

NOVEMBER 2024

Climate Finance Countdown

A POLICY BRIEF BY THE CANADIAN COALITION
ON CLIMATE CHANGE AND DEVELOPMENT

Now is a critical moment for Canadian climate finance.

The New Collective Quantified Goal (NCQG) on global climate finance will illustrate our commitment to addressing the climate crisis, to standing behind Canadian values of human rights, equality, and to *leave no one behind*, and to engaging collectively in achieving the global goals we have committed to. Canada's role as a mediator in reaching a strong, unified agreement, is more crucial than ever.

Canada must also renew its post-2025/26 international climate finance commitment, which should reflect its fair share of the NCQG and the quality of climate finance that we strive to uphold.

As countries around the world are faced with unprecedented impacts of climate change, Canada must do more to provide a just response and show global solidarity. These impacts on livelihoods, cultures, and communities not only threaten to reverse development gains, but have global consequences on economies, health and food systems, biodiversity and ecosystems, as well as peace and security. We are now in a world that has warmed 1.5 degrees Celsius from the pre-industrial era, and the costs of dealing with this crisis are surmountable. We cannot afford to be complicit in stalling tactics and blame games.

Now is the time for Canada to show leadership in realizing an NCQG that meets real and urgent needs, and to foster ambitious solutions toward a global future we can all unite toward.



In Manicaland Province, Zimbabwe, Towards Sustainable Use of Resources Organization (TSURO) Trust is implementing a three-year Nature+ agriculture and livelihoods program to enhance climate-resilient livelihoods for over 4,400 people, supported by The Primate's World Relief and Development Fund and Canadian Foodgrains Bank. Khangelani Munozohamba, one of the program participants in Chimanimani District, inspects the avocado fruit he is growing in his field. (Photo: Simon Tafadzwa Mazano)

C4D (the [Canadian Coalition on Climate Change and Development](#)) is a network of over 50 Canadian development organizations, think-tanks, and consultants working together to share knowledge and advocate on climate change. Through our work, we support communities most affected by climate change, and it is with them in mind that we put forward these asks.

Ambition

- Canada should support an adequate, predictable, and needs-based global finance agreement (New Collective Quantified Goal - NCQG). As parties' updated Nationally Determined Contributions (NDCs) are to be submitted by February 2025, an ambitious NCQG provides an important signal to developing countries that they will receive adequate support to develop and implement more ambitious NDCs and National Adaptation Plans.
- Building upon its current \$5.3 billion five-year climate pledge to 2025/26, Canada should triple its bilateral international climate finance to \$15.9 billion for the period 2026/27 to 2030/31. Recognizing that although this is still less than Canada's fair share contribution, (based on global needs and our wealth relative to other developed countries), it demonstrates Canada's commitment to step up ambition in addressing the climate emergency.
- All climate funding should be new and additional to existing ODA (Official Development Assistance). The IAE (International Assistance Envelope) should increase in the annual Budget by an amount equal to the annual disbursements of climate finance, to ensure climate finance does not take away from other important priorities in Canada's aid. To enable transparency for this goal, climate finance should be identified separately in the annual IAE.
- Canada should continue to support biodiversity and nature in Canada's climate finance, while also ensuring distinct, new and additional biodiversity financing to implement the Kunming-Montreal Global Biodiversity Framework (KM-GBF) agreement.

Quality Climate Finance

- Grants are critical to providing appropriate support and avoiding further indebtedness for vulnerable countries. Canada is among the providers with the highest use of loans in its climate finance. Canada should support a new global finance goal (NCQG) with a public finance provision of at least US \$1 trillion in grants and grant-equivalent terms. For Canada's international climate finance commitment, loans should not exceed 40%, and all of adaptation and loss and damage funding should be provided through grants.

Adaptation

- Canada should increase its funding to adaptation in recognition of evolving global needs and commit to delivering an equal amount of adaptation and mitigation funding.
- Canada could show leadership by driving global action on increased support for adaptation with a distinct subgoal in the NCQG.

Loss & Damage

- Canada should ensure the inclusion of loss and damage as a subgoal of the NCQG alongside mitigation and adaptation, with targets for provision of public finance, in recognition of the great need to collectively address, and be accountable for loss and damage finance.
- At least 20% of Canada’s international climate finance should be dedicated to loss and damage.
- Canada needs to scale-up its commitment to addressing loss and damage through the Fund for Responding to Loss and Damage and other accessible avenues for populations made most vulnerable by the climate crisis.

Vulnerable Populations

- Canada should ensure it prioritizes vulnerable groups, including least developed countries, small island developing states, fragile contexts, Indigenous Peoples, women and girls, youth, and other marginalized populations through:
 - Increased commitments to adaptation and loss and damage;
 - Selecting appropriate modalities of funding (grants vs. loans);
 - Increasing effective channels for funding (such as through CSOs);
 - Appropriate targeting and reporting on its reach to vulnerable populations; and
 - Encouraging effective participation of vulnerable groups in processes to address climate change.



Bintu Nasiru (50), a widow and mother of eight, fetches water from the stream in Kissa community, Kwaja village, Adamawa, Nigeria. As climate change worsens water scarcity in the region, Bintu makes the difficult journey to collect water 3-4 times a week, often enduring lingering pain in her chest and back. In Nigeria’s BAY states, where conflict and weak infrastructure further strain access to water, communities face increased health risks and economic burdens, with water access crucial to sustaining daily life. *(Photo: WaterAid / Etinosa Yvonne)*

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