

Climate Change and Canada's International Engagement



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Policy Memo
November 2022

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Summary

Even though climate change is an existential crisis and a priority of the Canadian government, the country's foreign ministry – Global Affairs Canada – has yet to integrate climate change considerations into the full array of its activities. Our foreign, trade and development policies, all of which are impacted by climate change, could be better aligned with Canada's domestic climate change ambitions, more coordinated and coherent, and more effective. The recommendations set out in this Policy Memo, drafted by senior fellows at the Graduate School of Public and International Affairs based on their extensive international and foreign-policy experience, include the establishment of a group within Global Affairs Canada to provide strategic leadership on climate change across the foreign ministry, as well as the creation a climate change and energy network across Canada's missions abroad.

Climate Change and Canada's International Engagement

The profound and urgent global implications of climate change demand that climate change be fully and effectively integrated across all aspects of Canada's international engagement. From climate-driven humanitarian crises, population displacements and growing food insecurity through to shifts in economic power associated with energy transition, the importance of a strategic Canadian approach to these challenges, well-coordinated across government, has never been higher. This is made more urgent by heightened concerns globally around energy security and the challenges of squaring those concerns with climate goals. Canada's foreign ministry must have the right tools and structures to play its part in meeting these challenges. Reviews underway currently at Global Affairs Canada and in the Senate of Canada provide an opportunity to ensure the department charged with managing Canada's global affairs can fulfill this mandate by according the global challenges of climate change and energy security a prominent place in its operations.

Climate change and Canada's international interests

The impacts of climate change on populations around the world are increasingly severe and will continue to intensify as long as greenhouse gases in the atmosphere continue to rise. Deadly heat waves, flash flooding, extended droughts and sea level rise are and will increasingly lead to the loss of lives and livelihoods and the forced displacement of people.

The Paris Agreement has put in place a framework for global cooperation to mitigate these impacts, but commitments to reduce emissions are nationally determined and currently fall well short of what is required to limit global warming to 1.5 degrees or even 2 degrees. Therefore, significant global collaboration and persuasion is required to raise the level of ambition for emission reductions.

The imperatives for integrating climate change into Canada's international engagements are threefold: **coherence** with domestic policy, supporting our global **influence**, and perhaps most importantly, **effectiveness** across foreign, development, trade and security engagement.

Coherence with domestic policy

Canada has committed to an ambitious target for reducing its emissions and is implementing a wide range of policies, including a world-leading carbon pricing system, to reach its target. But our domestic efforts to reduce emissions will be for naught without a broader and more concerted international effort to reduce emissions. This requires greater integration of climate

across all our international engagements, to match the priority that we are according to emissions reductions at home.

The G7 countries have all committed to emissions reductions that are broadly consistent with the 1.5 degree goal, with the European Union and the UK committed to 55 and 68 percent respectively below 1990 levels, Canada and the US committed to 40-45 and 50-52 percent respectively below 2005 levels, and Japan committed to 46% below 2013 levels.

It is not possible to achieve the required global reductions in emissions without increased ambition from other large emitters outside the G7. The UK and the US spearheaded diplomatic efforts to close the ambition gap in the lead up to CoP26 and while progress was made, the gap is still large. Creating conditions for the closing of this gap remains an essential strategic challenge for the G7 that is tied with the complex geopolitical relationship with other emitters in the G20, notably China and India. The broader global south and the most affected and vulnerable countries, including small island developing states, are important players in pushing for greater ambition. Regardless of the party in power in the US and the approach it might take, Canada as a G7 member will have to address climate issues across its diplomacy, for example by including it as a priority in agendas for ministerial meetings and bilateral consultations.

Internationally, as domestic climate measures become more stringent, the risk of popular backlash may increase as was the case among farmers in the Netherlands. Such backlashes can easily spread to other countries. At the same time, increased impacts of climate change are likely to lead to increased demands for more action by the highest emitters, including Canada. Monitoring of these trends will be extremely important to allow the government to evaluate risks and pressures on the international effort and on Canada's policies.

Supporting Canada's influence in global affairs

The priority accorded to climate change by our international partners will continue to rise. This will be true not only of our G7 partners implementing ambitious policies but also vulnerable countries in the global south that are experiencing the worst impacts of climate change. Our influence and ability to advance our interests globally will be negatively or positively affected by perceptions of our contribution to the task. Burden sharing in the response to climate change, both in reducing emissions and in supporting adaptation in developing countries, will increasingly be a factor in international relations.

Canada is in a challenging position as, while it is implementing ambitious policies, these are relatively recent, and in contrast to other G7 countries, our emissions have yet to decline significantly. Furthermore, as a G7 oil and gas producer, Canada's actions provide an important reference point for other oil and gas producing countries in the transition to net zero emissions. Finally, our climate finance commitment is scrutinized from a burden sharing perspective, and

while our commitment to double it has been well received, we rank low in contributions relative to GDP.

It is therefore important that our diplomacy be effective in communicating Canada's efforts, for example in outlining our world-leading approach to carbon pricing, or our doubling of development assistance for adaptation. This will be particularly important in relation to our trade interests, as access to markets may be increasingly linked to climate policies. Canada cannot afford to create a "credibility gap" or to have insufficient influence on international standard-setting or coordinated climate action. For example, as the EU develops its carbon border adjustment, it is important that Canada's domestic climate policies are well understood in Europe. Similarly, perceptions of Canada's climate policies in the US, particularly at the state level, will influence our success in building North American green value chains.

Effectiveness across the spheres of development, security and trade

Canada's objectives in its development, trade and international security work carried out by Global Affairs will all be profoundly impacted by the effects of climate change and by global responses to those impacts.

i. International development

Developing countries are bearing the brunt of climate change, due to both greater vulnerability and lower capacity to build resilience and support their populations during and after extreme weather events. Food insecurity stemming from more intense droughts, warming oceans and other climate impacts is rising and is likely to accelerate without more effective adaptation. Progress towards the Sustainable Development Goals is being reversed by climate change, and involuntary displacement and migration of populations driven by climate change will demand increasing attention in international relations.

While Canada has doubled its commitment to support developing countries to adapt to and mitigate climate change, it will increasingly need to consider the impacts of climate change across all of its development assistance, including humanitarian assistance.

ii. Security and conflict resolution

Climate impacts are also exacerbating conflict, creating fertile recruiting grounds for extremist groups and pitting communities against each other in competition for scarcer resources. Fragile and conflict-affected states that are also most exposed to climate change are where conflict is most likely to be amplified. Food and water insecurity is acute in large parts of Africa and the Middle East, Asia, Central and South America and in small island states. The areas with the greatest potential for exacerbated conflict are where exposure and vulnerability overlap. As the UN Secretary General noted in a Security Council discussion on climate and security, of the

15 countries most exposed to climate risks, eight host a United Nations peacekeeping or special political mission. Canada's contributions to international conflict resolution need to fully integrate the impact of climate change.

Recognition of the importance of the climate-security nexus led to Canada offering to host the NATO Centre of Excellence for Climate and Security that is currently being established in Montreal, under the joint leadership of Global Affairs Canada and the Department of National Defence.

The Arctic is an area where the security-climate nexus should be of highest concern to Canada. The opening up of shipping lanes through the Arctic resulting from receding ice cover, the potential for increased competition over newly accessible precious metals and minerals, and the northward movement of fish stocks are all factors that demand a strategic approach that integrates the impact of climate change.

iii. Trade and economic interests

The global economic transition to net zero presents massive challenges but also opportunities. The transition will drive geopolitical changes, creating new centres of economic influences based on low carbon technologies and the required inputs, in particular critical minerals. The current energy crisis driven by Russia's war in Ukraine is creating added uncertainty around how this transition will be achieved for impacted countries while also protecting their energy security, driving home the message that climate change and energy security must be addressed together.

Canada's long term economic prosperity will depend upon successfully navigating the transition to clean energy, notably by playing to our strengths in hydrogen and critical minerals. Given the level of integration of our economy with the US, there is a robust bilateral climate and energy security agenda that our diplomacy must continue to support. The centrality of carbon pricing in Canada's climate policy versus a greater emphasis on subsidies in the United States creates competitiveness challenges. Our success in achieving a Buy North America approach to electric vehicles in recent US legislation must not be seen as a one-off but as part of a broader strategic approach to the clean energy transition in North America. This has geostrategic importance as an integrated North American clean energy transition, together with the EU's integrated approach, are critical offsets to China's growing dominance in clean technology value chains including critical minerals. Further, greener supply chains in the major block economies of North America and the EU will influence China, India, and others to increase climate ambition. As part of these trends, Canada's positioning on border carbon adjustments will be a key strategic question for our trade policy.

Current governance for climate diplomacy

Canada's international and domestic policy and engagement on climate change are led by Environment and Climate Change Canada (ECCC). As in most countries, it is the minister responsible for environment and climate change that leads on international engagements, including the Paris Agreement and associated initiatives.

However, in many partner countries, the foreign ministries are closely engaged. For example, in the US, UK and France, foreign ministries have foreign policy capacity, and their climate envoys are based in their foreign ministries. Germany has recently moved the lead for international climate change work to its foreign ministry. During the round of cost cutting measures in the mid 2000s, Canada's foreign ministry's Climate and Energy division was eliminated.

The mandate of Canada's Ambassador for Climate Change includes integrating climate change in foreign policy, and while it has a dual reporting relationship with ECCC and Global Affairs Canada ministers, the position belongs to ECCC.

Global Affairs Canada currently leads on Canada's climate finance, as part of its responsibility for Canada's international development assistance, and the Trade Commissioner Service plays an important role in trade promotion for Canadian clean technology. GAC also plays a leading role on trade policy issues related to climate change, such as carbon border adjustments.

Other government departments play key roles on climate change, most of which have an international dimension. These include the departments responsible for natural resources, transport, agriculture, industry and others. Interdepartmental governance mechanisms are tasked with coordinating work on climate change across government, ensuring coherence and tracking of climate goals. However, this work is largely focused on the domestic agenda, and mechanisms for ensuring coherent integration of climate change into Canada's international agenda are limited.

Recommendations for Global Affairs Canada (GAC) to improve the integration of climate change in Canadian diplomacy

1. Policy: Ensure the lens of climate change is applied to foreign policy.

This requires a signaling from the top that GAC will give a more prominent place to climate change in its policy work and international engagement, in support of the broader Government of Canada agenda on climate change.

To support this, a lead area should be established within GAC with a mandate that ensures that climate change considerations are integrated across foreign, trade and development policy, engagement and programming. The mandate would also include:

- Strategic foreign policy analysis and development on international climate change and energy issues. This would for example include geostrategic analysis of climate impacts and the impact of energy transition, as well as the development and application of a human rights lens, including the rights of Indigenous Peoples, to Canada's international engagement on climate change;
- Integrating climate change and energy considerations across GAC business lines, and acting as a coordination point for GAC engagement on these issues across government;
- Working with the Ambassador for Climate Change and with ECCC and NRCan to support coherence across Canada's international engagement on climate and energy issues;
- Ensuring that climate change is on the agenda for bilateral engagements and consultations wherever appropriate and that briefings integrate foreign policy perspectives;
- Tasking the mission network with reporting on climate change and energy issues, and providing missions with materials for advocacy; and
- Ensuring that GAC's diplomatic skills and resources are deployed in support of the Government's international engagement on climate change.

This lead area would work in close collaboration with the Ambassador for Climate Change as well as the International Branch at ECCC.

2. Mission network: Establish a climate, environment and energy network across missions

This network could be modelled on the UK system where Heads of Mission across the UK network identify within their mission resources a lead for diplomatic engagement on climate change, coordinating as needed across trade, development, defence and other programs in the mission as applicable. The network would be coordinated by the proposed climate change and energy unit within GAC and would facilitate access to the mission network for ECCC, NRCan and other departments.

3. Results: Integrate climate change across the GAC results framework

- Include a requirement to deliver on climate change in senior management performance agreements, including those of Heads of Mission;
- Equip missions abroad with the tools needed to be able to communicate Canada's climate change priorities and identify opportunities for Canadian leadership in international climate diplomacy, clean tech and green development; and
- Set climate change as a priority across Canada's development assistance programming, beyond the climate finance envelope, tracking projects and results.

4. People: Build GAC expertise in climate change and energy issues

The climate and energy skill sets at GAC could be strengthened through:

- Expanded training through the Canadian Foreign Service Institute and the Canada School of Public Service;
- Bringing in staff from other departments or outside organizations with climate/energy skill sets for assignments/secondments at GAC; and
- Creating a structured pool of staff engaged in international climate work across departments and facilitate rotations and secondments among the organizations working on climate change, including think tanks.

5. Improve cross-government coordination on international aspects of climate change

With a strengthened internal capacity of climate change and energy, GAC should work with ECCC, Natural Resources Canada and the Privy Council Office to improve mechanisms across government that ensure coherence in Canada's international engagement on climate change and energy.

Biographies

Lead Author

Patricia Fuller has specialized throughout her career in trade and economic policy, as well as climate change and energy. Upon her retirement from the Government of Canada, she was Canada's ambassador for climate change. Prior to that appointment, she served, notably, as Director General of Economic Development, Director General of Planning and Reporting, Chief Economist, Director of the Softwood Lumber Division, and Deputy Director for Trade Remedies at Global Affairs Canada. Patricia also served abroad as Ambassador of Canada to Uruguay and Chile. Other international assignments include Mexico and Guatemala. Patricia also headed the Office of Energy Efficiency at Natural Resources Canada and contributed to the development of the Pan-Canadian Framework on Clean Growth and Climate Change. She also gained experience on environment and climate change files earlier in her career while working at the Privy Council Office and supporting the Cabinet Committee on Economic and Regional Development Policy. She holds a B.A. (Honours) in Economics and Political Studies from Queen's University and an M.Sc. in Economics (with distinction) from the London School of Economics.

Co-Authors

Ruth Archibald retired from Global Affairs Canada after almost twenty-five years as a public servant. She represented Canada as High Commissioner to 14 Commonwealth countries based in Colombo, Sri Lanka; Pretoria, South Africa; and Bridgetown, Barbados. In Ottawa, she was principally involved in multilateral relations, negotiating norms and standards across a range of issues and institutions. She was the Department's first Senior Coordinator, International Crime and Terrorism in the aftermath of 9/11 and Director General Global Issues which included Environment in the lead-up to Kyoto, the inaugural Arctic Council, negotiations at the United Nations Cairo and Beijing conferences, human rights, peacebuilding and democratic development. Before joining the department, she served as Chief of Staff to The Honourable Barbara McDougall at Privatization and Regulatory Affairs, Status of Women, Employment and Immigration and External Affairs, following a twenty-year career as a political organizer, principally in Ontario. She has a degree in Political Science and English from Memorial University of Newfoundland.

Kerry Buck was, until recently, Assistant Secretary, Economic Sector at the Treasury Board of Canada Secretariat. Prior to that appointment, she was Canada's Ambassador to the North Atlantic Council (NATO). She held senior executive positions at Global Affairs Canada: Political Director and Assistant Deputy Minister for International Security and Political Affairs; Assistant Deputy Minister portfolios for Africa and for Latin America and the Caribbean; head of the Afghanistan Task Force; Director General for the Middle East and Maghreb, for Afghanistan and for Public Diplomacy and Federal-Provincial Affairs; Director for Human Rights. Outside of GAC,

Kerry served, among other positions, in the Privy Council Office as Director of Operations for Machinery of Government Secretariat responsible for Cabinet and Ministerial mandates. Kerry holds degrees from the University of Western Ontario (BA Hons, Political Science) and McGill University (LLB, BCL).

Masud Husain retired from Canada's foreign service in the summer of 2021. Upon his retirement, he was Director General and Deputy Legal Adviser at Global Affairs Canada. Prior to this appointment, he was Canada's ambassador to the United Arab Emirates in Abu Dhabi and Special Envoy to the Organization of Islamic Cooperation. His other foreign postings include Canada's Permanent Mission to the United Nations in New York and embassies in the Netherlands, Jordan and Syria. At Global Affairs Canada's headquarters in Ottawa, his other notable appointments include Director General for the Middle East and Executive Director of the Criminal and Diplomatic Law Division.

Daniel Jean served as National Security and Intelligence Advisor to the Prime Minister of Canada (2016-18). Previously, he was Deputy Minister of Foreign Affairs (2013-2016) and Deputy Minister of Canadian Heritage (2010-2013). From 2007 to 2010, he held a number of critical deputy minister positions first as Associate Secretary at the Treasury Board and later on as Deputy Secretary (Operations) at the Privy Council Office. Prior to his appointment as Deputy Minister in 2007, Daniel had a stimulating career in international and migration related issues both in Canada and abroad that included two postings in Haiti, two separate assignments in the United States in Buffalo and Washington, and one in Hong Kong. He received a Public Service Award of Excellence and a Professional Association of Foreign Service Officers (PAFSO) annual award for his efforts in the aftermath of the coup that ousted the first democratically elected government in Haiti in 1991. Daniel graduated with an MBA from the State University of New York at Buffalo in 1988 (inducted Beta Gamma Sigma for academic distinctions). He completed his undergraduate studies in 1982 at the University of Ottawa where he graduated with a BA of Social Sciences in International Relations and Economics.

John McNee was Secretary General of the Global Centre for Pluralism from 2011 to 2019. A career diplomat, he served as Canada's Permanent Representative to the United Nations in New York from 2006-2011. During his career, he also served as Canadian Ambassador to Belgium, Luxembourg, Syria and Lebanon and Canada's representative to the Council of Europe. In addition, he was posted to Tel Aviv, London and Madrid. John McNee joined the Department of External Affairs in 1978 and worked in various capacities in the Department including as Assistant Deputy Minister for Africa and the Middle East. He also served in the Foreign and Defence Policy Secretariat of the Privy Council Office. He holds a Bachelor of Arts (Hons.), (Glendon College, York University, 1973) and a Master of Arts in History (Cambridge University, 1975). He was Canada Scholar at Cambridge 1973-1975. In 2017, he was awarded the Meritorious Service Medal (M.S.M.) by the Governor General.

Alex Neve served as Secretary General of Amnesty International Canada's English Branch from 2000 - 2020. In that role he has led and been part of numerous human rights research and advocacy delegations throughout Africa, Asia, Latin America, Guantánamo Bay and, closer to

home, First Nations communities across the country. Alex is a lawyer, with an LLB from Dalhousie University and a master's degree in International Human Rights Law from the University of Essex. He has served as a member of the Immigration and Refugee Board, taught at Osgoode Hall Law School, been affiliated with York University's Centre for Refugee Studies, and worked as a refugee lawyer in private practice and in a community legal aid clinic. He serves on the Board of Directors of the Centre for Law and Democracy. Alex has been named an Officer of the Order of Canada and a Trudeau Foundation Mentor. He is a recipient of a Queen Elizabeth II Diamond Jubilee Medal. He has received honorary Doctorate of Laws degrees from St. Thomas University, the University of Waterloo and the University of New Brunswick.

Lillian Thomsen retired from Canada's public service in 2016 as Director General and Dean of the Canadian Foreign Service Institute. She served abroad in Warsaw (Poland), in Moscow and as Consul General of Canada in Saint Petersburg (Russia), at the Canadian delegation to the United Nations, and at the Canadian High Commission in London. In Ottawa, at Global Affairs Canada, she held a number of positions, including Director of Media Relations, Corporate Secretary and Director General of Executive Services. Lillian has been actively engaged in the community with a focus on education and health, including mental health issues, serving on various boards and as an active volunteer. She completed a maximum nine years on the Board of Governors of The Ottawa Hospital in 2019, including two terms as Vice-Chair. She currently serves on the Boards of the Canadian Ambassadors Alumni Association and the National Capital Branch of the Canadian International Council and is the Editor-in-Chief of "bout de papier", the Canadian Foreign Service's magazine. She provides consulting and coaching services in the public and not-for-profit sectors. Lillian graduated from the University of Toronto with a double honours B.A. in History and Economics. She was also a performance student in piano at the Royal Conservatory of Music.

Researcher

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