







April 5, 2010

Minister Flaherty and Minister Prentice,

As representatives of international development and environmental organizations, we write to ask that Canada fulfill its commitment to provide new funding to support action on climate change in developing countries.

To contribute its fair share, we believe that Canada should provide at least US\$300–400 million each year from 2010 to 2012, over and above our Official Development Assistance (ODA) commitments. From what we could tell, Budget 2010 does not provide any new support for this important international priority.

As you know, the parties to the United Nations Framework Convention on Climate Change (UNFCCC) "took note" of the Copenhagen Accord in December. The Government of Canada has since indicated its strong support for that accord.

The Copenhagen Accord specifies that developed countries will provide "approaching" US\$30 billion for the three-year period from 2010 to 2012 in "new and additional resources" to developing countries. The funds would support adaptation to climate change and efforts to reduce emissions, including through reduced deforestation.

While this first step is very far from meeting the needs of the world's poorest and most vulnerable citizens, it is essential that this commitment be fulfilled and built upon over the coming months. Adequate and effective near-term financial support for developing countries will help to build capacity for further financing efforts after 2012 and increase trust and goodwill in the global climate negotiations.

The Government of Canada has acknowledged its responsibility to provide financing for climate action on numerous occasions. Most recently, the 2010 Speech from the Throne stated that, together with other industrialized countries, "Canada will provide funding to help developing economies reduce their emissions and adapt to climate change."

Many of Canada's peers have already announced their contributions. Canada must join them. As G8 President and G20 co-host this year, Canada can also play a key role in supporting initiatives towards mobilizing longer-term finance for climate change.

Our analysis of Canada's contributions to other international financing efforts on environment, health and humanitarian response demonstrates a fair share for Canada in the range of 3–4% of the global total. (For example, Canada's assessed contribution to the Global Environmental Facility was 4.28% of the total in 2006.) It is worth noting that Canada has contributed 5% or more to recent global efforts in humanitarian relief, research and education. <sup>1</sup>

Thus, in the context of the Copenhagen Accord's short-term financing initiative, Canada should provide at least US\$300–400 million per year in new funds, over and above our ODA commitments, from 2010 to 2012. This represents a first step towards a larger financing commitment in the post-2012 period.

The need to provide new, additional funding is all the more essential in light of Budget 2010's announcement of a cap on the international assistance envelope at C\$5 billion in ongoing annual support.

We believe that the Least Developed Countries Fund (LDCF) would be an excellent destination for a portion of Canada's short-term adaptation support. This UNFCCC fund is designed to address the urgent and immediate adaptation needs of the 48 least developed countries, and is currently seeking new funds to implement the National Adaptation Programmes of Action that these countries have prepared. In addition, Canada could demonstrate leadership by directing short-term funding to the Adaptation Fund.

Thank you in advance for your consideration of these matters, and we would be very happy to answer any questions you may have.

Sincerely,

Gerry Barr, President-CEO, Canadian Council for International Co-operation Robert Fox, Executive Director, Oxfam Canada Marlo Raynolds, Executive Director, The Pembina Institute Keith Stewart, Director, Climate Change, WWF-Canada

CC: Len Edwards David McGuinty, MP Bernard Bigras, MP Linda Duncan, MP Elizabeth May

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<sup>&</sup>lt;sup>1</sup> See, for example, Appendix IV of the briefing note entitled "How to Finance Support for Climate Adaptation in Vulnerable Countries," available at <a href="http://pubs.pembina.org/reports/auctioning-allowances-for-adaptation-nov-2009-final.pdf">http://pubs.pembina.org/reports/auctioning-allowances-for-adaptation-nov-2009-final.pdf</a>.