



Details will make or break Canada's new climate finance pledge: reactions from the Canadian Coalition on Climate Change and Development

Home » [Details will make or break Canada's new climate finance pledge: reactions from the Canadian Coalition on Climate Change and Development](#)

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Unceded Anishinaabe Algonquin Territories [OTTAWA], 4 May 2026:

In last week's [Spring Economic Update](#), the Canadian government renewed its international climate finance pledge—a good first step

amidst cuts to international assistance and delayed pledges from other Global North countries.

The renewal follows long advocacy from Canadian civil society, including the Canadian Coalition on Climate Change and Development (C4D), which [sent a letter to Prime Minister Carney](#), calling for a timely and ambitious renewal of Canada's international climate finance commitment. The previous envelope, dedicating \$5.3 billion for climate finance over five years, ended on March 31, 2026.

International climate finance is crucial to support Global South countries, which hold the least responsibility for causing the climate crisis, in facing its worst impacts. Providing climate finance is a legal obligation under the Paris Agreement for Global North countries like Canada.

The details matter, and C4D will continue working to ensure that Canada's allocation and delivery of climate finance meet the needs of Global South partners, and center transparency, accountability, and collaboration with civil society.

Further analysis:

- Canada's renewed climate finance commitment promises:
 - **\$3.0 billion** over 5 years to Global Affairs Canada, starting 2026-2027;
 - **\$167.9 million** over 5 years to Environment Climate Change Canada, starting 2026-2027; and
 - **\$2.0 billion** to FinDev Canada over 3 years starting 2028-9, and **\$732 million** to expand its concessional finance facility.

- It also sets an overall goal to **mobilize \$13 billion** in climate-related support to developing countries over the next five years.
- The new pledge recognizes the role of international climate finance in enabling emissions reductions, adaptation, building economic resilience, and sustainable development, and recommits to using climate finance to support vulnerable countries, marginalized, and vulnerable groups (including women, girls, and rural communities).
- However, **critical details are still missing**, including the ratio of grants vs. loans that will make up the pledge; the percentage of the pledge allocated between adaptation, loss and damage, and mitigation; and the continuation of programs and partnerships with Canadian civil society that lead to impact on the ground for climate adaptation and sustainable development.
- The effectiveness of Canada's climate finance depends on getting these details right. **Grant-based** and high-quality finance is crucial to avoid exacerbating the debt burden on Global South countries. Canada must strengthen its practice of setting percentages for the portion of the pledge that will be delivered through grants, and only grants must be used to address adaptation and loss and damage needs.
- C4D continues to advocate for Canada to allocate **40% of financing to adaptation, 40% to mitigation, and 20% to loss and damage**.
- Financing should be **new and additional** to funds supporting complementary development goals, and avoid double-counting.
- While this contribution is a good first step, **Canada continues to fall short of its fair share** of global climate finance. Despite being among the world's top cumulative and per-capita emitters, Canada's contributions to international climate finance remain significantly

below what [equity-based assessments](#) suggest it should provide—undermining global trust and weakening support for vulnerable countries facing the worst climate impacts.

- As Canada increases the utilization of domestic development finance institutions like FinDev to deliver climate finance, they **must be equipped with robust safeguards**, strengthened accountability and transparency measures, and deepened collaboration with civil society, and complemented by high-quality public finance.
- C4D is optimistic that this renewal shows that the government understands how **climate finance also advances Canada's national priorities** of trade and collective security, beyond the legal and moral obligation.
- With Canada's renewed commitment, other Global North contributing countries must raise their ambition and accelerate the delivery of climate finance ahead of COP31.

Quotes:

Soomin Han, Co-Chair, Canadian Coalition on Climate Change and Development, and Climate Finance Policy Analyst, Climate Action Network Canada:

“Canada’s renewed international climate finance pledge is the first step towards meeting Canada’s obligations under the Paris Agreement. Now the hard work begins to ensure that the delivery of the finance is high-quality and predictable—that it meets the needs of Global South countries and does not contribute to the already devastating

debt crisis. C4D remains committed and ready to work with the government to ensure that civil society's expertise in partnering with frontline communities is reflected in Canada's delivery of climate finance."

Andy Harrington, Executive Director, Canadian Foodgrains Bank:

"Canada's welcome renewed commitment to international climate finance must come alongside a renewed commitment to keeping vulnerable populations at the heart of this work. In these tumultuous times, and with increasingly frequent and severe weather events as leading drivers of food insecurity worldwide, Canadian Foodgrains Bank stands ready to help build resilience in some of the worst affected areas – until all are fed."

Andréanne Martel, Director of the ReSea Project, Mission inclusion:

"The economic update recognizes that climate change does not affect everyone in the same way. Women, girls, and the most vulnerable communities bear a heavier burden. This is the very foundation of climate inclusion: ensuring that those who experience the most severe impacts participate in decisions and solutions."

"This recognition must now be reflected in programs: in their design, in their duration, and in mechanisms that ensure the full participation of affected communities."

Justin Murgai, CEO , WaterAid Canada:

“WaterAid Canada welcomes Canada’s renewed climate finance commitment and the signal of continued leadership at a critical time. The real test now is whether this investment is directed toward the foundational systems that determine if adaptation delivers, where resilience is built or lost. The current investment approach prioritizes what is immediately bankable yet risks underinvestment in systems that deliver the highest long-term economic returns.

“Climate resilience is ultimately built through systems that sustain people, productivity, and economic stability. Investment in water security and water, sanitation, and hygiene (WASH) is not a social add-on; it is core risk-reducing infrastructure that protects livelihoods, stabilizes markets, and lowers future public costs.

“We urge the Government of Canada to invest in such systems or risk not realizing the full economic returns of climate finance.”

Rev. Michael Pryse, Interim Executive Director, Canadian Lutheran World Relief:

“Canada’s renewed climate finance pledge — and the \$3 billion in public funding through Global Affairs Canada — is a serious commitment at a moment when too many countries are walking away from the great challenge of our time. Now Canada has to be just as serious about the

communities who are already facing the worst of climate change, where private finance can't reach. Public, grant-based adaptation funding delivered through partners on the ground is what will save livelihoods and build resilience in the communities on the frontlines of this global challenge."

Nirvana Mujtaba, Women's Rights Policy and Advocacy Specialist, Oxfam Canada:

"Canada's climate finance commitment strengthens its global leadership however falls short of the ambition required to confront the scale of climate inequality today. Importantly, the Statement recognized that climate change disproportionately impacts women and girls – we expect the government to put action behind this recognition.

"Further we urge the government to deliver funding largely as grants, so as not to increase already unsustainable debt levels. Finally, while this commitment is welcome, Canada could also scale-up funding by implementing a windfall profit tax on fossil fuel producers, ensuring they pay their fair share to unlock the public resources needed to build an economy that puts people and the planet before profit."

Jean-Philippe Marcoux, CEO, Socodevi:

"Canada's new commitments give us renewed hope at a time when global climate leadership is under strain. However, for these commitments to truly leverage private investment, Canada will need to focus on continuity:

consolidating proven initiatives, including through Partnering for Climate (P4C), and giving them the means to scale rather than starting from scratch. It is in this spirit that projects such as Natur'ELLES in Senegal, which strengthens democratic ecosystem governance, and Reverdecer in Colombia, a new regenerative agriculture initiative ready to mobilize additional capital through carbon markets, can contribute to high-quality, transparent, and accountable climate finance.”

Barbara Grantham, President & CEO, CARE Canada:

“Canada’s renewed climate finance pledge is a welcome signal that Canada remains committed to doing its part at a time when global climate leadership is urgently needed. Now, the focus must be on delivery: ensuring climate finance is transparent, accountable, and invests in solutions that are designed and driven by the people most affected by climate change, including women and girls. CARE Canada looks forward to continuing to work with the Government of Canada and partners to help turn this commitment into meaningful impact.”

Anjali Appadurai, Director, Padma Centre for Climate Justice:

“With this new climate finance pledge, the Carney government has demonstrated that they are still committed to the critical work of a global energy transition. While this pledge falls far short of Canada’s fair share of the global

effort, we remain committed to working with this government to keep climate-vulnerable communities at the core of climate finance.”

Beth Lorimer, Ecological Justice Coordinator, KAIROS Canada:

“KAIROS welcomes Canada’s renewed climate finance commitment as an important signal, but what matters now is how those funds are delivered. Climate finance must be grant-based, responsive to the gendered impacts of the climate crisis, and avoid deepening the unjust debt burdens many countries already face. We look forward to working alongside partners and the Canadian government to ensure this support advances gender equity alongside climate justice and sustainable development.”

Gerardo Almaguer, CEO, Desjardins International Development (DID):

“We commend Canada’s leadership and its renewed commitment to international climate finance, a strong signal in a global context where ambition and predictability are needed more than ever.

“This commitment aligns with Desjardins International Development’s new sustainable development policy and our climate ambition, which place impact, inclusion, and resilience at the heart of our work. The funds announced pave the way for innovative projects and high-impact

investments, particularly in sustainable agriculture, clean energy, green buildings, WASH, and inclusive finance. By mobilizing its extensive network of partners and on-the-ground expertise, DID will ensure that Canadian funding translates into tangible and sustainable impact for people around the world, while generating positive benefits for our partners here at home.”

Philippe Dongier, Executive Director, CECI – Centre for International Studies and Cooperation:

“Canada’s sustained commitment to climate finance sends a strong signal in a global context marked by concerning rollbacks. This commitment can consolidate major gains, particularly those of the Partnerships for Climate (P4C) program, built on adaptation and restoration approaches that deliver strong co-benefits for both communities and biodiversity. Continuing P4C will pave the way for a new generation of innovative solutions, positioning nature as a resilient, bankable environmental asset while feeding a strategic pipeline for FinDev Canada’s investments.”

-30-

*The **Canadian Coalition on Climate Change and Development (C4D)** is a coalition of over 50 Canadian international development and environmental organizations, think-tanks, and consultants working together to share knowledge and take concerted action to address climate change. C4D was formed in 2006 to build the capacity of the international*

development community to address the challenges climate change poses to sustainable development and to bring the voice of the international development community to the debate on Canada's response to climate change.

*C4D is co-chaired by the Canadian Foodgrains Bank and **Climate Action Network – Réseau action climat (CAN-Rac) Canada**, Canada's farthest-reaching network of organizations working on climate and energy issues, with close to 200 members operating from coast to coast to coast. Our membership brings environmental groups together with trade unions, First Nations, social justice, development, health and youth organizations, faith groups and local, grassroots initiatives.*

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