Government of Canada to raise ambition and ensure that its budget reflects this historic opportunity and imperative.



Naomi Johnson, C4D co-chair



Eddy Perez, C4D co-chair

With the endorsement of the following organizations:

ADRA Canada | AidWatch Canada | BC Council for International Cooperation | Canadian Council for International Cooperation | Canadian Foodgrains Bank | CARE Canada | Centre D'étude et de Coopération Internationale (CECI) | Climate Action Network Canada | Co-operative Development Foundation of a Canada | Farm Radio International / Radios Rurales Internationales | Mennonite Central Committee | Oxfam Canada | Oxfam Quebec | Plan Canada | SOCODEVI

CC: The Honourable Minister Karina Gould and The Honourable Minister Jonathan Wilkinson

The [Canadian Coalition on Climate Change and Development \(C4D\)](#) is a coalition of over 20 international development and environmental organizations working together to share knowledge and take concerted action to address climate change.