



## International Climate Finance



development as a priority outcome will help fulfill Canada's Sustainable Development Goals, although climate finance should be additional to official development aid. Nature-based solutions are prominent in the climate adaptation plans and nationally determined contributions (NDCs) of developing countries.<sup>28</sup>

The Green Budget Coalition recommends that Canada enhance the transparency of its international climate finance by making the online database comprehensive and regularly updated, with aggregation by categories: bilateral grants, multilateral grants, concessional loans, private sector leveraging, and loan and investment guarantees. All loans should be reported at the grant equivalency value.

### Recommended Investment:

**\$4 billion annually** from 2021/22 to 2025/2026, with at least 50% for adaptation, and increased attention to nature-based solutions. Canada's Feminist International Assistance Policy requires that 15% be allocated to projects that specifically target gender equality and the empowerment of women and girls. [GAC, ECCC]

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Canada and other industrialized countries continue to scale up to meet the Paris Agreement target of USD 100 billion per year to help developing countries with climate adaptation and mitigation. Federal funding for climate finance (\$2.65 billion over five years) will sunset in March 2021. The Green Budget Coalition recommends that funding for climate finance be renewed in Budget 2021, and that Canada increase its contribution in line with what is considered our fair share of responsibility (3%-4%),<sup>27</sup> and invest as much or more in adaptation as in mitigation. The Green Budget Coalition encourages the federal government to direct more attention to funding nature-based solutions that fully respect the U.N. Declaration on the Rights of Indigenous Peoples, including Free, Prior, and Informed Consent. Most nature-based solutions are cross-cutting, offering adaptation and mitigation gains while benefiting biodiversity and local and Indigenous communities. Climate finance with

Photo: Cronis Yan

<sup>27</sup> Demerse, Clare. (2009). "Our Fair Share: Canada's Role in Supporting Global Climate Solutions." Pembina Institute. Accessed at <https://www.pembina.org/pub/1815>

<sup>28</sup> Seddon, N. et al. 2020. Global recognition of the importance of nature-based solutions to the impacts of climate change. *Global sustainability* 3, e15, 1-12.