

Rt. Hon. Stephen Harper  
Prime Minister of Canada  
House of Commons  
Ottawa, Ontario  
K1A 0H3

June 11, 2009

Prime Minister:

I am writing to thank you for the statement you made in the recent *EU-Canada Summit Declaration* concerning the importance of financing for action to address climate change in developing countries. Your support for “adequate, predictable and timely financial support for implementation of a Copenhagen agreement,” and particularly your commitment that Canada will take on its “fair share” of this financing, are very welcome.

In light of your commitment to provide this support, I enclose a copy of the Pembina Institute’s recent report on climate financing. Entitled *Our Fair Share: Canada’s Role in Supporting Global Climate Solutions*, the report assesses Canada’s responsibility for financing climate action in developing countries.

As you will be aware, a range of international studies agree that tens of billions of public dollars per year will be needed for climate mitigation, adaptation, technology transfer and capacity building in developing countries. Our report analyses a range of assessed contribution formulas and concludes that a fair contribution from Canada to meet that need is approximately 3 to 4 per cent of the global total. Multiplying that percentage by indicative estimates of the public finance needed for climate action in developing countries produces an estimated range for Canada’s “fair share” of C\$2.2B to C\$5.7B per year.

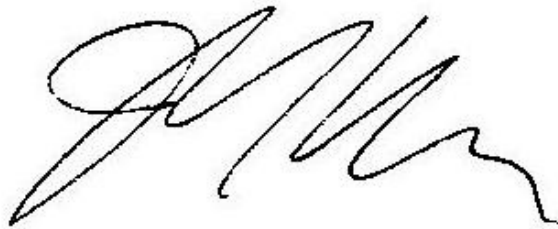
Our report also recommends that, as an interim step en route to the Copenhagen agreement, the Government of Canada should provide adequate funding for the most urgent adaptation needs identified by Least Developed Countries under the UN’s National Adaptation Programmes of Action (NAPA) process. Canada’s fair share of the over US\$1.5B total is at least C\$80M.

The EU-Canada Summit Declaration also notes that Canada is “ready to look into options for generating the necessary funds.” In the course of the UN climate talks under the Bali Action Plan, numerous countries have put forward proposals to generate, manage and disburse climate financing. Some of these proposals feature “innovative” fundraising mechanisms, such as a levy on airline emissions, that would generate funds internationally and automatically, thus avoiding annual budget allocation decisions. These unconventional means of raising funds offer significant promise in generating the finance required to tackle climate change.

As you know, 2009 is a critical year in the global effort to tackle climate change. It's clear that financial support for climate action in poorer countries will be an essential element of a successful outcome at the UN climate talks in Copenhagen this December — and a key agenda item of the complementary discussions taking place in the G8 and the Major Economies Forum on Energy and Climate. In the months ahead, your government has an opportunity to build on the statement you signed with the EU in Prague by supporting or proposing an effective and adequate mechanism to generate, manage and disburse the funds needed for Canada to contribute its “fair share”.

Let me close by again thanking you for recognizing this component of our national responsibility in solving the global climate crisis. We look forward to a strong Canadian contribution to a success in Copenhagen in December.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marlo Raynolds', with a stylized, cursive script.

Marlo Raynolds  
Executive Director  
The Pembina Institute

CC:

Hon. Jim Prentice  
Hon. Lawrence Cannon  
Hon. Beverley Oda  
Hon. Jim Flaherty  
H.E. Michael Martin  
Len Edwards