

CANADA'S GLOBAL ENGAGEMENT: KEY DIRECTIONS FOR A SAFER, HEALTHIER, MORE SUSTAINABLE WORLD FOR US ALL

- **Key concerns worrying Canadians** – economic instability and poverty, climate change, public health and inequality – **are all global issues Canada cannot afford to ignore**. The most sustainable and cost-effective solutions to these problems all require Canada's renewed global engagement.
- Canada has shown strategic global leadership throughout the COVID-19 pandemic: allocating an estimated \$1.2 billion of additional funding to ensure equal access to vaccines, respond to the aggravated humanitarian crises, and protect the most marginalized. Such a recognition that **global solutions hold the keys of Canada's recovery** has also resonated in the latest Throne Speech and the supplementary ministerial mandate letters.
- **Canada's international assistance can and should be more effective.** Government and non-government actors are currently struggling to properly plan and execute innovative and strategic interventions envisioned by the Feminist International Assistance Policy (FIAP) due to a low baseline budget and unpredictable funding levels.
- Canada's increased international assistance envelope in this fiscal year is a proof that the current problems require a scaled-up investment. **COVID-19 is not a crisis of a season – it has already left a lasting impact on all aspects of our societies** – disrupting 25 years of global progress against poverty in a matter of months.
- To build back stronger, healthier, safer societies for us all, **Canada must commit to a roadmap for an adequately funded international assistance.** Predictable funding that reflects Canada's fair share on the global level is vital to address COVID-19 but also the climate emergency and to support community resilience through investment in sustainable and effective food security, health systems, and social safety nets.
- As a first step towards this budgetary increase Canada is called to anchor the recent \$1.2 billion investment into the permanent international assistance envelope for 2020/21. This should be accompanied by further increases of the next two fiscal years, with **the overall objective of allocating at least 1% of Canada's COVID-19 response and recovery budget towards sustainable global solutions.**



IN THIS TOGETHER

COVID-19 has reminded us that our social safety nets are only as strong as the weakest ones across this interconnected world. The scale, urgency, and complexity of today's global issues are unprecedented. Despite the devastating impacts of global crises on the world's most vulnerable, Canada generally spends a mere 27 cents for every \$100 in national income on addressing global development and humanitarian challenges. This investment is below that of Canada's peer countries or its own historic contributions, which undermines domestic recovery efforts and Canada's global engagement.

Our economy is global, our population is multicultural, and we cannot solve global challenges in isolation. Canada will not recover until the world recovers.

Canada has been actively contributing to ending COVID-19 everywhere and building back better. The importance of international collaboration in the current context clearly emerges from the September Speech from the Throne and the supplementary ministerial mandate letters. Since COVID-19, Canada has scaled up its response, allocating an estimated \$1.2 billion of additional funding to international efforts. This decision is not only morally justified but also strategically warranted: an uncoordinated vaccine response alone would [result](#) in up to US\$9.2 trillion in global losses. Conversely, Canada stands to gain an estimated \$5.6 in economic returns for every dollar [invested](#) in a global COVID response.

Clear return on investment is, in fact, prevalent in international cooperation. [The Together Project](#) outlines such opportunities across 11 sub-areas across different country contexts: e.g. for every dollar [invested](#) in nutrition, we observe a return between \$4 and \$35 dollars; investing in women and children's [health](#) has a \$20 return on investment, while access to [clean water and hygiene](#) services deliver a 35-fold to 92-fold returns.

Overall, [international assistance has](#) traditionally strengthened global value-chains and markets, helped mitigate public health crises, prevent and end conflict, and foster education and innovation from which everyone benefits. As a global leader in green economy, agriculture, and public health, Canada has much to contribute by investing in equitable partnerships with communities around the globe. For this to be achieved, the Canadian government institutions and civil society must be given resources to properly design, plan, and implement strategic international assistance interventions.

Canada's commitment to international assistance has never been more important. The current pandemic has exacerbated humanitarian needs and [set back](#) human development progress by 25 years. COVID-19 is pushing an estimated [150 million people](#) to extreme poverty, and [137 million](#) to the brink of starvation, representing over 80% increase in acute hunger since pre-COVID times. Long-term repercussions of COVID-19 are also expected: while the pandemic is resulting in 31 million additional cases of gender-based violence, the [United Nations is estimating](#) that 13 million additional child marriages will take place in the next decade due to the secondary effects of this pandemic. This means that Canada is further from achieving the ambitious and strategic goals of the Feminist International Assistance Policy (FIAP) now than it was when the policy was first adopted in 2017. A strategic intervention is needed: **Canadians agree by a two to one margin that we should support poorer countries in building back better after COVID-19.**[1]



Our proposed budgetary increase is a serious one, but so are our global challenges. Over the next two years, it is both morally right and economically strategic, to invest in an effective global recovery. The sustained budgetary increases in international assistance should be particularly ambitious during the response to and recovery from COVID-19, when the needs are most dire and the potential impact the most effective and long-lasting.

Like all good investments, Canada's scaled up global response should be long term and strategic. With the promises our government made through the Sustainable Development Goals and the Paris Agreement now at risk, Canada must outline a transparent approach to contribute its fair share and help solve global problems. This should be achieved through

- anchoring 2020/2021 \$1.2 billion increase in the permanent base of its international assistance envelope for 2021/2022, while
- ensuring that at least 1% of Canada's COVID response and recovery spending in the next three years be directed towards international initiatives and added to the base international assistance envelope.

Such decisive action would result in \$7.8 billion international assistance envelope for 2021,[2] placing Canada on a path towards an impactful international assistance envelope. This strategic increase would also allow Canada to contribute its international fair share, fulfilling the promises made through international frameworks such as the Paris Agreement and addressing the climate emergency.

In line with Canada's commitment to Canadians and the global community, **Canada should be spending at least 70 cents out of every \$100 in national income on solving global challenges by 2030.** Such a decisive and urgent budgetary increase would help Canada fulfill its international obligation and help solve key challenges, including those of climate change.

Over the next five years, Canada is called to allocate a total of \$6.7 billion in principal purpose climate finance.[3] An adequately funded and predictable international assistance envelope would also ensure the international cooperation system is strengthened, supporting local communities and organizations, and ensuring an open and democratic civil society space.

Canada's global leadership has been embedded in human rights and leveraging innovative and collaborative solutions for collective good. The effectiveness of this global engagement depends on predictable funding managed by and responding to the needs identified by most directly affected communities and organizations. Such investments would also strengthen the ongoing efforts to address racial bias and contribute to more equitable structures of international cooperation. **Given the rising humanitarian and development challenges Canada cannot afford to ignore, a decisive action to enable the Government, our multilateral and local partners, and our organizations in Canada, to build back a safer, healthier, and a more sustainable world for us all emerges a historical imperative.**

NOTES:

[1] Abacus Data, December 2020 <https://cooperation.ca/wp-content/uploads/2021/01/Abacus-CCIC-Report-Dec-2020.pdf>

[2] Canada's COVID-19 response budget (as of the Fall Fiscal Update) amounts to \$490 billion, while the declared recovery spending is planned at \$100 billion. Canada has already allocated \$1.2 billion of this funding towards international response in 2020/21. By investing 1% of COVID-19 response and recovery budget towards international solutions to this and other global crises, Canada would allocate \$5.9 billion as new and additional international assistance funding between 2020/21 and 2022/23.

[3] Canada is renewing its financial pledge towards the annual US\$100 billion Paris commitment. Our fair share for this pledge, based on the size of our economy relative to other developed countries, is Cdn\$1.8 billion annually. CSOs are proposing a plan to achieve this fair share by 2025/26. A step approach towards this goal requires Cdn\$6.67 billion allocated over five years.