

SUBMISSION TO CANADA'S INTERNATIONAL CLIMATE FINANCE CONSULTATIONS By the Canadian Coalition on Climate Change and Development (C4D) August 2020

The <u>Canadian Coalition on Climate Change and Development (C4D)</u> is a network of over 30 development and environmental organizations, working together to share knowledge and take action on climate change. Through our work in developing countries, we regularly hear from our partners and clients how climate change is making it more difficult to achieve development objectives, impacting health, food security, and livelihoods. It is from this knowledge that we strive to inspire greater climate action in support of those most vulnerable, through encouraging effective federal policies and through implementing green and resilient programming in the Global South, some of which is showcased here.

Though C4D members work at different scales, in a variety of countries, and with unique areas of expertise, we all agree that Canadian support for climate action in developing countries is valuable and imperative.

Introduction

Canada's post-2020 climate finance is an opportunity to better align our climate and development objectives, to truly contribute to effective support for those most vulnerable, especially women and girls, to demonstrate influence and build trust among global stakeholders working to implement climate and development commitments, and to show Canadians that this government understands the urgency of acting on climate change and is ready to live up to its stated commitments to take action.

The coronavirus pandemic has reminded us how intimate the relationship between people and the planet is. It has exacerbated pre-existing systemic and structural inequalities in all countries, and now vulnerable communities and developing country governments are doubly faced with coinciding crises, climate change and COVID-19, forcing them to make impossible decisions about which to prioritize, often at the expense of the other. The need to build resilience and increase support to the poorest and most vulnerable has never been more apparent.

As we continue to respond to the devastating social, economic and cultural impacts of this pandemic, we must be reminded that we are also responding to a climate and biodiversity crisis and that these impacts are particularly hitting those most vulnerable: women, children, the elderly

and Indigenous Peoples around the world. Without urgent, evidence-based action, climate change will push more than 100 million people into extreme poverty by 2030, up to 250 million people into displacement by 2050, and render some of the world's most populous regions virtually uninhabitable. Climate change is a risk amplifier that affects every aspect of human life, threatening to erode decades of progress in human development.

Canada's future climate finance must reflect the level of urgency and ambition required in order to strengthen the global response to the climate crisis. Future climate investment decisions must make greater interlinkages between climate policy, sustainable development, and the understanding of equity to address the uneven distribution of adverse impacts linked with global warming of 1.5°C and higher. Climate change policies need to build resilience, help reduce vulnerabilities of human and natural systems, address poverty, improve health and capacity building and be gender responsive. Likewise, development efforts should be aligned with the Paris Agreement, be climate sensitive, and strive to build resilience against climate impacts. As a relatively high-carbon emitting, wealthy country, Canada has the responsibility and the capacity to scale up its climate finance, help developing countries and vulnerable communities increase resilience and make considerable progress on reducing the threats of climate change impacts globally.

The following principles presented below must inform the preparation of Canada's future climate investments. Each principle will be followed by specific recommendations and case studies that show the importance of increasing the quantity and quality of Canada's post-2020 climate finance¹.

Core Principles for Canada's Post-2020 Climate Finance

- 1. Canada's climate finance is focused on supporting the poorest and most vulnerable and recognizes adaptation as critical to achieving gender-responsive, resilient climate action and development goals in developing countries.
- 2. Canada's climate finance is designed as a feminist, gender-responsive policy and delivered using feminist approaches to advance women's rights and gender equality.
- 3. Canada's climate finance reflects Canada's historic responsibility and international commitments.
- 4. Canada's climate finance directly supports the accomplishment of global development goals and Canada's Feminist International Assistance Policy.
- 5. Canada's climate finance represents equal allocations to mitigation and adaptation.
- 6. Canada's climate finance fosters decolonization through respecting and promoting human and Indigenous rights.

¹ Where not otherwise noted, information included in this brief can be found in a broader report commissioned by C4D, "The Reality of Canada's International Climate Finance", 2020, by Brian Tomlinson, http://aidwatchcanada.ca (available in September 2020).

Canada's climate finance is focused on supporting the poorest and most vulnerable and recognizes adaptation as critical to achieving gender-responsive, resilient climate action and development goals in developing countries

Climate change disproportionately impacts the poorest and most marginalized including least developed countries, small island developing states, and women and girls. While the poorest half of the world's population are responsible for just 10% of greenhouse gas emissions, developing countries are bearing up to 80% of the costs. For these populations, adaptation is imperative. Targeting the poorest and most vulnerable is critical to keeping international commitments including the Paris Agreement and the Sustainable Development Goals, as well as delivering on the Feminist International Assistance Policy.

Currently climate finance is not being delivered based on a direct assessment of relative vulnerability of countries and the inequality within populations. The entire \$2.65 billion commitment went through multilateral channels particularly multilateral development banks (MDBs) and special funds for partnerships with international private sector enterprises. As a result, over half of Canada's climate finance has taken the form of loans and the majority of investments have favoured mitigation activities focused mostly in lower-middle and upper-middle income countries. MDBs have a poor track record of delivering on adaptation and gender equality. Furthermore, Canada should not be paid back for supporting developing countries who did little to contribute to climate change.

(from left) Alé Baldè, Diabou Wandia, and Mariama Diallo are members of the community listening group in Saré Demba Diéo, in the Kolda Region of southern Senegal. The women of the community group gather to listen to radio programs on climate-smart agriculture together on Radio Djimara, a station based in Medina Yoro Foula. As part of Farm Radio International's Digital Advisory Services for Climate Smart Agriculture, or DAS4CSA, project radio stations in the Kolda Region are running programs that cover issues related to sustainable agriculture in the face of climate change, including topics like deforestation, weather, traditional



fertilizing techniques (like composting), pests and adapted seeds. Groups like the one in Saré Demba Dié discuss the topics of the show and decide as a community how they want to implement the new practices. They'll even call in to the programs using Farm Radio's interactive services, to ask follow-up questions or suggest solutions that they themselves have implemented.

Recommendation 1: Provide all funding to adaptation for poor and vulnerable populations in the form of grants and report only the grant-equivalency value of all loans to the UNFCCC.

Loans unfairly increase the debt-burden of developing countries, which is counter to what adaptation finance to the poorest and most vulnerable should achieve. Whereas loans might be a viable option for private sector actors in mitigation or for middle-income countries, they have no place in adaptation programming, particularly for least developed or low-income countries. Currently Canada counts the entire contribution of loans in its UNFCCC biennial assessment. This leads to an exaggeration of climate finance contributions.

Recommendation 2: Balance Canada's post-2020 climate finance portfolio, through increasing funding through bilateral channels including through Canadian organizations with long-standing partnerships of trust in developing countries, and who are best-placed to get resources into the hands of local women's rights organizations and the poorest and most vulnerable.

Many Canadian organizations (including NGOs, private sector, and academia) have histories of working on these issues and have built partnerships with local groups and organizations to ensure this is done effectively. However, bilateral projects that were delivered by Canadian civil society organizations were not considered as part of the \$2.65 billion, and only 7% of Canada's current climate finance from 2016/17-2018/19 went through Canadian CSOs, making it difficult to get support to those who need it most. It's clear, as highlighted above, that current preference for multilateral channels in Canada's climate finance allocations does not align with reaching the poorest and most vulnerable and realizing gender equality.



Farmer Grace Awachangoen first saw conservation agriculture in practice on a demonstration farm. She was so impressed she started to implement it at home, first on maize and then for other crops. She also joined a self-help group to save money. With her new farm techniques, and group membership, she has been able to increase crop productivity, improve her house and buy livestock. This has given her confidence and improved her family harmony, with her husband now contributing to her farm enterprises. Grace is one of about 1880 people who benefitted from this project, implemented by the Nebbi Diocese Church of Uganda, and supported by World Renew and Canadian Foodgrains Bank.

Canada's climate finance is designed as a feminist, gender-responsive policy and delivered using feminist approaches to advance women's rights and gender equality.

Climate change is not gender neutral. In developing countries, many women face greater vulnerability to climate change due to existing social and cultural norms and barriers - meaning they have less access to relevant resources including technology and information and less decision-making ability to cope with climate impacts. In many cases, these inequalities have been exacerbated by COVID-19. Many women in developing countries are also closely connected to, and often dependent on natural resources, with 79% of women in the world's poorest countries working in agriculture. Climate change threatens their health, food security, and livelihoods. This is why women in developing countries tend to view adaptation as imperative.

And women are at the forefront of climate action. Studies show that environmental protection and gender equality are linked. The more women have agency the more natural resources are protected. Conversely, when gender inequality is high, forest depletion, air pollution and other measures of environmental degradation are also high. When women have agency in addressing climate change impacts, the view of women's status is recognizably shifted from victims and passive beneficiaries to stakeholders and drivers of resilient development. Furthermore, research now indicates that countries with women in leadership positions at national and political levels, have less CO2 emissions than those without. Therefore, supporting women and women's organizations contributes to more resilient communities.

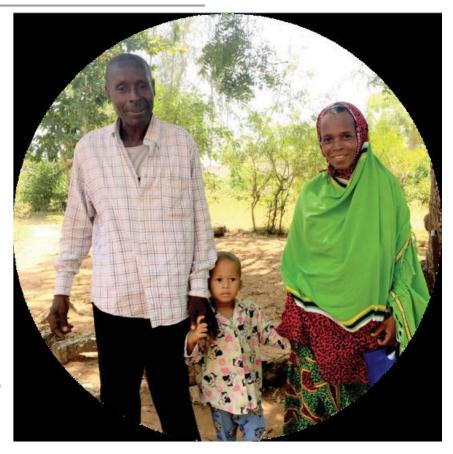
The Feminist International Assistance Policy acknowledges the significance of women's empowerment in achieving development goals. Canada has encouraged gender equality structures and objectives among multilateral processes and funds, including the Green Climate Fund. Canada has mainstreamed gender equality in 93% of its current climate finance projects meaning the project has undertaken a gender equality analysis, set out explicit gender equality objectives, and assesses these objectives in project evaluations.

While these are certainly positive interventions, there have been no evaluations of gender mainstreaming in Canadian climate finance, and there is no way to determine if there are substantial gender equality outcomes in these projects. All of Canada's current \$2.65 billion climate finance commitment went through multilateral channels including multilateral development banks and special funds for partnerships primarily through large, international private sector enterprises which generally have a poor record promoting gender equality. Promoting feminist-lens investments is not a priority within MDBs. In fact most of these institutions don't have safeguard policies to protect and uphold women's rights. It's difficult to say how much progress Canada has made when it comes to ensuring that all of Canada's climate investments promote feminist approaches. Additionally, less than 1% of disbursements, 0.2% specifically, are for climate projects where gender equality is the primary purpose. This is shockingly small for a government that has made gender equality a priority in its development agenda.

Fifteen percent principle purpose bilateral funding to gender equality is a goal for Canada's bilateral ODA, and it should be extended to climate finance specifically. These sorts of policy commitments are needed to ensure funding achieves women's empowerment, rather than being allocated through the usual, easiest channels.

Zubeda Mwinyi Mwakihutu became a female entrepreneur with Plan Canada's Kilifi Solar project to help her family earn a living, as well as replicate the benefits of solar lighting to other families so they also experience the benefits of solar home systems (SHS). With her own SHS, Zubeda and her husband Chengo Baya Toya, no longer use money to purchase kerosene and save finances for other living expenses. She has experienced great success selling solar home kits and her customers are very happy because they no longer have the added expense of kerosene.

Chengo supports Zubeda with her solar entrepreneurship. They both work together to ensure the household runs well, and they market together to cover larger ground. He faces backlash from the community because he supports Zubeda, however, he "closes his ears" to the chatter. When Zubeda is marketing her solar product, he prepares food for the family, assists with fetching water, and asks his children to contribute their



time to the household as a whole family effort. He has developed a strong relationship with his children by spending more time with them.

Chengo is happy with his daughters' changed perception towards what women can do and achieve within their community because they are experiencing firsthand the benefits of their mother's entrepreneurship. At times, community chatter will have them question their mother's business ventures, but he "won't entertain negative feedback from his children."

Recommendation 4: Commit 15 percent of Canada's international climate finance towards gender equality as a "principal" objective, and 80 percent as a "significant" objective.

Recommendation 5: Include a specific financial commitment to support women's resilience and adaptation in Canada's post-2020 climate finance, which emphasizes the principles of localization and women's leadership.

In order to help empower local women in decision-making and leadership roles to build their agency, Canada's international climate finance should seek to change cultural perceptions and make funding for local women's organizations accessible and flexible, enabling them to determine their own priorities. Global Affairs Canada should report how much funding is going to women's organizations and develop more robust standards for coding to gender equality in climate finance, to ensure projects adequately achieve women's empowerment outcomes.



To help farmers find new ways to cope with the impact of climate change in Kenya, Mennonite Central Committee supports the agricultural work of local partner organization, Utooni Development Organization (UDO). UDO works with farmers who are suffering from the impact of climate change – unpredictable rainy seasons, decreased rain, and flooding when it does rain. UDO is teaching farmers like Joyce Ngumbao (pictured) to implement conservation agriculture, which emphasizes soil cover, minimum soil disturbance and crop rotation. These techniques increase crop production in drier conditions. To help offset the devastation of a failed harvest and diversify their income, farmers also learn to plant fruit trees, raise animals and save seeds.

Canada's climate finance reflects Canada's historic responsibility and international commitments.

Canada must do its fair share towards a global effort that ensures global warming is limited to no more than 1.5°C. Canada has substantially contributed to the global buildup of greenhouse gas pollution in the atmosphere for over a century and continues doing so today, reaping enormous economic benefits but also accumulating a substantial carbon debt.

As such, Canada bears a large responsibility for creating the climate crisis and, as a wealthy country, possesses considerable capacity to address it. Making a fair contribution to international climate finance is both an international and domestic priority. Canada has a large carbon debt which entails an obligation to enable a reduction in developing countries' greenhouse gas emissions equivalent to a total Canadian contribution of 140% of Canadian 2005 emissions, meaning that Canada's climate finance must help cut emissions in all developing countries on average by 2.3% below their 2010 levels in 2030 in addition to the reductions that they achieve on their own or with other wealthier countries' support.

In 2016, developed countries in the UNFCCC presented a roadmap using the methodology of OECD DAC to announce how they will achieve the annual climate finance commitment of US\$100 billion by 2020. This roadmap indicated that US\$37.3 billion would be bilateral climate finance, US\$29.5 billion would be multilateral climate finance attributable to developed country donors and US\$33.2 billion would be private sector climate finance mobilized by donor public sector resources. Based on its GNI relative to other donors, Canada's fair share of the US\$100 billion annual commitment is US\$3.8 billion or approximately CAD\$4.9 billion, and CAD\$1.8 billion in bilateral investments alone. When looking at all international climate investments that Canada has committed to between 2016 and 2018, including attributable core climate finance contributions within MDBs, it is estimated that Canada has mobilized around CAD\$3.6 billion in total or an average of CAD\$1.2 billion per year between 2016 and 2018 -- only 25% of Canada's fair share of the US\$100 billion.

Canada has committed to provide at least CAD\$800 million per year for climate finance in 2020/2021. This is less than half of its fair contribution to bilateral climate finance. Canada's post-2020 international climate investments in developing countries must increase many times over and align with pathways that limit global warming to 1.5°C and help countries transition to a zero-carbon economy. Canada's CAD\$800 million commitment per year must be scaled up substantially to reach Canada's fair share for bilateral climate finance (CAD\$1.8 billion annually). One way this could be achieved in the current context of low ODA levels is through an 18% increase in climate finance annually, from \$800 million in 2021, for a total five-year commitment of \$6.76 billion.

The Canadian Government has also utilized Export Development Canada (EDC) to mobilize private finance for climate purposes in developing countries. It has provided CAD\$782 million since 2015. There is no clarity as to how these funds have been used but some of it might be the result of EDC Green Bonds, which are created to raise funds to invest in environmental or climate change mitigation projects. While Canada reports funding through EDC to the UNFCCC, these funds are not considered part of Canada's ODA. Also, EDC's climate action remains controversial because it has provided around \$45 billion to the oil and gas sector, while it has only invested \$7 billion in clean technology. In this context, funding climate action to developing countries through EDC doesn't represent a positive contribution to Canadian international climate obligations.

Canada's commitment of official resources in support of its bilateral effort towards the US\$100 billion annually should only involve concessional public financing where the full purpose is climate adaptation/mitigation or loss and damage. All loans should be reported at the grant equivalency value. Canada should clearly distinguish in its reporting to the UNFCCC the rationale and details of all modalities of eligible climate finance. Export credits, loan and investment guarantees should not be included in Canada's post-2020 climate finance commitment of official resources in order to maintain clear accountability to poor and vulnerable countries and populations for these commitments. Canada's support for mitigation projects in developing countries should be structured so that the interests of poor and vulnerable populations are assessed, given priority, and built into infrastructure projects for climate mitigation. The implementation of free, prior and informed consent is a critical aspect of protecting the interests of Indigenous Peoples in such projects. Canada must also ensure that all climate finance is consistent with a low greenhouse gas emissions pathway and climate resilient development.

Recommendation 7: Align all of Canada's international investments, policies, and strategies with the Paris Agreement and Canada's development goals, including all ODA, investments by FinDev Canada and international financing by Export Development Canada.



The Aga Khan Development Network's Pamir Energy company (PE) has established an innovative cross-border clean energy and social development program to benefit marginalized communities in border regions of Afghanistan and Tajikistan. PE provides electricity to over 42,000 inhabitants in Afghan Badakhshan, with an additional 426,000 inhabitants expected to be covered over the next seven years. Domestic demand in northeastern Afghanistan continues to grow rapidly; additional generation, transmission and distribution capacity is vital for socioeconomic growth in the region. To meet this demand, PE will build a new 11 MW hydropower plant (HPP) at Sebzor, Tajikistan. The project comprises a run-of-river plant with a generation capacity of 94.5 GWh annually. The HPP will be connected to PE's main transmission grid, and to the local grid, with an additional line built to connect transmission networks to Afghan Badakhshan. The 24-month construction period and operation of the Sebzor HPP will result in 850 temporary and 40 permanent jobs.

Canada's climate finance directly supports the accomplishment of global development goals and the Feminist International Assistance Policy.

In 2015 with the Government of Canada's announcement of CAD\$2.65 billion in international climate finance towards the US\$100 billion goal, the commitment was made to focus interventions on the poorest and most vulnerable, especially women and girls. Canada's adoption of the Feminist International Assistance Policy in 2017, and the subsequent Action Area policies, emphasizes the importance of gender equality and the empowerment of women and girls to eradicate poverty and build a more peaceful, more inclusive and more prosperous world. The FIAP was intended to support the Sustainable Development Goals and be aligned with the Paris Agreement.

There is little evidence available to suggest that Canada's current climate finance package is aligned with the FIAP and SDGs. The predominance of multilateral channels including multilateral development banks and special funds for partnerships with international private sector enterprises in Canada's international climate finance portfolio has resulted in a commitment that has been focused on mitigation, with significant support to lower-middle and upper-middle income countries, and without any certainty that gender equality outcomes are being met. MDB approaches to gender equality vary. Funding through multilateral channels leaves little room for influence to ensure Canada's development goals are met. Furthermore, the prevalence of loans in Canada's climate finance only exacerbates the debt-burden of vulnerable countries, running counter to eradicating poverty and supporting those most in need.

There is a lack of adequate monitoring and evaluation in Canada's current climate finance commitment, making it difficult to determine to what extent funding has supported development objectives. Lessons learned from an evaluation of the current CAD\$2.65 billion commitment should be used to determine allocations for post-2020 climate finance.

Canada's climate finance should contribute to building trust and cooperation between all countries that are working towards the implementation of the Paris Agreement and the SDGs. Canada's contributions to adaptation finance and its ability to be accountable to development objectives is part of this. Likewise, Canada's climate finance needs to be additional to existing Official Development Assistance (ODA), and not divert funds from other aid priorities.

A new, post-2020 commitment on climate finance provides an opportunity for Canada to ensure that its climate finance and development goals are mutually-reinforcing.

Madame Mariama, a farmer from northern Ghana, pictured here with her shea nut harvest once faced significant difficulty in growing enough to support her family financially and nutritionally. Under CFTC's program she was able to train on climatesmart agricultural practices, including proper preparation of farmland to prevent soil erosion, and the proper application of fertilizer and certified seeds. She was able to plant a wider variety of crops, significantly increase her yields, and sell her surplus crops. With the profits she started livestock, shae processing and bee-keeping businesses. This has put the family on a more secure economic footing. and made a difference for her children. "Food for my family is a challenge no more. We have enough to eat throughout



the year and even sell. I am also able to cater for school supplies and pay fees for my children."

Mariama is one of thousands of farmers, most of them women, who have charted a path out of poverty by adapting their farming techniques to climate change. The RESULT and CHANGE projects funded by Global Affairs Canada saw up to 95% of farmers who engaged in climate-smart agriculture reporting a significant increase in yields. Women who were previously unable to participate in farming on this scale saw a transformation in their lives. 75% of women who learned climate-smart agriculture through RESULT say their economic contributions to the household is now strongly recognized, up from 25% at the project's start.

Recommendation 8: Integrate climate resilience across the FIAP action areas for all ODA to ensure Canada's development goals and action on climate change are aligned.

A climate resilience approach can help strengthen the sustainability and impact of interventions across FIAP Action Areas. Climate resilience should be seen as part of a continuum that helps people absorb shock and minimize humanitarian need, build back better, and sustain longer-term development. Aligning Canada's climate finance with the FIAP increases the opportunities to achieve development goals and climate action and the likelihood of realizing these objectives.

Recommendation 9: Integrate monitoring and evaluation within Canada's climate finance to ensure funding adequately reaches the poorest and most vulnerable, enables women's empowerment, and aligns with development goals, and construct post-2020 finance based on regular evaluations and lessons learned.

These evaluations should be made public. Canadian civil society can support the assessment of development goals in climate finance project design and evaluations. Additionally, developing more robust standards for coding to gender mainstreaming would enable more effective coherence between the FIAP and Canada's climate finance.

Recommendation 10: Establish a distinct and transparent line item for principal purpose climate finance in the International Assistance Envelope (IAE) and at a minimum increase the IAE proportionate to the amount of climate finance being considered.

Climate finance should be distinguishable from Canadian development assistance. Reporting target commitments for Canada's Official Development Assistance would help to ensure climate finance is truly new and additional.

CARE's PROSAM project in Cuba seeks to improve the diversity and quantity of food available in local markets, strengthen the capacities of municipal actors to manage food production plans and support local producers, and ensure that women are involved in agricultural production in their communities. To achieve this, PROSAM is promoting local self-supply of food with the promotion of technology and agro-ecological practices that are adapted to the local context, sustainable and resistant to extreme weather events caused by climate change.

PROSAM has supported Kety Diaz Padron since 2015 with the creation of new capacities and the installation of an irrigation system with solar panels, which allows her to reach all the arable corners of the farm and deliver water to her animals. The use of solar panels for women farm leaders offers them independence and autonomy by not depending on the purchase of diesel or the use of electricity, both with high costs and fluctuations in their stability. Secondly, it lowers the costs of agricultural production, which allows them to integrate into markets with more competitive and fair prices. Lastly, it frees them from the problems associated with natural disasters such as cyclones, which are



very frequent in Cuba, since they can immediately begin to produce and irrigate, despite the fact that for several days there is no access to electricity or fuels.

Due to these benefits, Kety has been able to increase her annual production from 0 to 1.85 tons and produce a total of five varieties of crops. Furthermore, with the technical knowledge that PROSAM has provided her, she has started to produce her own organic fertilizer. Day by day, Kety has become more resilient in a context where there is limited access to agricultural inputs, technical assistance and innovative technologies and where there are severe impacts from climate change.

Canada's climate finance represents equal allocations to mitigation and adaptation.

Globally, current flows of finance for adaptation fall drastically short of the stated need and anticipated costs. According to the United Nations Environment Programme, the global adaptation financing gap could reach US\$140-\$300 billion per year in the 2030s, and up to US\$500 billion per year in the 2050s. Even if developed countries successfully meet the Copenhagen Accord target of mobilizing US\$100 billion per year by 2020, and if 50 percent of that were to go to adaptation, total finance for adaptation would still have to be roughly three-to-six times higher to meet likely finance needs in 2030. Inclusive adaptation programming is one of the most effective ways to help the world's poorest and most vulnerable people withstand the impacts of climate change, and recover efficiently from natural disasters when they do occur, yet funding for adaptation is significantly short of what is needed.

While Canada reports an increase in adaptation support, the actual allocation of funds between 2016 and 2018 show that adaptation finance remains low at 25% of Canada's \$2.65 billion commitment to date.

Canada's finance commitment largely relates to Canada's chosen funding channels for climate finance, which have been heavily weighted on multilateral channels including multilateral development banks and special funds for partnerships primarily through large, international private sector enterprises. Close to 90% of the known projects financed to date by the five MDB special funds, created since 2017, went to mitigation purposes.

These projects don't favour LDCs (least developed countries) and SIDS (small-island developing states). From a geographical point of view, there is a high allocation of funds that promote investments in low-middle-income countries and upper-middle-income countries as the result of the high concentration on mitigation and international private sector enterprises in Canada's current climate finance. At least 70% of mitigation finance was directed to these countries.

However, between March 2016 to December 2019, Global Affairs Canada approved CAD\$205 million in bilateral project commitments, for which climate mitigation or climate adaptation were the principal purposes of these projects. These projects, while not being reported as part of Canada's \$2.65 billion commitment, were fully devoted to addressing climate change in a developing context. It's of particular interest that as a result of these choices, 62% of these project commitments were devoted to adaptation and 38% to mitigation purposes and that all of these projects were provided as grants. Canadian civil society organizations implemented \$59.4 million in project commitments in Haiti and Senegal, which were the result of specific calls for proposals. All of these projects focused on adaptation, which made up 46% of all bilateral project adaptation. Countries in the Americas received 42% of project commitments and countries in Africa, 37%. More than 83% of bilateral project commitments that could be allocated were directed to LICs (lower-income countries) and LDCs. The remaining 17% focused on UMICs (upper-middle income countries).

This demonstrates the importance of making explicit commitments to support adaptation action in developing countries that promote local partnerships to address the needs of the poorest and most vulnerable.



Alinea's small and micro-irrigation project using a rope and washer pump in Warrap, South Sudan. Micro-irrigation provides transformative possibilities for smallholder farmers to address climate change by enabling year round agricultural production and eliminating problems from variable rainfall and droughts. Rope and washer pumps are particularly suitable to female farmers as they are built and can be repaired with locally available materials (bike parts, scrap metal).

Recommendation 11: Commit at least 50 percent of international climate finance for principal purpose adaptation initiatives aimed at addressing the poorest and most vulnerable.

Recommendation 12: Allocate new and additional funding to address loss and damage, without diverting resources away from adaptation or humanitarian funding for other purposes.

Recommendation 13: Increase support to multilateral funds that emphasize action on adaptation including the Green Climate Fund and the Adaptation Fund.



Humbo ranges before and after vegetation cover restoration using FMNR

Forest mitigation projects have the potential to facilitate ecological adaptation by reducing human pressures on forests, enhancing connectivity between forests and conserving biodiversity hotspots. They can also contribute to human adaptation to climate change through ecosystem-based adaptation, defined as the management of ecosystem services to reduce human vulnerability to climate change. World Vision has promoted the Farmer Managed Natural Regeneration (FMNR) approach, which restores and builds natural resources through reforestation both on farm and off farm, improving agricultural production, increasing incomes and food and water availability. This approach has been successfully applied to support regeneration of 2,728 hectares of previously degraded forest land in Humbo, Ethiopia. This resulted in enhanced local communities' livelihoods through improved environmental conditions (increased biodiversity and vegetation cover, reduced soil erosion, reduced hazards from runoff, increased production/productivity of downstream farmlands) and revenue generation from emission reductions.

The Humbo project was established in 2005, in partnership with the World Bank. It was Africa's first ever carbon trading forestry project, under the Kyoto Protocol's Clean Development Mechanism (CDM), to be registered with the United Nations Framework Convention on Climate Change (UNFCCC). The protected areas of forest now act as a 'carbon sink,' absorbing and storing greenhouse gases from the atmosphere to help mitigate climate change. Over the 30-year crediting period, the project will sequester an estimated 880,000 metric tonnes of carbon dioxide from the atmosphere. The World Bank's Bio-Carbon Fund will purchase 165,000 tonnes worth of these credits. This will provide an income stream of more than US\$700,000, structured to equally benefit women and men, for the local communities over a minimum of ten years. Further revenue will be available to the community from the sale of the remaining carbon credits not purchased by the World Bank, as well as from the sale of timber products from designated woodlots in the project area.

PRINCIPLE 6

Canada's climate finance fosters decolonization through respecting and promoting human and Indigenous rights.

Canada has an obligation in all of its actions and programs to recognize, respect, and safeguard Indigenous Peoples' rights, knowledge systems, and legal orders, as well as enable the essential and diverse contributions Indigenous Peoples have in relation to living reciprocally with the land, water and ice. Globally, Indigenous Peoples are among the first to face the direct consequences and impacts of climate change. They are feeling the impacts of the climate and biodiversity loss crises and are facing forced relocation because of it. This is, for example, the case in the Arctic and in the Pacific. Adapting to climate change is a priority for Indigenous Peoples around the world but current climate finance governance doesn't properly acknowledge and address the

needs of Indigenous Peoples. All climate finance investments impacting Indigenous Peoples around the world, including projects financed through MDBs and special funds for partnerships with the private sector, must respect the principle of Free, Prior and Informed Consent (FPIC) and uphold the United Nations Declaration on the Rights of Indigenous Peoples.

Recommendation 14: Uphold the principle of Free, Prior and Informed Consent within Canada's climate finance, including in projects financed through special funds for the private sector at the MDBs.



Indigenous Maya Q'eqchi' and Pocomchi' women and youth in Alta Verapaz, Guatemala face many challenges living with the consequences of climate change that are exacerbated by the double-injustices they face as Indigenous women with limited access to land and productive resources. These women have collective solutions and the will to implement them but often lack the means and enabling social environment. Oxfam Canada's Camino Verde project is working with these women to strengthen small-scale enterprises using innovative, clean and sustainable business practices, making available the tools that help scale-up their initiatives - from the ASOKAPE

shade-grown coffee operation to the AWINEL growers network's diversified agriculture on plots owned by Indigenous women themselves. Alongside this, the project is driven by a commitment to women's transformative leadership by contributing to the social conditions for that leadership to thrive. It fosters the local governance, evidence-based advocacy and the social norms required to support sustainable, climate-resilient women and youth led economic initiatives and long lasting, transformative change. An example of this is the project's support for national legislation promoting sustainable women's economic activity. Led by Q'eqchi' and Pocomchi' Indigenous women, Camino Verde is demonstrating the importance of women's transformative leadership in practical, innovative climate action strategies.

This submission on behalf of C4D has been endorsed by:

- ADRA
- ACTED Canada
- AidWatch Canada
- Alinea
- Association québécoise des organismes de coopération internationale (AQOCI)
- Canadian Council for International Cooperation
- Canadian Feed the Children
- Canadian Foodgrains Bank
- CARE Canada
- CECI
- Climate Action Network Canada
- Co-operative Development Foundation of Canada
- Farm Radio International / Radios Rurales Internationales
- Grandmothers Advocacy Network
- International Institute for Sustainable Development
- Liana Environmental Consulting
- Mennonite Economic Development Associates (MEDA)
- Mennonite Central Committee Canada
- Mercy Corps
- Oxfam Canada
- Oxfam Quebec
- Plan International Canada
- REAP Canada
- SOCODEVI
- WaterAid Canada
- World Accord
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