

**Written submission prepared for the
House of Commons Standing
Committee on Finance (FINA) in
support of the Pre-Budget
Consultations in Advance of the 2024
Budget**

Engineers Without Borders Canada

60 Atlantic Avenue, Suite 200, Toronto, Ontario, M4K 1X9

Phone +1.866.481.3696 **Web** www.ewb.ca

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Recommendations

Recommendation 1: Canada commits to prioritizing international support for climate finance measures that are explicitly designed to benefit those who are most affected by climate impacts.

Recommendation 2: Canada commits to increasing spending specifically aimed at the Loss and Damage Fund and actively collaborating with the Fund's contributors to ensure accountable evaluation, operationalisation, and distribution of funds.

Recommendation 3: Canada commits to collaborating with other donor countries to increase funds pooled for the Global Shield initiative and maximize the initiative's impact on climate justice.

Executive Summary

We thank the House of Commons Standing Committee on Finance for the opportunity to participate in the pre-budget consultations for budget 2024. In the following pages, we present our proposals related to international climate financing and climate justice.

With mounting climate related challenges faced by the world's most vulnerable countries, Canada has the ability - and responsibility - to be bold and innovative in leading global adaptation and mitigation efforts. Canada's global climate action for developing countries, and the world's most marginalized populations, is good for both Canada and the world. It not only exports our commitments to climate justice abroad, but ensures that Canada addresses climate adaptation and mitigation effectively in a domestic context as well, given that climate-induced natural disasters do not follow international borders, for example, when California's Wildfires engulfed metro Vancouver and surrounding cities in [September 2020](#). There is a great opportunity for the Canadian government to scale up its support to turn climate adaptation and mitigation plans and strategies into action, for which its approach to science, technology and engineering for development is critical. Canada's tech innovations have direct applications to address climate mitigation and adaptation efforts globally. Canadian industries such as "green" cement, led by startups like Carbon Cure and Carbon Upcycling; lithium-ion battery recycling, led by Li-Cycle, and artificial intelligence applied to early-warning systems for example, led by the three National AI Institutes - Edmonton-based Amii, Montreal-based Mila and Toronto-based Vector Institute, have the potential to reduce emissions and facilitate climate adaptation on a global scale.

Canada can help fill important gaps in current climate finance efforts. The 2024 budget is an opportunity to reaffirm our national commitment to global equity and climate resilience. As such, in your upcoming budget, Engineers Without Borders Canada (EWB) asks you consider the following:

RECOMMENDATION 1: Canada commits to prioritizing international support for climate finance measures that are explicitly designed to benefit those who are most affected by climate impacts.

Climate change disproportionately affects marginalized and vulnerable communities, both domestically and globally. It impacts people's health, their livelihoods, and the natural resources they depend on. Ensuring that climate funds are channeled to effectively support adaptation and resilience initiatives will empower these communities to develop tailored solutions to the challenges they face. By involving technologists and engineers in conversations with vulnerable communities, we can ensure that climate finance is directed towards practical, cost effective and impactful projects that combat climate change effectively.

Canada also has the capacity to be a beacon for other countries, having an already strong foundation of local partnerships to draw from at home. The government's *A Healthy Environment and a Healthy Economy* climate action funding targeted to Indigenous communities, its commitment in 2022 to accelerate Indigenous participation in the National Adaptation Strategy, and advancing the development of new communication tools to "improve transparency, accountability and engagement" are powerful models reflecting the leadership position Canada can and should take in this wider global conversation.

As a global movement, EWB recognizes the growing global challenges driven by climate change and the critical need for effective solutions and mitigation tactics that can evolve to better help communities adopt new climate-friendlier technologies, and for the involvement of local groups to ensure ownership, effectiveness, and adoption of the resilient technology and infrastructure. It is why we are emphasizing the importance of integrating equity, transparency, and inclusion into climate finance to ensure that vulnerable communities are empowered to actively participate in climate action. As such, we recommend the Fund include a stipulation that all infrastructure projects have an equity-centered technology and engineering framework for the most vulnerable as a condition for funding. Prioritizing equity in climate finance policies ensures a fair distribution of burdens and benefits in climate action, reducing inequity and leaving no one behind.

It is imperative that the global north shoulders the responsibility of addressing losses and damages faced by the most vulnerable countries.

Canada is consistently first to respond to costly global disasters when they strike, but early smart investments in climate mitigation and adaptation can prevent the worst of these disasters from occurring, saving Canadian taxpayers money in the long run. These efforts can not only save us billions in future foreign assistance liabilities, but can prevent the costly and destabilizing effects of millions of people being displaced by climate-related fires, floods and other natural disasters - both globally and locally

RECOMMENDATION 2: Canada commits to increasing spending specifically aimed at the Loss and Damage Fund (L&D) and actively collaborating with the Fund's contributors to ensure accountable evaluation, operationalisation, and distribution of funds.

Canada's support for formalizing loss and damage wording in COP27 outcomes was important to see and reflective of the government's continued commitment to combat climate change and enable progress towards global equity and access to solutions. Developing accountable evaluation and distribution of funds to vulnerable nations and comprehensive and data-driven evaluation is essential to the success of climate efforts. This can only truly be done by leveraging Canadian engineering and technological knowledge and skills for global development impact.

Canada must utilize our world-leading engineering, technology and resource companies and associations to understand, redeploy and redesign products, services and strategies that promote positive systemic change and climate resilience and equity. EWB's Chapters in universities and technical institutes are an example of socially-engaged engineers and technologists who are applying their knowledge and experience for global development issues, including those related to climate change.

More urgently, climate finance from wealthier nations must increase, and Canada's role in setting the standard is critical. There is no fund without funding, and in order to maximize the impact of every dollar invested, there must be transparency in what different actors are contributing. According to the UNEP's 2022 Report, annual international adaptation needs are estimated at [USD 160-340 billion by 2030 and USD 315-565 billion by 2050](#). Large-scale engineering projects in disaster relief infrastructure that will be completed through the Loss and Damage Fund will require this transparency in order to adequately plan and execute in a timely manner. Recent discussions in international fora have revolved around who will pay, and what the role of the government is in a mainly private-sector centered financing model. We believe that the Canadian government can nonetheless show increased leadership by committing more funds to L&D directly.

RECOMMENDATION 3: Canada commits to collaborating with other donor countries to increase funds pooled for the Global Shield initiative and maximize the initiative's impact on climate justice.

The initiative holds the promise of providing insurance against climate risks but lacks sufficient earmarked funds to assist vulnerable countries. This goes against the intended purpose of the Loss and Damage Fund and raises questions about climate justice and the effectiveness of the insurance scheme. The \$3.1 billion Executive Action Plan for the Early Warnings for All initiative, for example, represents [only around six percent of the \\$50 billion goal recommended by the World Meteorological Organization](#). Canada's own \$7 million pledge directly to the Global Shield initiative is not enough to advance the adaptation, anticipation and response mechanisms that need to be integrated in a systemic approach. Despite donor subsidies, vulnerable nations would still incur a premium cost, raising real concerns about climate justice. The existing funding criteria is too restrictive, focusing on specific severe weather events that do not fully address agricultural disruptions or inadequate access to clean water, and the process itself is onerous, opening the door to funding delays that can be devastating. Canada must ensure participation of poorer nations unable to pay the premium costs, speed up the process of mobilizing these funds to vulnerable nations and households in urgent need, and encourage donor countries to increase the amount of funding pledged for the initiative.

Canada should leverage its pool of technical knowledge to develop impactful systems that are desperately needed and urge donor countries and private organizations to combine their technical expertise and resources to support vulnerable countries in building adaptation

systems. We propose the integration of anticipation and response mechanisms through a systemic and interdisciplinary approach. Efficient response systems can be established by incorporating data on anticipated risks and impacts across different timeframes and the early warning systems that are critical can be transformed into life-saving actions. In order to establish these effective protection measures against climate hazards, significant contributions to the Loss and Damage fund should accompany these measures.

About Engineers Without Borders Canada

Engineers Without Borders Canada (EWB) aims to engineer an equitable and sustainable future, creating systemic change through community-driven collaboration. We do this by mobilizing the engineering community and leveraging technological innovation to address global challenges in Canada and beyond. EWB provides learning opportunities and leadership training for 1,000+ youth across Canada every year and a growing community overseas. We harness the power of 40+ Chapters in Universities and Technical Institutes across Canada for global development impact, while improving our planet's ecosystems. We actively seek out and amplify the voices of those who have historically been marginalized or excluded from decision-making processes, and ensure that their insights and perspectives are integrated into the development of any solutions. By doing so, we create solutions that are more reflective of the needs and realities of all members of society, and that are better equipped to address the complex challenges we face in our complex and interconnected world. We provide evidence-based policy recommendations on Canada's international development and financing activities.

EWB would be honored to present to the Standing Committee on Finance in its pre-budget consultations.

For more information, please contact Heba Elasaad, Campaign Strategy Manager, at hebaelasaad@ewb.ca