

CANADIAN AID & THE SDGS

Prioritization, Resourcing & Influence

OCTOBER 2019



**CANADIAN INTERNATIONAL
DEVELOPMENT PLATFORM**



engineers without borders
ingénieurs sans frontières
Canada



Published by

Engineers Without Borders Canada (EWB)

365 Bloor Street East, Suite 2000

Toronto, ON M4W 3L4

www.ewb.ca

advocacy@ewb.ca

The Canadian International Development Platform (CIDP)

5306 River Building

1125 Colonel By Drive

Ottawa, ON, Canada K1S 5B6

www.cidpnsi.ca

info@cidpnsi.ca

Acknowledgements

Written by Aniket Bhushan, Lance Hadley, and Bridget Steele, with contributions from Prateek Awasthi.

Copy editing by Chelsey Smith.

Design by Julia Tincombe Designs.

Cover Image: Bartosz Hadyniak/E+ via Getty Images

Suggested citation:

EWB-CIDP (2019) "Canadian Aid and the SDGs:

Prioritization, Resourcing and Influence", Toronto, ON

Table of Contents

EXECUTIVE SUMMARY 4

INTRODUCTION 6

Donor Size & SDG Concentration 8

PRIORITIZATION 9

FIAP KPIs & the SDGs 10

Mapping ODA to the SDGs 11

Canada's Priorities & DAC ODA Shares 13

RESOURCING 15

Futureproofing Canada's International Assistance Envelope 17

Sector level resourcing: gender & SRHR 19

Sector level resourcing: climate related development finance 21

INFLUENCE 24

Canada's 2018 G7 Presidency 25

The Group of Friends of SDG Financing 26

The 2X Challenge 27

Women, Peace & Security Agenda 28

Women Deliver 2019 29

CONCLUSIONS & RECOMMENDATIONS 30

REFERENCES 34

ANNEX 38

Additional Data 38

Timeline of Key Milestones 46



Executive Summary

In 2015, three events significantly impacted Canada's international development agenda: the global adoption of the 17 Sustainable Development Goals (SDGs), a climate agreement at the 21st Conference of Parties (COP21), and the election of a new federal government in Canada with a platform that included new international assistance commitments.

Canada has shifted the focus of its international assistance under a newly launched Feminist International Assistance Policy (FIAP). Canada now directs 92% of all its development spending towards just five SDG areas – gender equality (SDG5), inequality (SDG10), health (SDG3, which includes sexual and reproductive health and reproductive rights), climate (SDG13) and absolute poverty (SDG1). This is notably higher than other major Organization for Economic Co-operation and Development (OECD) donor countries, who spend an average of 76% in these top five areas.

This report finds that by focusing its development assistance on a select few SDGs, Canada has had a significant impact

By focusing its development assistance on a select few SDGs, Canada has had a significant impact in these areas

in these areas. This is especially true in the area of gender equality, where Canada has focused almost 40% of its official development assistance since 2015 – well above the OECD average of 21%. Canada's financial commitments in this area are at historic highs (\$3.6 billion), making it the biggest contributor to gender equality globally among G7 countries. These commitments have been driven by the Feminist International Assistance Policy (FIAP), established in 2017, and have been reinforced by Canada's non-financial influence, including its G7 presidency, co-chairing the United Nations' (UN) Group of Friends of SDG Financing group, the 2X Challenge, the Women, Peace and Security Agenda, and Women Deliver 2019 – all of which have delivered important outcomes to support the gender equality agenda.

However, the outsized impact in a few SDG areas cannot conceal the fact that Canada's overall spending on international assistance remains stuck near historic

lows. With its Official Development Assistance (ODA) / Gross National Income (GNI) ratio hovering around 0.28%, Canada is spending below the OECD average and well below Canada's historic high of 0.5%. While the 2018 and 2019 federal budgets made new commitments and halted a downward trend in Canada's international assistance spending, the new investments have not turned around enough to keep pace with Canada's economic growth. As a result, even as Canada currently spends more than \$6 billion on international assistance for the first time ever, Canada is on track to have the lowest international assistance spending ratio in recent history.

A lower spending ratio combined with increased focus on fewer SDGs means that other SDG areas are under-resourced, despite being listed as focus areas. Canada also currently spends less than the OECD average on development-related climate action, failing to reach its commitment to double its investment.

INTRODUCTION



Since 2015, how well has Canada positioned its international assistance to support efforts to meet the SDGs?

Official Development Assistance (ODA) is government funding that is provided to developing countries at concessional terms in order to promote social welfare and economic development. In other words, it is a transfer of funds to support some of the world's most vulnerable people. ODA is an important source of income for developing countries because it helps these countries to address the root causes of poverty and inequality in their communities.

This report evaluates Canada's performance on supporting international development through its ODA since 2015, the year the United Nations adopted the 2030 Agenda for Sustainable Development, which includes at its core the 17 SDGs, and the climate change agreements outlined in COP21.

The following year, Canada undertook its first comprehensive review of Canada's international assistance policy framework in over a decade. At the conclusion of this review, Canada released its FIAP, with the understanding that advancing gender equality and promoting equal rights for women and girls is the most effective way to reduce poverty, and it linked Canada's international assistance policy framework to the 2030 Agenda for Sustainable Development.¹

Given this backdrop, this analysis aims to address the following research question: Since 2015, how well has Canada positioned its international assistance to support efforts to meet the SDGs?

The SDGs consist of 17 goals and 169 targets and are tracked through hundreds of indicators. The SDGs are broad and ambitious, and require a significant investment to achieve. The financing gap required to meet the SDGs is estimated at between US\$2.5-3 trillion per year.² Many countries are off-track in terms of the level of progress needed to meet many of the goals by 2030.³

Canada has explicitly positioned its international assistance to help developing countries meet the goals of the 2030 agenda.⁴ However, assessment of performance relative to the SDGs is not straightforward. One approach is the Voluntary National Review (VNR) process under the auspices of the UN. Canada submitted its VNR in 2018.⁵ Given the SDGs are universal – in that they apply to all countries internally – it is unsurprising that most VNRs, including Canada's, have a primarily domestic focus. This leaves a gap in terms of analyzing how Canada has positioned its international assistance to help developing countries meet the SDGs.

This analysis contributes toward filling this gap, and adopts an assessment framework reflecting on Canada's characteristics as a donor. It is argued that as a mid-sized donor⁶, Canada is better off setting clear priorities in terms of focusing investments within the many areas covered by the SDGs and maximizing its non-financial influence.

¹ See Prime Minister of Canada, Mandate Letter to Minister of International Development and La Francophonie, 2015: <https://pm.gc.ca/eng/minister-international-development-and-la-francophonie-mandate-letter> and see Liberal Party Platform, 2015: <https://www.liberal.ca/wp-content/uploads/2015/10/New-plan-for-a-strong-middle-class.pdf>

² See UN Secretary-General's Strategy for Financing the 2030 Agenda, 2018: <https://www.un.org/sustainabledevelopment/sg-finance-strategy/>

³ See UN News, World 'off track' to meet most Sustainable Development Goals on hunger, food security and nutrition, 2019: <https://news.un.org/en/story/2019/07/1042781>

⁴ See Prime Minister of Canada, Mandate Letter to Minister of International Development and La Francophonie, 2015: <https://pm.gc.ca/eng/minister-international-development-and-la-francophonie-mandate-letter> and Government of Canada, Canada's International Feminist Assistance Policy, 2019: https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/priorities-priorites/policy-politique.aspx?lang=eng

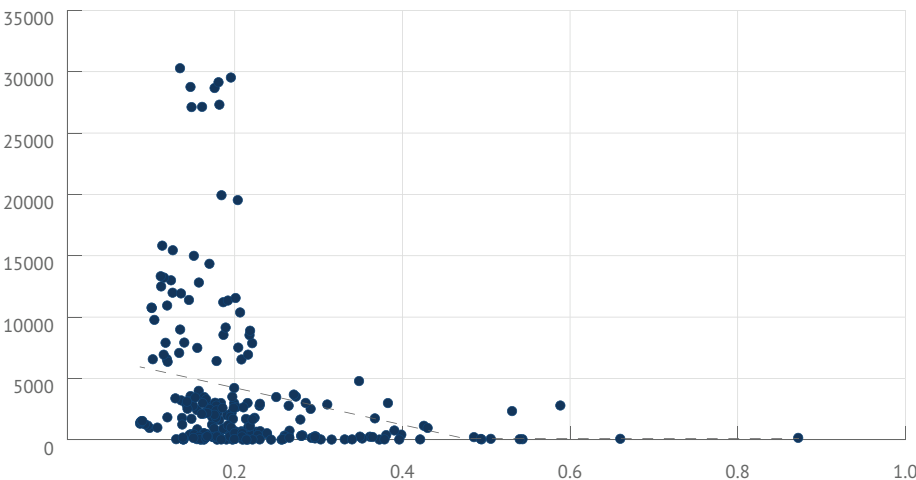
⁵ See Government of Canada, Canada's Implementation of the 2030 Agenda for Sustainable Development, 2018: https://sustainabledevelopment.un.org/content/documents/20312Canada_ENGLISH_18122_Canadas_Voluntary_National_ReviewENV7.pdf

⁶ Canada is the 9th largest OECD-DAC donor in volume terms among the 29 DAC members. Using the ODA/GNI ratio Canada ranks 15th. See CIDP, Canada and the 2018 OECD-DAC Aid Statistics, 2018: <http://cidpnsi.ca/canada-and-the-2018-oecd-dac-aid-statistics/>

Donor Size & SDG Concentration

In order to accurately assess how well Canada has prioritized areas of focus within the SDGs, the authors sought to test the relationship between ODA budgets and concentration of spending across the 17 SDGs. The results are illustrated in the chart below, which plots an SDG Concentration Index⁷ (whereby a low index value indicates lower concentration) on the x-axis and donor ODA disbursements⁸ on the y-axis.

Donor Size vs. SDG Concentration



Notes: the x-axis plots our Index of SDG concentration where a higher value indicates greater concentration and the highest possible value is 1. The y-axis plots donor size, i.e. ODA disbursements in millions per year. The analysis covers 2010-2017. The objective of the analysis is neither to suggest correlation nor causation but merely to indicate the clear negative slope.

The data present a reasonably clear negative relationship between ODA size and SDG spending concentration.

FINDINGS

Larger donors tend to spread ODA across many SDGs while smaller donors tend to concentrate on a select few SDGs.

Therefore, this assessment covers three areas:

Prioritization: How well has Canada prioritized areas of focus within the SDGs?

Resourcing: How well has Canada resourced priority areas?

Influence: Has Canada leveraged its non-financial influence effectively?

⁷The Index of SDG concentration is simply a Herfindal (HHI) index that the authors developed by extending a preliminary ODA-SDG mapping methodology that has been put forth by some donors and is being discussed by the DAC. For details, please see annex.

⁸ODA disbursements are in millions, per year, 2010-2017.

PRIORITIZATION

How well has Canada prioritized areas of focus within the SDGs?

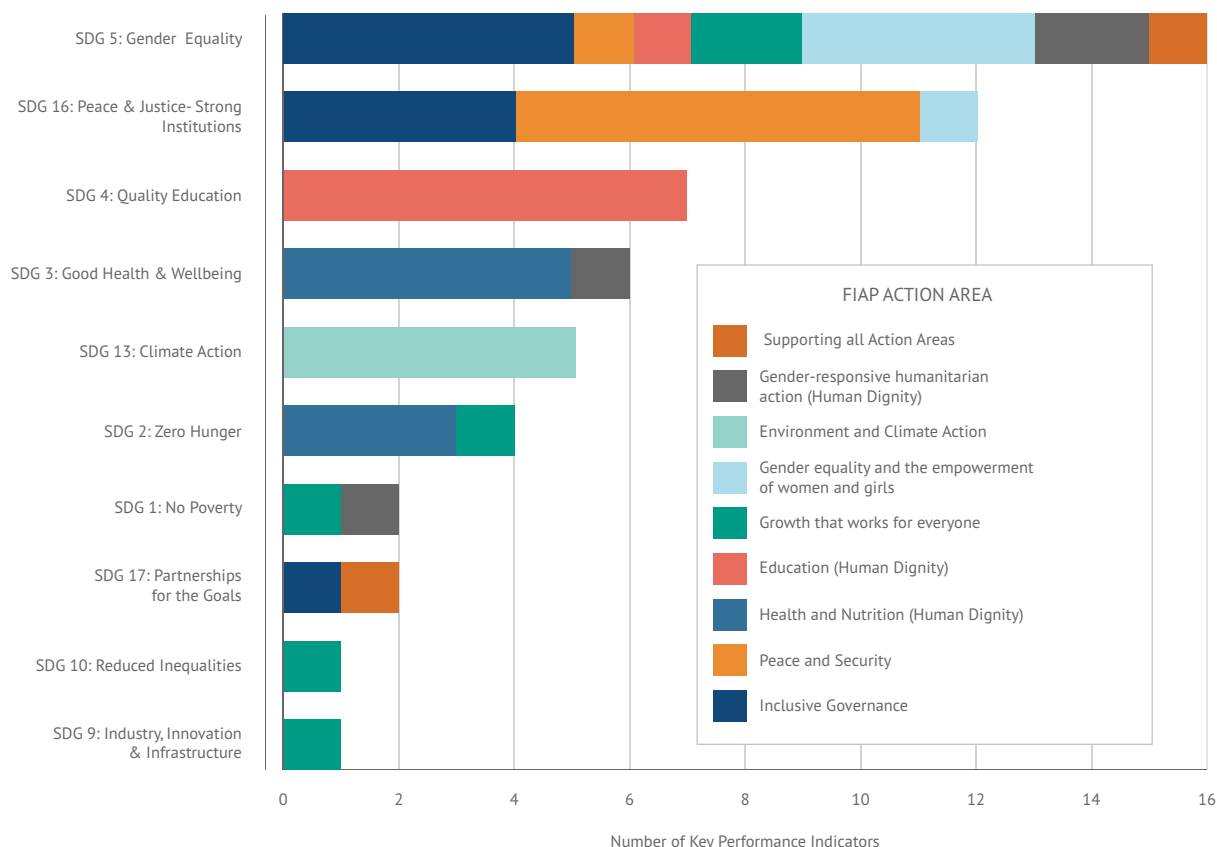
This section examines the extent to which Canada prioritizes areas within the SDGs through several analyses. The starting point is the focus of Canada's FIAP, in which gender equality is a prominent focus. According to the FIAP, by 2021-22 Global Affairs Canada (GAC) aims to spend no less than 95% of its bilateral assistance on projects that target or integrate gender equality⁹ (SDG5). The authors estimate that the current figure is around 87%.¹⁰ In order to assess the alignment between the FIAP and the SDGs, the FIAP's key performance indicators (KPIs) have been mapped to the SDGs.



FIAP KPIs & the SDGs

In February 2019, GAC released the FIAP's KPIs.¹¹ Since the KPIs are complex and multivariate,¹² for the purposes of this analysis only those areas that can be clearly mapped against the SDGs have been focused on. The analysis mapped 56 FIAP KPIs (that explicitly refer to SDGs) to the 17 SDGs in order to further determine the focus of the FIAP. The findings are summarized in the graphic below.

Mapping FIAP Key Performance Indicators to SDGs



Source: GAC and author analysis.

FINDINGS

As evidenced by the analysis, SDG5 (Gender Equality), is the most referenced SDG across the FIAP KPIs, followed by SDG16 (Peace, Justice and Strong Institutions).

- Thereafter, SDGs on education, health, and climate change round out the top five.
- It is important to note that more FIAP action areas fit within the SDG5 remit than any other SDGs.

This analysis confirms that GAC has selected gender equality as its primary focus among the SDGs.

⁹ See: <http://cidpnsci.ca/canadas-turn-to-feminist-international-assistance-by-the-numbers/>

¹⁰ See: <http://cidpnsci.ca/canadian-gender-targeted-spending/>

¹¹ See: https://www.international.gc.ca/world-monde/issues_developpement-enjeux_developpement/priorities-priorites/fiap_indicators-indicateurs_paif.aspx?lang=eng

¹² FIAP KPIs cover not only GAC action area and global indicators but also advocacy and corporate indicators.

**Do SDGs that reflect
Canada's priority areas
receive a greater relative
share of Canadian aid?**

Mapping ODA to the SDGs

Spending patterns are expected to reflect prioritization of goals and objectives, with priority areas expected to receive a greater relative share of a donor's allocation. The authors sought to test the hypothesis whether this is the case when it comes to Canada's priorities. We asked the question, do SDGs that reflect Canada's priority areas receive a greater relative share of Canadian aid?

This is not an easy question, for two main reasons. First, a widely accepted and publicly available methodology mapping aid spending to the SDGs does not exist.¹³ Second, the SDGs were only agreed on in 2015, and the process of coming up with indicators and targets has been even more recent. While many areas are the same or similar to the eight Millennium Development Goals (MDGs), many are new.

The sector level ODA data system was never designed to be mapped to the SDGs and legacy ODA data is arguably reflective of approaches and priorities that predate the SDGs.

A custom approach was developed to mirror and build on a method currently being piloted by some donors (including Canada) for these reasons. This approach allows for working with disaggregated project level aid data directly in order to map projects to SDGs,¹⁴ and leverages both the OECD's 'purpose coding' as well as cross-cutting 'policy markers'.¹⁵ The results for 2017 data are presented graphically in the form of tree maps below. The first tree map covers the OECD-Development Assistance Committee (DAC), while the second focuses on Canada¹⁶

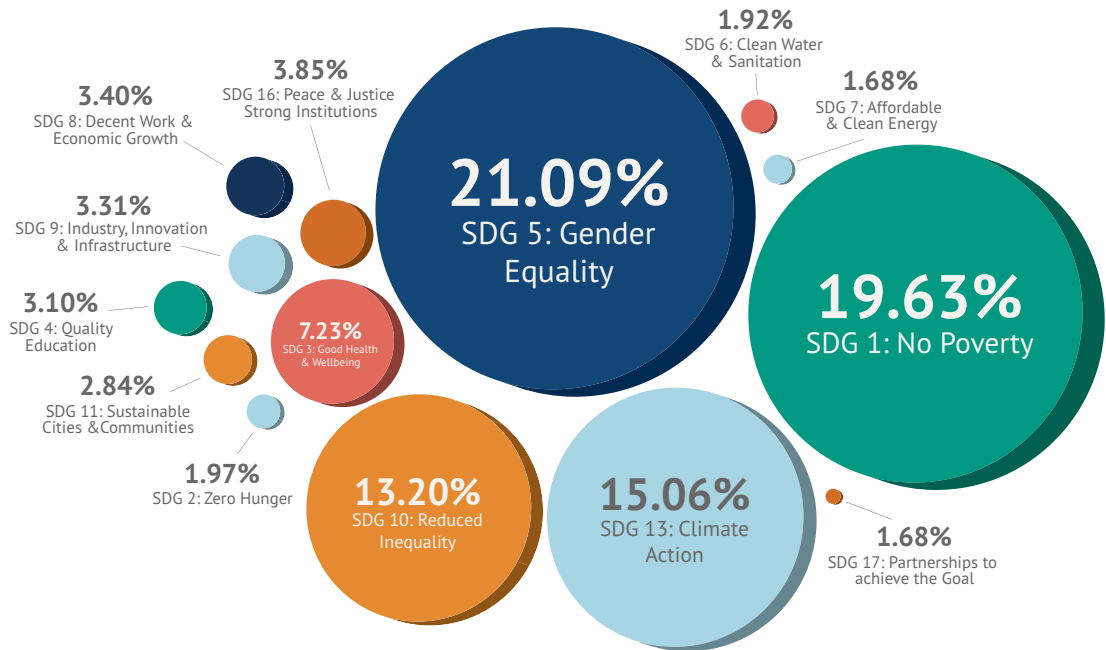
¹³ It should be noted that the OECD is working on the same. However, because the OECD's sector level aid data system (called the Creditor Reporting System or CRS) was never intended for this purpose and far predates the SDGs, coming up with a widely agreeable approach is difficult, as donors have different motivations.

¹⁴ Please see annex for details. Further details are available on request.

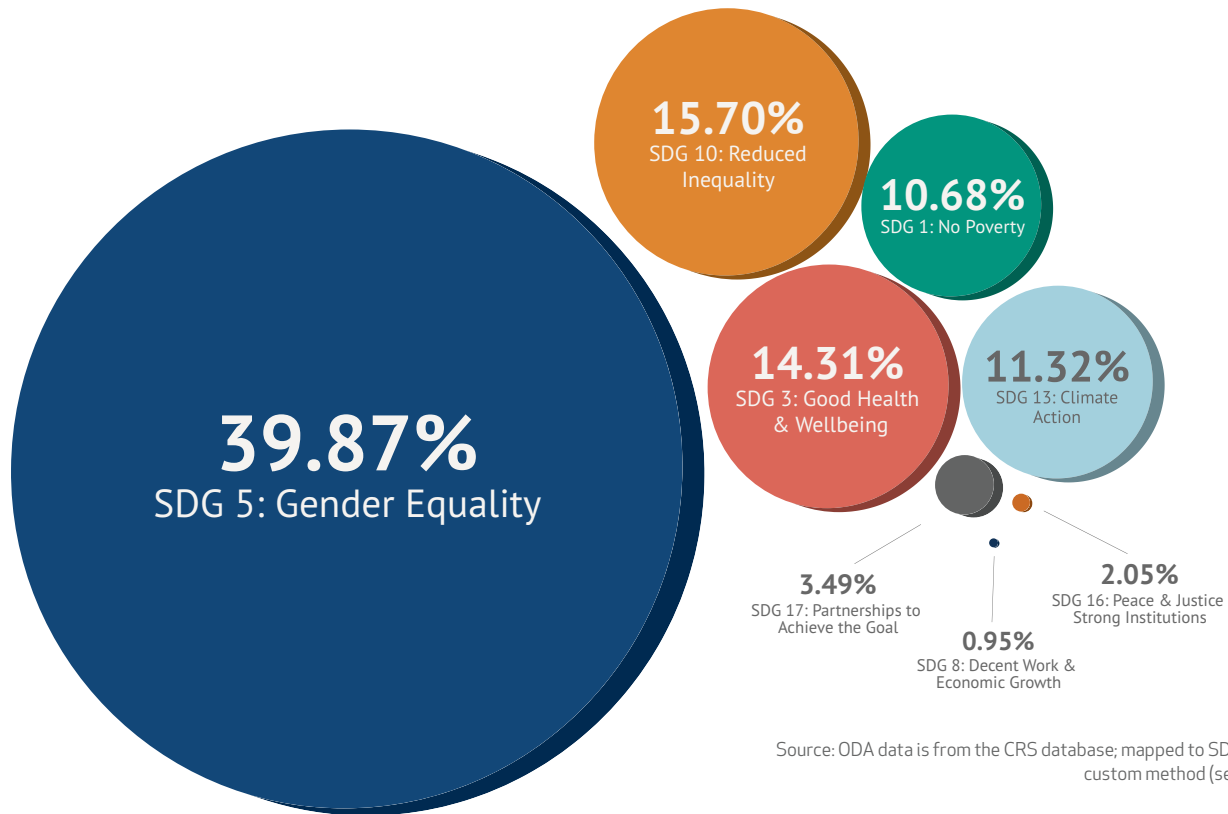
¹⁵ This point is important to keep in mind given in some cases, such as gender, markers are more relevant than purpose codes. The authors recognize at the outset that our method prioritizes markers (and thereby may inflate their effect) relative to purpose codes. However, since it is applied across donors like for like in this analysis, it serves as the basis for a useful comparison.

¹⁶ Further comparative breakdowns for other donors are provided in the annex as illustration.

OECD DAC ODA mapped to SDGs (2017)



Canadian ODA mapped to SDGs (2017)



Source: ODA data is from the CRS database; mapped to SDGs using custom method (see annex)



FINDINGS

- At the OECD-DAC level, aid spending is concentrated on a small subset of the 17 SDGs.
- 76% of OECD level assistance is directed towards only five SDGs, consisting of SDG5 (Gender Equality), SDG1 (No Poverty), SDG13 (Climate Action), SDG10 (Reduced Inequalities) and SDG3 (Good Health and Well-Being).
- Similarly, Canada's aid is also focused on a subset of the SDGs.
- In fact, Canada's spending is even more concentrated than the OECD level, with the top five focus goals receiving 92% of spend.
- When compared to other similarly-sized donors¹⁷, Canada's level of concentration is amongst the highest.
- This is driven significantly by Canada's prioritization of SDG5 (Gender Equality), towards which 40% of spend is directed. Canada's level of prioritizing SDG5 (Gender Equality) is only surpassed by one other donor (Sweden).

¹⁷See annex for comparisons.

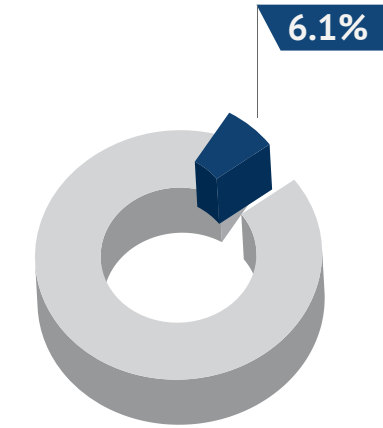
Canada's Priorities & DAC ODA Shares

Another approach to assess prioritization is to analyze where Canada has a 'revealed comparative advantage' at the sector level, as indicated by its ODA spending pattern. The revealed comparative advantage can be assessed by comparing Canada's share of total OECD-DAC ODA with Canada's share of total ODA at the sector-specific level. The charts to the right illustrate Canada's spending towards gender-related health ODA.

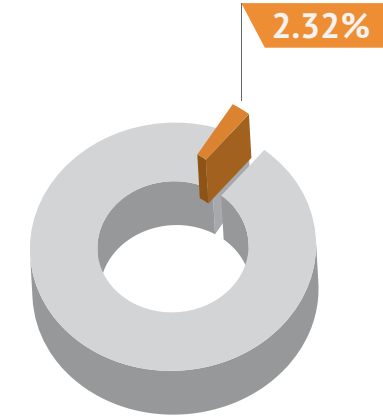
Canada's share of total DAC ODA vs. its share of gender-related health ODA

FINDINGS

- In 2017, Canada's share of total DAC ODA was approximately 2.3%.
- Canada's ODA spend was not distributed in line with the OECD-DAC. Instead, sectors where Canada consistently outperforms (i.e. its share of total OECD-DAC ODA is consistently higher than its overall ODA share) are: Gender (4.8%), Humanitarian Assistance (3.4%), and Health including Sexual and Reproductive Health and Rights (SRHR) (3.3%). These are areas that Canada prioritizes and has a comparative advantage in at the sector level.¹⁸
- However, not all priority areas fit these criteria. For instance, although policy documents and funding announcements¹⁹ identify Climate Action as another priority for Canada's international assistance program, Canada's share of DAC climate ODA is only approximately 1.6%, which is consistently lower than its share of total DAC ODA.
- As revealed by the analysis, Gender and Health are Canada's most important priorities, and are accordingly allocated an outsized portion of Canada's ODA. Combined, these two priority areas account for 6.1% of Canada's ODA, which is 2.7 times its share of DAC ODA.



Canada's share of total DAC gender-related health ODA (2017)



Canada's share of total DAC ODA (2017)

Source: CRS database, author calculations

¹⁸ See annex for comparisons.
¹⁹ See Timeline in annex. A key example is the \$2.65 billion over a five year commitment to climate action in developing countries the Liberal government announced in the lead up to COP21, one of its first development spending announcements. Stating also that this represents a "doubling" of past levels (which can be questioned as the previous, Fast-Start commitment, was \$1.2 billion but over three years).

RESOURCING

How well has Canada resourced priority areas?

This section compares current resourcing levels to historic levels,
both on a ratio and absolute basis.



Relative to its economy, Canada has not adequately resourced development spending, given its ODA/GNI ratio is near an all-time low.

On an absolute basis, Canada's international assistance spending is at an all-time high, and crossed the \$6 billion level for the first time in 2018.²⁰ Moreover, targeted aid spending for priority areas such as gender, health and humanitarian assistance are at all-time highs. However, relative to its economy, Canada has not adequately resourced development spending, given its ODA/GNI ratio is near an all-time low.

Absolute terms



Total international assistance spending in current nominal Canadian dollar terms is at an all-time high



Gender targeted aid spending is at an all-time high



Budget 2018 added a 'historic' \$2 billion to the international assistance envelope



Canada ranks amongst the top donors in priority areas including health (5th), humanitarian (5th) and gender-targeted aid spending (6th)²¹

Relative terms



ODA/GNI ratio, at between 0.26% and 0.28%, is near all-time lows



Canada on track to have the lowest ODA/GNI ratio in recent history²²



Budgetary additions are not large enough to meaningfully reverse ODA/GNI decline or return Canada to the OECD-DAC average (which it has closely tracked in the recent past)



Canada ranks among the bottom half of the OECD-DAC on ODA/GNI

FINDINGS

- Canada's ODA spend lags behind other countries when compared using conventional measures such as the ODA/GNI ratio, implying that ODA spend increases have not been commensurate with Canada's own growth.
- However, Canada's overall absolute ODA spend is at an all-time high, and Canada ranks amongst the top donors in targeted priority areas.
- Accordingly, it can be argued that while Canada has more than adequately resourced priority areas, there is still potential to contribute further.

²⁰ If viewed in current nominal Canadian dollar terms. Note also that "international assistance" in this case is a Canadian fiscal concept, related to the international assistance envelope (IAE) and does not comport one to one with the global standard which is ODA. See: <http://cidpnsi.ca/analysis-of-canadas-2017-18-development-spending/>

²¹ Ranks are for 2017 which is the most recent available data. The authors exclude "EU" from bilateral donors.

²² See: <https://www.opencanada.org/features/paying-its-global-share-canadas-not-backits-far-back/>



Futureproofing Canada's International Assistance Envelope (IAE)

As noted in previous reports by CIDP, futureproofing Canada's international assistance by adequately adding to the IAE is critical.²³ Future demands for development financing placed on donors like Canada are only set to grow, whether in the form of assessed contributions to multilateral institutions, replenishment of specific funds, responses to natural disasters and humanitarian emergencies, or new funding to support transition to low-carbon pathways (including promotion of Canadian clean-tech interests globally).²⁴ This section analyzes how Canada's IAE has evolved over time, and how it is positioned to handle future requirements.

The analysis below confirms that since 2015, budgetary declines in aid spending have stabilized,²⁵ but the development budget has not yet shown signs of

increasing at a sufficient rate. The primary reason for this is timing, as it was not until Budget 2018 that meaningful increments to the IAE were announced, primarily because the new FIAP policy framework was adopted in 2017. Accordingly, given it took until 2018 to add to the IAE, the effect of this is yet to be visible in ODA trends.

Although the recently announced increases to the IAE, totalling \$2 billion over five years from Budget 2018 and an incremental \$100 million from Budget 2019, are likely to stabilize the decline²⁶ in Canada's ODA/GNI ratio, they may not be enough to recover it to Canada's high mark (around 0.5%) or anywhere near the UN's 0.7% ODA/GNI target.²⁷

²³ See reports to the National Finance committee in 2016: <https://www.ourcommons.ca/Content/Committee/421/FINA/Brief/BR8398150/br-external/CanadianInternationalDevelopmentPlatform-e.pdf>; our flagship annual report on Canada in a changing international development context in 2017: <http://cidpnsi.ca/how-can-canada-deliver/>; our updated data report in 2018: <http://cidpnsi.ca/canada-on-the-global-stage/>

²⁴ See: <https://www.ourcommons.ca/Content/Committee/421/FINA/Brief/BR8398150/br-external/CanadianInternationalDevelopmentPlatform-e.pdf>

²⁵ See total international assistance trend from 2011 to 2014 in annex.

²⁶ There are assumptions here, key among them that Canada's GNI will not increase dramatically.

²⁷ There are several nuances here. While the IAE is the main source of what gets reported as ODA, there are several intervening factors (currency, non-IAE expenditures etc.) that make it so that the two aren't perfectly correlated.

Budgetary measures: increases to the International Assistance Envelope (IAE)

Budget Measures							
Budget Measures by Dept on cash basis (C\$, millions) Table A2.11							
Global Affairs Canada	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Budget 2018 (pg.224, annex 2) - Additional FIAP resources	0	160	327	400	500	613	
Budget 2019 (pg.307) - Increase to IAE	..	0	0	0	0	0	100

Source: author analysis based on Budgets 2018 and 2019

IAE reported levels on an expenditure and budget basis

IAE Reported Levels						
Statistical Report on Gross Basis; Budget docs IAE funding structure, both C\$, millions	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
From Statistical Reports to Parliament (Progs. Funded by IAE)	5,292	4,638	4,777	5,095		
From Budget documents					5,556	5,747

Source: author analysis based on Statistical Reports and Budget documents

FINDINGS

- Canada's international assistance spending has been increasing, although modestly, since 2015 and surpassed the \$6 billion level for the first time in 2018. Meaningful contributions to the IAE were only announced in Budget 2018 and have served to stabilize the declining ODA/GNI ratio trend.
- It is estimated that the IAE has been growing at between 3% and 4% since the start of 2015, and that it will grow at approximately 3 to 3.5% out to 2023-24.²⁸ The analysis suggests that the IAE will be at approximately \$6.1 billion by 2023-24.²⁹ However, the level of announced increases aren't likely to be meaningful enough to increase Canada's ODA/GNI ratio to recent longer-term trend levels (0.33%), Canada's past highs (0.5%) or anywhere near the UN's 0.7% target.

²⁸ See: <http://cidpnsi.ca/canadas-historic-1-4billion-annual-commitment-to-women-and-girls-health/>

²⁹ Total assistance, which is affected by other (non-IAE) expenditures, will of course be higher. The calculations are as follows. The reported IAE level for 2019-20 (presented in Budget 2019) is \$5,754 million. Given increases profiled up to this point as per the above tables (see year 2019 in the first table) would be \$327 million, the authors subtract this from the level, to get \$5,420 million, to which the authors then add remaining announced increments out to 2023-24, which total \$713 million. Which gives \$6,133 million by 2023-24 (all else equal). Of course, there are several assumptions at play and this is only an indicative analysis which could be influenced by factors beyond our ability to estimate (e.g. program sunsets, treatment of balances negative and positive at the end of each cycle, unpredictable costs like for emergencies).

Among G7 donors, Canada now has the highest relative share of gender-related ODA spending.

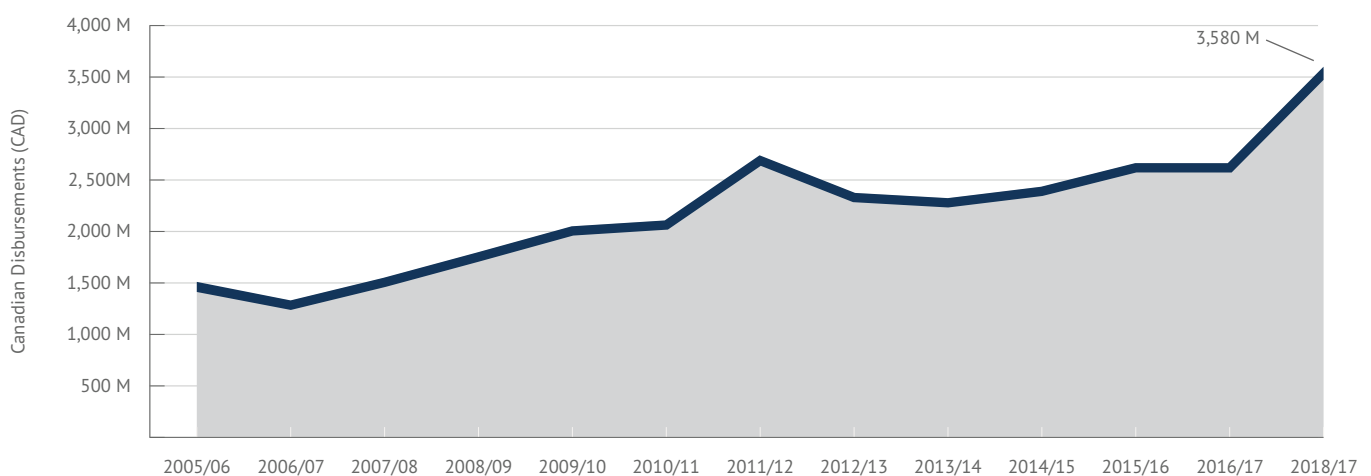
Sector level resourcing: gender & SRHR

At the sector-specific level the trends are a lot more encouraging. GAC's gender-related aid spending is at a high and reached nearly \$3.6 billion in 2017-18. The major sector drivers of this trend are health, emergency response, governance (government and civil society), education, agriculture and SRHR.

It is worth emphasizing the SRHR³⁰ trend further as it is a signature Canadian FIAP priority. As the charts below illustrate, SRHR spending has increased dramatically post the adoption of the FIAP. SRHR has been the main

driver of increases in health spending in recent years; SRHR spending in 2017-18 was almost 50% higher compared to the previous year. Moreover, given the announced commitment to spend at least \$1.4 billion annually on women and girls' health (starting in 2023), SRHR spending can be expected to grow significantly. It also worth noting that among G7 donors, Canada now has the highest relative share of gender related ODA spending.

GAC's Gender-related aid spending has increased significantly

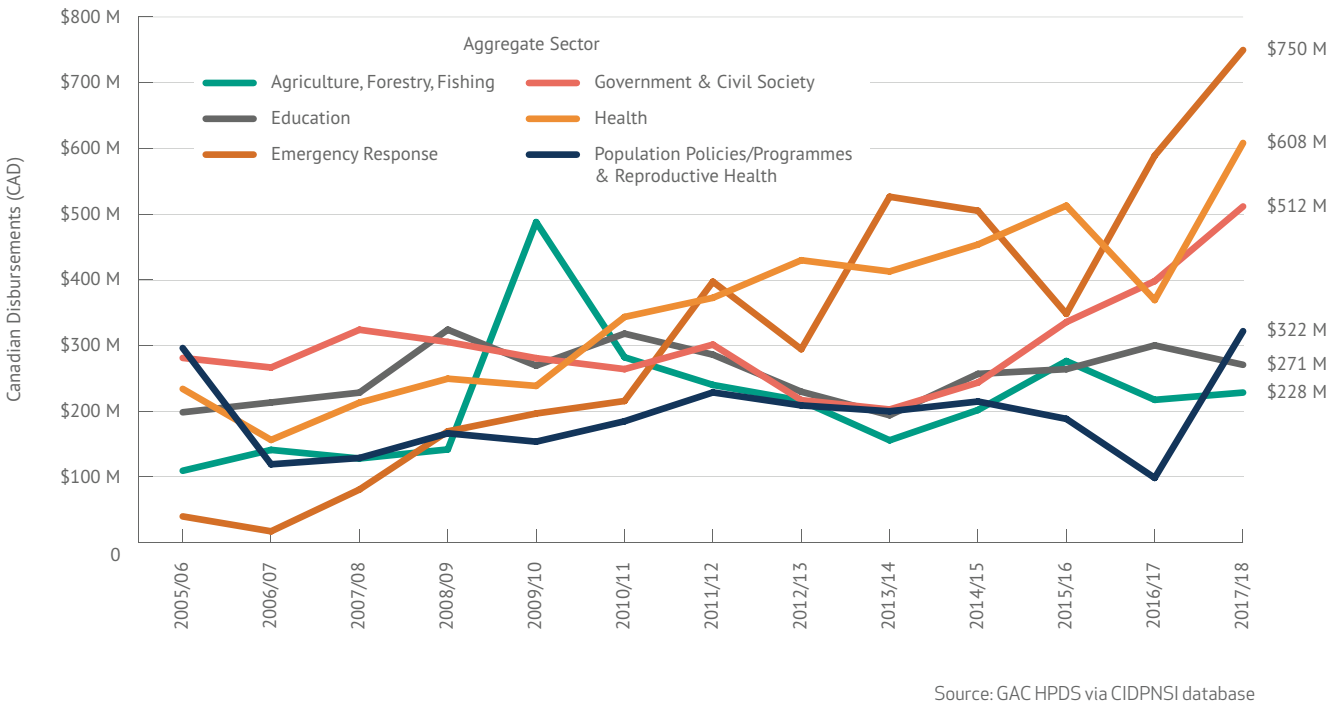


Source: GAC HPDS, via CIDPNSI database³¹

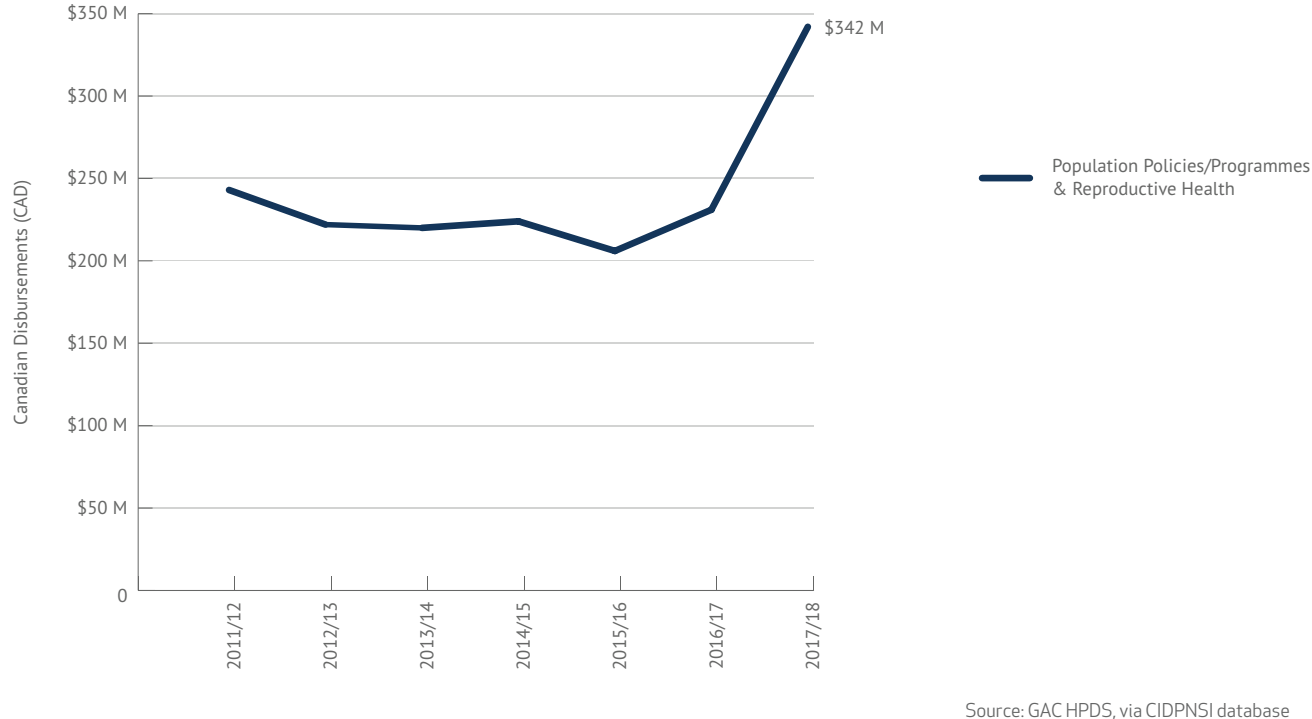
³⁰ There is no proxy for sexual reproductive health and rights (SRHR) in the data at the purpose code level therefore the authors use population policies and reproductive health and rights which is the closest available.

³¹ See: <http://cidpnsi.ca/canadian-gender-targeted-spending/>

Major Sector Drivers of GAC's Gender-related aid spending



Significant increase in resourcing priority areas: SRHR Spending



Although Canada's climate-related development spending has increased, it has not doubled.

Sector level resourcing: climate related development finance

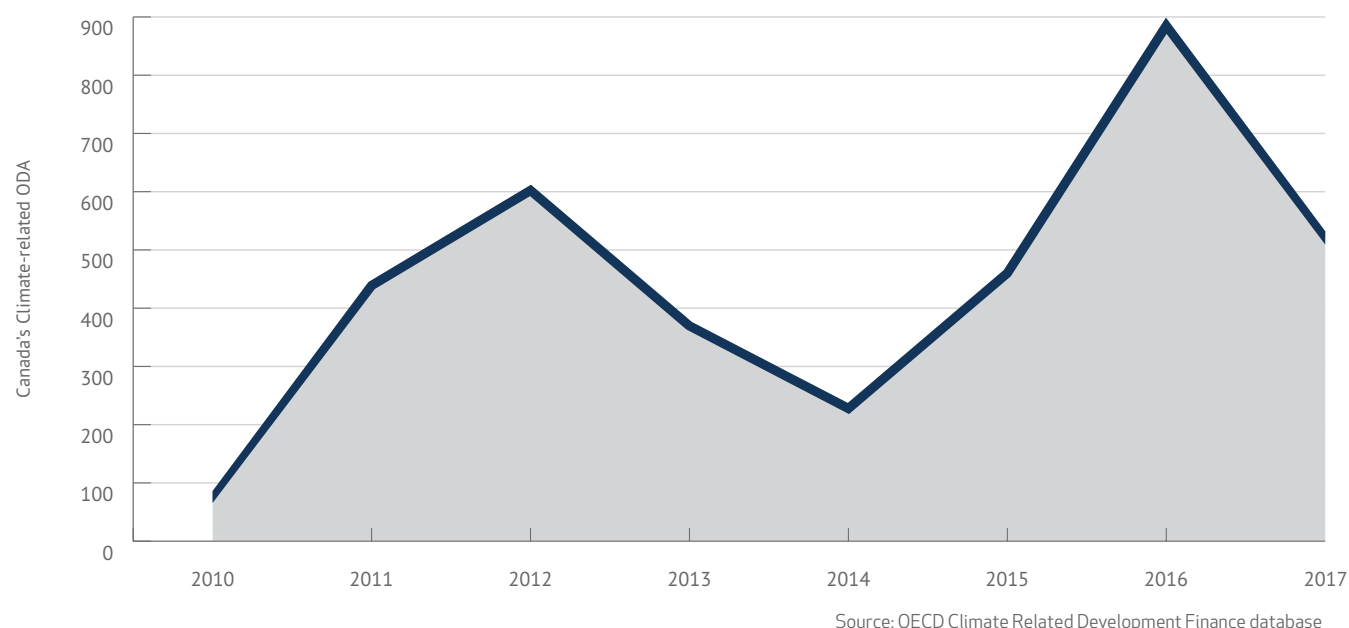
While the increased trend in gender and health spending is evident, this is not the case in other priority areas. In 2015, climate action in developing countries was announced as a key priority in the lead up to COP21. At that time, Canada committed \$2.65 billion over five years towards the sector. This was announced as a “doubling” of previous commitment levels (\$1.2 billion from 2010 to 2013, under the “Fast-Start” initiative³²). In addition, Canada also appointed an Ambassador for Climate Change mandated to promote Canada’s clean growth and climate change priorities internationally, including in developing countries.³³

However, despite the stated objectives, historical data (as presented below) indicate that although Canada’s climate-related development spending has increased, it has not doubled. Moreover, according to the analysis, Canada’s climate-related development spending trend is heavily influenced by the use of multilateral channels, far more so than peers. This implies that opportunities to leverage ODA by working more directly with climate champions, be it NGOs, research institutions or the Canadian private sector, are not being maximized.

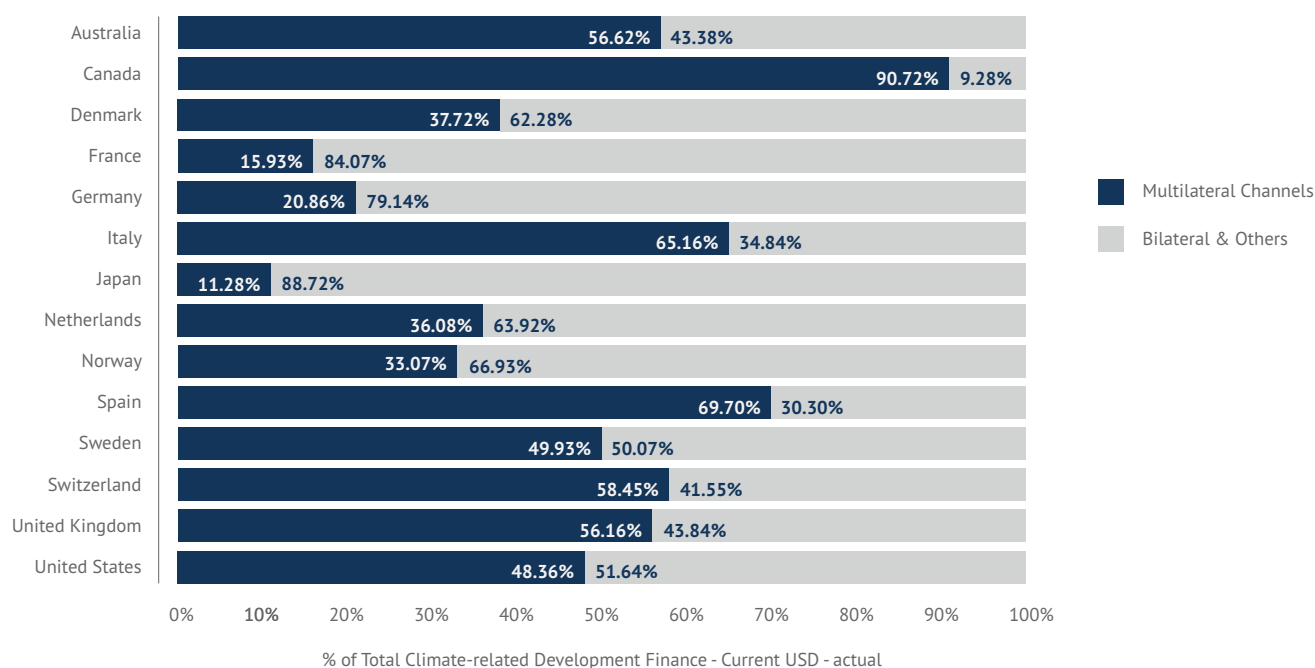
³² See: http://publications.gc.ca/collections/collection_2013/ec/En4-184-2013-eng.pdf

³³ See: <https://www.canada.ca/en/services/environment/weather/climatechange/climate-action/ambassador.html>

Less clear trend in other priority areas: Climate related development finance



Bilateral vs. Multilateral channels in climate finance: Canada vs. peers (2017)



³⁴ Since our interest is in reflecting the eventual implementing entity of a climate investment, the authors re-grouped OECD climate related development finance data which has a shortcoming in that when donor's utilize multilateral institutions to channel funds through these (and not just to them as core contributions), the OECD counts this as "bilateral" especially if the donor brands these explicitly. For e.g., a Canadian blended facility for climate finance managed and run by the IFC is classified as "bilateral", however, in our coding this is reflected (the authors think more appropriately) as "multilateral" given these funds are significantly delegated to IFC management. This change affects all donors but has the largest impact on Canada which is a major user of multilaterals to channel its ODA through the same (more so than the average DAC donor).

Unlike in other areas – like gender, health and humanitarian assistance – and despite announcing it as an early priority, Canada is not among the top climate donors. In 2017, on a total volume basis, Canada only ranked the 11th largest among climate donors with approximately \$531 million in climate-related development spending. Climate-related ODA makes up about 12% of Canadian ODA. The largest climate donors like Japan, Germany and France are not only much larger than Canada in total volume terms, but also in terms of how large a share climate ODA is as a percentage of their total ODA.

The top eight bilateral climate ODA providers and their levels are compared with Canada in the table to the right (2017):

Rank	Country	Climate ODA	% of ODA
1	Japan	\$8.3 billion	36%
2	Germany	\$7.1 billion	23%
3	France	\$5.0 billion	30%
4	UK	\$2.3 billion	18%
5	US	\$2.2 billion	6%
6	Norway	\$936 million	21%
7	Netherlands	\$784 million	17%
8	Sweden	\$686 million	13%
11	Canada	\$531 million	12%

FINDINGS

- Sector-level aid spending trends reveal a mixed, but generally more positive picture in terms of resourcing priorities. Since the adoption of the FIAP Canada has clearly backed its gender priorities with significant financial resources. Among the G7, Canada now has the highest share of gender-related aid spending as a share of total aid. Spending on gender-related projects by GAC is at an all-time high at \$3.6 billion, both in absolute and proportionate terms as a share of total GAC spending.
- A key driver of gender spending is SRHR. Spending on SRHR increased by 50% (2017 versus 2018) and is expected to grow significantly in line with the Women Deliver commitment to spend at least \$700 million annually on SRHR starting in 2023.
- However, in other priority areas overall resourcing trends are less convincing. For example, in the 2015 lead up to COP21, Canada announced a “doubling” of its climate related ODA spending levels. However, although the data shows an increase relative to the past Fast-Start financing level (\$1.2 billion, 2010-13), the \$2.65 billion commitment (2015-20) does not indicate a doubling. Canada does not rank among the top 10 providers of climate-related development finance. Moreover, this analysis indicates Canada relies too heavily on multilateral channels to implement climate aid.
- As noted in the 2018 OECD-DAC peer-review of Canada and further corroborated by the authors’ analysis of competitive dynamics in the climate-related development finance space, a specific gap in the Canadian context is the lack of a private sector engagement strategy. As a result, opportunities to work more directly with private sector players in the climate space, both in Canada and abroad, are not being fully actualized.³⁵

³⁵ See: <https://www.oecd.org/dac/peer-reviews/DAC-Canada-2018-Main-findings-and-recommendations.pdf>



INFLUENCE

**Has Canada leveraged its non-financial
influence effectively?**

This section assesses how effectively Canada has leveraged its influence as a donor to drive the SDG agenda forward.

Canada was able to
advocate for several of its
international priorities
bringing with it several firsts

Canada's 2018 G7 Presidency

In 2018, Canada took over the Presidency of the G7. Canada was able to advocate for several of its international priorities through this position, bringing with it several firsts.

- Canada integrated Advancing Gender Equality and Women's Economic Empowerment across the G7's activities and outcomes.
- Canada transparently engaged with a wide variety of stakeholders via seven engagement working groups in the following sectors: Business, Civil Society, Labour, Science, Think Tank, Women, and Youth.³⁶
- Canada created the Gender Equality Advisory Council and ensured that the empowerment of women and girls guided all discussions and activities of its Presidency. This resulted in a \$3.8 billion total commitment from Canada, the European Union, Germany, Japan, the United Kingdom and the World Bank to support quality education for women and girls living in crisis and conflict-affected and fragile states. Furthermore, during the United Nations General Assembly, partners pledged an additional \$527 million to give every child access to quality education and modern skills training.
- Canada launched the Ocean Plastics Charter³⁷ which outlines concrete actions to combat marine plastic litter and protect the oceans. This Charter has since been endorsed by 16 countries and 20 companies. Additionally, the Sustainable Blue Economy Conference, co-hosted by Canada, Kenya, and Japan built on Canada's G7 leadership to safeguard our oceans and support resilient coasts and coastal communities.³⁸
- Canada hosted the first ever G7 ministerial meeting that combined G7 Development and Finance Ministers in Whistler, British Columbia (2018).
- **Ultimately, in 2018, 81% of the G7 outcome documents and reports integrate or explicitly address gender equality (compared to an average of 46% over the past five years).**⁴⁰ Beyond the increased focus on gender equality and the news cycle being overshadowed by Canada-US relations, it remains to be seen what the long-term impact and legacy of Canada's G7 Presidency will be.

³⁶ See Prime Minister of Canada (2018): <https://pm.gc.ca/eng/news/2018/12/31/canada-concludes-successful-g7-presidency>

³⁷ See Government of Canada, 2019: <https://www.canada.ca/en/environment-climate-change/services/managing-reducing-waste/international-commitments/ocean-plastics-charter.html>

³⁸ See Fisheries and Oceans Canada, 2018: <http://www.dfo-mpo.gc.ca/campaign-campagne/bec-ceb/index-eng.html>

³⁹ See Government of Canada (2019): https://www.international.gc.ca/world-monde/international-relations-relations-internationales/g7/documents/2018-05-31-development-finance-finances_developpement.aspx?lang=eng

⁴⁰ Ibid



The Group of Friends of SDG Financing

Under the auspices of the Permanent Representative of Canada to the UN (Ambassador Marc-Andre Blanchard), Canada led the creation of the Group of Friends of SDG Financing initiative. The initiative provides a platform for UN member states, the private sector, and other stakeholders to develop solution-oriented ideas to help close the SDG finance gap.⁴¹

- The aim of the initiative is to mobilize private sector finance and new sources of public and philanthropic funding and to garner longer term investments by instilling a more “long-term orientation” within global capital markets.⁴²
- Canada’s ambassador to the UN, Marc-André Blanchard, co-chairs the Group of Friends of SDG Financing with his Jamaican counterpart. The group consists of 60 other member countries.
- Via the initiative’s meetings, forums and working groups, Canada has advocated for the need to scale up private sector finance towards the SDGs in three main ways. First, by drawing attention to the gap in terms of perceived versus real risk of investing in low income and frontier markets. Second, by informing the investment community of new opportunities and innovative instruments. Third, by focusing on engaging the \$80 trillion pension, private equity and insurance sectors, which comprise the mainstay of long-term, patient capital, and which could make a big contribution towards long-term collective goals like the SDGs.⁴³
- **Canada has also brought attention to the limited capacity of ODA relative to SDG demands and made the case for why ODA should be strategically leveraged to mobilize private capital.**
- However, due to no lack of effort by its Permanent Representative, Canada has not been successful in securing the full potential of increased investments in SDGs through public and private partnerships.

⁴¹ See remarks by Remarks by Ambassador Earle Courtenay Rattray (former Jamaican Ambassador to the United Nations): <https://www.un.org/esa/ffd/ffdforum/wp-content/uploads/sites/3/2017/05/RT-B-Rattray.pdf>

⁴² See remarks by Arunma Oteh, Vice President and Treasurer, World Bank: <https://www.worldbank.org/en/news/speech/2018/05/15/leveraging-innovative-finance-for-realizing-the-sustainable-development-goals>

⁴³ See Globe and Mail, 2017: <https://beta.theglobeandmail.com/news/politics/canada-looks-to-boost-un-security-council-bid-by-leading-effort-to-unlock-private-sector-development-financing/article36855551/>

The 2X Challenge

The 2X Challenge was launched at the 2018 G7 Summit in Canada. It calls for G7 Development Finance Institutions (DFIs) to collectively mobilize \$3 billion towards leadership, financing, and quality employment opportunities for women in developing countries.⁴⁴

- Canada's new DFI, FinDev Canada,⁴⁵ is playing an active role in mobilizing funds towards the 2X Challenge. Two FinDev Canada investments qualify for the 2X Challenge. The first is a \$12.5 million investment in EcoEnterprises Partners II, LP, a women-led fund that invests in small- and medium-sized Latin American businesses. These businesses have the potential to protect fragile environments, create jobs and empower women in rural areas.⁴⁶ The second is an \$8 million loan to Danper Agrícola La Venturosa (Danper ALV) in Peru. Danper ALV⁴⁷ is a subsidiary of Danper Trujillo, and is expected to create jobs, improve environmental management systems, and support women's economic participation in Peru's agriculture sector.⁴⁸
- At the Canada-hosted Women Deliver 2019 conference, members of the 2X Challenge announced that they will sponsor the 2X Invest2Impact Business Competition.⁴⁹ The purpose of the competition is to support the growth of women-owned businesses.⁵⁰
- FinDev Canada further leveraged 2X to build partnerships. For example, FinDev Canada strengthened its partnership with Proparco, a co-participant of the 2X Challenge, via a cooperation agreement to fund women's economic empowerment and climate change mitigation initiatives in developing countries.⁵¹
- FinDev Canada signed a Memorandum of Understanding with CDC (UK's DFI), another member of the 2X Challenge, to collaborate on SDG-consistent investments.⁵²
- FinDev Canada and COFIDES have announced a future collaboration that involves utilizing the 2X Challenge framework to support initiatives that have a positive impact on climate change mitigation and adaptation.⁵⁴
- Ultimately, Canada's leadership on development finance remains hindered by the relatively miniscule capitalization of its DFI, FinDev Canada, in comparison to its billion-dollar global peers. To realize its full potential, Canada needs to step up its investment in FinDev Canada.

⁴⁴ See: <https://www.2xchallenge.org>

⁴⁵ FinDev Canada aims to provide financial services to the private sector in developing countries to combat poverty through economic growth by focusing on three main themes: economic development through job creation, women economic empowerment, and climate change mitigation. FinDev Canada is a wholly owned subsidiary of Export Development Canada (EDC).

⁴⁶ See: <https://www.findevcanada.ca/en/news/findev-canada-invests-ecoenterprises-fund-support-sustainable-smes-latin-america>

⁴⁷ Danper ALV is focused on the production and export of high-value crops, including grapes and avocados, which supports local sustainability in Peru.

⁴⁸ See FinDev Canada, 2019: <https://www.findevcanada.ca/en/news/findev-canada-invests-leading-peruvian-agricultural-producer-danper-agricola-la-venturosa>

⁴⁹ See FinDev Canada, 2019: <https://www.findevcanada.ca/en/news/2x-challenge-members-launch-business-competition-africa>

⁵⁰ Challenge goals: directly reach women-owned businesses that face barriers in accessing investment capital; contribute to the community of women leaders and entrepreneurs; gather and promote, learnings on gender-lens investing; pilot an investment prospecting model.

⁵¹ See FinDev Canada, 2019: <https://www.findevcanada.ca/en/news/findev-canada-builds-partnerships-tackle-poverty-through-private-sector-investments>

⁵² See FinDev Canada, 2019: <https://www.findevcanada.ca/en/news/findev-canada-and-cdc-sign-agreement-contribute-towards-achievement-sustainable-development>

⁵³ COFIDES is a public-private company that offers financial support to Spanish companies investing abroad. It is accredited with the EU to manage Community budgets, allowing it to structure transactions with a high impact on development. It is also accredited with the UN's Green Climate Fund and can structure operations on climate change mitigation and adaptation with the GCF.

⁵⁴ See FinDev Canada, 2019: <https://www.findevcanada.ca/en/news/findev-canada-and-cofides-sign-agreement-promote-sustainable-development-through-private>

Women, Peace & Security Agenda

Security Council Resolution 1325 on Women, Peace and Security,⁵⁵ encourages member states, the UN, and other actors to:⁵⁶

- Promote and support women's formal and informal participation in all conflict-prevention and conflict-resolution mechanisms and institutions;
- Mainstream a gender perspective into all peace and security activities and strategies;
- Promote and safeguard the human rights of women and girls (example; protection from gender-based violence);
- Encourage women's equal access to relief and recovery goods and services.
- Since Resolution 1325 was instated, 79 countries have established National Action Plans on Women, Peace and Security to advance the agenda put forth by the UN Security Council.⁵⁷
- Following its first Action Plan (2010), Canada launched its second National Action Plan (2017-2022) on Women, Peace and Security in 2017.
- The Action Plan intentionally aligns Canada's FIAP and Defence Policy, under the rubric of a Feminist Foreign Policy.⁵⁸

- The Action Plan prioritizes strengthening efforts to increase the participation of women and girls in all peace and security efforts, protect the human rights of women and girls, and ensure women and girls have equal access to humanitarian and development assistance.⁵⁹
- Canada has announced that it has and will continue to take a leadership role in implementing the Women, Peace and Security agenda in fragile and conflicted-affected states. To this end, Canada leverages the gender-based analysis plus⁶⁰ tool to enhance capacity and integrate gender equality objectives into humanitarian and peace and security activities around the world.
- Canada has demonstrated its influence in promoting this agenda by supporting gender objectives in counter-radicalization initiatives, managing international migration issues in a way that protects women and children migrants, integrating gender perspectives when providing advice on justice reform in fragile and conflict-affected states, and on investigations and prosecutions involving war crimes and crimes against humanity.⁶¹
- **In 2019, Canada appointed Jacqueline O'Neil Ambassador for Women, Peace, and Security.**⁶² Advocates working on WPS issues remain cautiously optimistic that the office of the Ambassador will receive the political and financial support she needs to be effective.

⁵⁵ This resolution was instated in 2000.

⁵⁶ See Government of Canada, 2018: https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/gender_equality-egalite_des_genres/women_peace_security-femmes_paix_securite.aspx?lang=eng

⁵⁷ ⁵⁸ Ibid

⁵⁹ See Government of Canada, 2018: https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/gender_equality-egalite_des_genres/wps-fps-2011-2016.aspx?lang=eng&ga=2.150451583.877698474.1563549211-1860713123.1554814776

⁶⁰ See Status of Women Canada, 2018: <https://cfc-swc.gc.ca/gba-acis/index-en.html>

⁶¹ See Government of Canada, 2018: https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/gender_equality-egalite_des_genres/cnap_wps-pnac_fps.aspx?lang=eng

⁶² See Government of Canada, 2018: https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/gender_equality-egalite_des_genres/women_peace_security-femmes_paix_securite.aspx?lang=eng



EWB Canada

Women Deliver 2019

In June 2019, Canada hosted the Women Deliver global conference in Vancouver, British Columbia. Women Deliver is the world's largest conference on gender equality, and occurs once every three years. The theme of the 2019 conference was "power". The conference explored how gender power dynamics may drive or hinder progress and change.

- The task of hosting the conference demonstrates Canada's leadership in this area.
- The 2019 conference brought together 7000 world leaders, academics, advocates, activists, and journalists from 160 countries.⁶³
- Women Deliver's priorities and Canada's FIAP priorities align significantly. Canada has a strong partnership with Women Deliver and played a key role in shaping the 2019 conference agenda.
- The Prime Minister of Canada took an active role in the conference by participating in both the plenary and panel discussions, emphasizing the important role that governments play globally in supporting feminist advocates, and meet with African leaders.⁶⁴
- Canada committed to spend \$1.4 billion annually on women and girls' health starting in 2023 at the conference.⁶⁵
- Canada also demonstrated influence by organizing a Ministerial Forum, led by Canada's Minister of International Development and Minister for

Women and Gender Equality, Maryam Monsef, which paralleled the conference. This forum brought together ministers from donor and developing countries to engage in discussions on gender equality issues.⁶⁶

- Women Deliver was anticipated to be a huge moment for Canada global leadership on international development, and in many ways, Canada delivered by making a strong long-term predictable commitment to funding sexual and reproductive health. While the announcements made on the Thrive Agenda were welcome, they included, to a large extent, reallocations within the overall ODA envelope, with very little new spending.

In conclusion, we have seen that while Canada has proactively sought out international convenings and platforms to advance its priorities on gender equality and sexual and reproductive health, and cleverly leveraged personal diplomacy of its leaders, there are several gaps in terms of financing and implementation that need to be filled in order for there to be lasting and sustainable impact. At the same time, many other key forums for influence and leverage have received less attention, for example, the African Union, regional inter-governmental forums within Africa, and key relationships with African partners. While these may have less of an appeal to domestic media and constituents, they are crucial for Canada's continued global partnerships.

⁶³ Ibid

⁶⁴ See: Prime Minister of Canada, 2019: <https://pm.gc.ca/eng/news/2019/06/04/government-canada-makes-historic-investment-promote-health-and-rights-women-and>

⁶⁵ For our analysis of the commitment level see: <http://cidpnsi.ca/canadas-historic-1-4billion-annual-commitment-to-women-and-girls-health/>

⁶⁶ Ibid

CONCLUSIONS & RECOMMENDATIONS

The focus of this report is to analyse Canada's performance in terms of its support for international development. In 2015, there were two significant developments at the global level: the adoption of the SDGs and COP21 climate goals.

The SDGs represent a broad agenda comprised of 17 goal areas. As a mid-sized donor, it is arguably important for Canada to prioritize its investments, and furthermore leverage its non-financial influence in priority areas. This report demonstrates that in general there is a negative association between donor size and the spread of investments across the 17 SDG areas. While larger donors are more able and prone to spread their ODA investments across SDGs, mid-sized and smaller donors need to focus more. This motivates the three-fold assessment framework which examines prioritization, resourcing and influence.



Prioritization

How well has Canada prioritized areas of focus within the SDGs?

Since the adoption of the FIAP, Canada has effectively prioritized among the myriad of SDGs. The authors demonstrate that the focus is SDG5 (Gender Equality). The FIAP's performance indicators link most frequently and closely with SDG5. Canada's aid is much more concentrated (top five SDGs make up 92%) compared to the OECD average (76%) which reflects prioritization driven by SDG5. In comparison to other similar-sized donors, Canada's level of concentration is among

the highest. Gender and health are clear Canadian development priorities and Canada's share of gender-related health ODA is 2.7 times its share of DAC ODA. However, not all priority areas feature this prominently. Specifically, Canada's share of climate ODA is lower than its share of total DAC ODA and despite an increase in focus on this area in the lead up to and since COP21, Canada's investments have not kept pace with leading climate-related ODA providers.

Resourcing

How well has Canada resourced priority areas?

Although, at the absolute level, Canada's international assistance spending has increased, in relative terms, Canada's ODA is near an all-time historic low. Moreover, while Canada ranks in the bottom half of the OECD-DAC on the ODA/GNI ratio, it ranks among the leading donors in its priority areas (health, humanitarian assistance and gender-related aid spending). On resourcing at the overall envelope level, the timing of the roll out of increases (announced only in Budget 2018 and 2019) is a key issue. It is estimated that the IAE has been growing at between 3% and 4% since the start of the term, and that it will grow at approximately 3 to 3.5% out to 2023-24. The analysis suggests that the IAE will be at approximately \$6.1 billion by 2023-24. While recent increases may stabilize a declining ratio, they are unlikely to be enough to increase Canada's ODA/GNI ratio meaningfully.

Trends at the sector level in some priority areas are far more encouraging. Gender-related aid spending is now at an all-time high in absolute and ratio terms and is expected to increase further. A key driver is the

health sector and SRHR spending (which has increased dramatically and is expected to increase sharply out to 2023 and beyond). However, other priorities, such as climate-related development spending, have not been resourced as significantly despite announcements to the contrary. In the lead up to COP21, Canada announced a "doubling" of spending on climate action in developing countries (relative to the former "Fast-Start" commitment level). As the analysis illustrates, the levels have increased but not doubled. Moreover, Canada's spending on climate action in developing countries is almost exclusively multilateral. This implies opportunities to work with and through bilateral channels (such as with Canadian NGOs, climate research institutions and the private sector) are not being seized. As a result, despite increases, Canada does not rank among the major climate-related ODA providers.



Influence

Has Canada leveraged its non-financial influence effectively?

Canada has used global forums to highlight its priorities and leverage its influence beyond purely monetary terms in several key areas. Key examples of this include Canada's G7 Presidency in 2018, which helped galvanize significant investment towards quality education for women and girls in fragile and conflict-affected states, and the creation of the Gender Equality Advisory Council, which helped elevate women's economic empowerment as a priority area. Another area of influence is the Group of Friends of SDG Financing initiative, led by the Permanent Representative of Canada to the UN. The initiative aims to provide a platform to leverage private capital (such as from institutional investors and pension funds) towards the SDGs. Additionally, Canada's newly formed DFI (FinDev Canada) helped galvanize other G7 DFIs to commit to the '2X Challenge' which aims to mobilize \$3 billion towards women's economic empowerment in developing countries. FinDev has leveraged the 2X Challenge framework to forge further sector-specific partnerships with likeminded DFIs in areas including gender equality and climate action.

Furthermore, Canada has also helped increase the profile of the Women, Peace and Security agenda and UN resolution 1325. In 2017, Canada launched its second National Action Plan on Women, Peace and Security, which prioritizes efforts to increase the participation of women and girls in all peace and security initiatives, protect the human rights of women and girls and ensure women and girls have equal access to humanitarian and development assistance. In 2019, Canada appointed a new Ambassador for Women, Peace and Security. Another instance of influence in keeping with Canada's priorities is hosting the world's largest conference on gender equality, Women Deliver 2019. Canada announced a commitment to spend \$1.4 billion annually on women and girls' health (starting in 2023) at the conference. However, these announcements need to be followed through with increased financing, continued political support, and implementation. Additionally, while the focus has primarily been on North American and European partners, Canada is missing key opportunities to build its influence and strengthen its partnerships in Africa.

The fundamental challenge going forward is to ensure that Canada's international assistance spending matches the scale of its ambition, and keeps pace with its growing economy.

What Next

There has been important progress in the quality of Canada's international assistance since 2015. This progress urgently needs to be built upon.

By embracing the SDGs as well as the COP21 agreement, Canada has adopted frameworks that help guide aid spending as well as non-financial influence more strategically and more effectively. The strength of this framework is apparent in Canada's recent targeted spending and concerted policy efforts in the areas of gender equality (SDG5) and health (SDG3), where Canada has successfully had an outsized impact. Canada should continue to embrace the SDG and COP21 frameworks to establish its strategic priorities and to evaluate itself against its peers using these frameworks.

Canada has reversed a downward trend in its international assistance spending by making new investments and new commitments through Budget 2018 and Budget 2019. Since 2015, it has reached historic highs in the areas of gender equality and health, and it has surpassed \$6 billion in total international assistance spending for the first time ever. These are positive signs. With a strong international assistance framework in place, Canada is poised to continue this reversal. However, further allocations will be needed if Canada is to return to its normal spending averages, and there is a need to urgently restate a commitment to the 0.7% ODA/GNI target, with a time-table of gradual and predictable increases. Furthermore, making concerted

efforts in specific gap areas – such as implementing a private sector engagement strategy – will help Canada further leverage ODA dollars. Continuing on this course will help to truly put Canada back on the international stage when it comes to international assistance.

The fundamental challenge going forward is to ensure that Canada's international assistance spending matches the scale of its ambition, and keeps pace with its growing economy. Currently Canada is falling short in this respect. With record job growth and with one of the fastest growing economies in the developed world, achieving and then maintaining a more balanced aid spending ratio will require constant oversight and management. Canada also needs to strengthen its focus on the least developed countries, particularly within sub-Saharan Africa that have high levels of gender inequality. Doing so will have an outsized impact on Canada's ability to achieve the SDGs.

As Canada continues to become wealthier and more prosperous, it should continue to become more strategic in its priorities, strengthen the quality and impact of its programmes, and provide a proportionate amount of assistance to help less developed countries. Leadership on global development was a commitment that was pioneered by Canada in the previous century, and is one that Canada should continuously strive to exemplify in the next one.

REFERENCES

- 2X Challenge Financing For Women. 2019. Retrieved from <https://www.2xchallenge.org>
- Bhushan, Aniket. "Canada's Turn to Feminist International Assistance: By the Numbers." Canadian International Development Platform. 2017. Retrieved from <http://cidpnsi.ca/canadas-turn-to-feminist-international-assistance-by-the-numbers/>
- Bhushan, Aniket. "Future-proofing Canada's Global Engagement: Smart, Strategic Investments in Development." Canadian International Development Platform. 2016. Retrieved from <https://www.ourcommons.ca/Content/Committee/421/FINA/Brief/BR8398150/br-external/CanadianInternationalDevelopmentPlatform-e.pdf>
- Canadian International Development Platform. "How can Canada deliver?" 2017. Retrieved from <http://cidpnsi.ca/how-can-canada-deliver/>
- Canadian International Development Platform. "Analysis of Canada's 2017-18 Development Spending." 2019. Retrieved from <http://cidpnsi.ca/analysis-of-canadas-2017-18-development-spending/>
- Canadian International Development Platform. "Canada and the 2018 OECD-DAC Aid Statistics." 2018. Retrieved from <http://cidpnsi.ca/canada-and-the-2018-oecd-dac-aid-statistics/>
- Canadian International Development Platform. "Canadian Gender Targeted Spending." 2018. Retrieved from <http://cidpnsi.ca/canadian-gender-targeted-spending/>
- Canadian International Development Platform. "How can Canada deliver? 2018 Data Report" 2018. Retrieved from <http://cidpnsi.ca/canada-on-the-global-stage/>
- FinDev Canada. "2X Challenge members launch business competition in Africa." June 5, 2019. Retrieved from <https://www.findevcanada.ca/en/news/2x-challenge-members-launch-business-competition-africa>
- FinDev Canada. "FinDev Canada and CDC sign agreement to contribute towards the achievement of the Sustainable Development Goals." November 30, 2018. Retrieved from <https://www.findevcanada.ca/en/news/findev-canada-and-cdc-sign-agreement-contribute-towards-achievement-sustainable-development>
- FinDev Canada. "FinDev Canada and Cofides sign agreement to promote sustainable development through private sector growth." May 14, 2019. Retrieved from <https://www.findevcanada.ca/en/news/findev-canada-and-cofides-sign-agreement-promote-sustainable-development-through-private>
- FinDev Canada. "FinDev Canada builds partnerships to tackle poverty through private sector investments." April 25, 2019. Retrieved from <https://www.findevcanada.ca/en/news/findev-canada-builds-partnerships-tackle-poverty-through-private-sector-investments>

- FinDev Canada. "FinDev Canada invests in EcoEnterprises fund to support sustainable SMEs in Latin America". May 22, 2019. Retrieved from <https://www.findevcanada.ca/en/news/findev-canada-invests-ecoenterprises-fund-support-sustainable-smes-latin-america>
- FinDev Canada. "FinDev Canada invests in leading Peruvian agricultural producer, Danper Agrícola La Venturosa". June 27, 2019. Retrieved from <https://www.findevcanada.ca/en/news/findev-canada-invests-leading-peruvian-agricultural-producer-danper-agricola-la-venturosa>
- FinDev. December 4, 2018. "FinDev Canada invests USD 20 million in Climate Investor One to support transition to renewable energy in developing countries." Retrieved from <https://www.findevcanada.ca/en/news/findev-canada-invests-usd-20-million-climate-investor-one-support-transition-renewable-energy>
- Fisheries and Oceans Canada. "Canada co-hosted the Sustainable Blue Economy Conference." 2018. Retrieved from: <http://www.dfo-mpo.gc.ca/campaign-campagne/bec-ceb/index-eng.html>
- Global Affairs Canada. 2019. "Statistical Report on international Assistance, Fiscal Year 2017-2018." Retrieved from <https://www.international.gc.ca/gac-amc/assets/pdfs/publications/sria-rsai-2017-18-en.pdf>
- Global Affairs Canada. 2019. "The Equality Fund". Retrieved from <https://www.canada.ca/en/global-affairs/news/2019/06/global-affairs-canada---the-equality-fund-transforming-the-way-we-support-womens-organizations-and-movements-working-to-advance-womens-rights-and-g.html>
- Government of Canada (2019) "Co-Chairs' Summary: G7 Joint Development and Finance Ministers." Retrieved from https://www.international.gc.ca/world-monde/international_relations-relations_internationales/g7/documents/2018-05-31-development_finance-finances_developpement.aspx?lang=eng
- Government of Canada. "Canada's Action Plan for the Implementation of United Nations Security Council Resolutions on Women, Peace and Security - 2010-2016" 2018. Retrieved from https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/gender_equality-egalite_des_genres/wps-fps-2011-2016.aspx?lang=eng&ga=2.150451583.877698474.1563549211-1860713123.1554814776
- Government of Canada. "Canada's Fast Start Financing". May, 2013. Retrieved from http://publications.gc.ca/collections/collection_2013/ec/En4-184-2013-eng.pdf
- Government of Canada. "Canada's Implementation of the 2030 Agenda for Sustainable Development." 2018. Retrieved from https://sustainabledevelopment.un.org/content/documents/20312Canada_ENGLISH_18122_Canadas_Voluntary_National_ReviewENV7.pdf
- Government of Canada. "Canada's International Feminist Assistance Policy." 2019. Retrieved from https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/priorities-priorites/policy-politique.aspx?lang=eng
- Government of Canada. "Canada's National Action Plan on Women, Peace and Security" 2018. Retrieved from https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/gender_equality-egalite_des_genres/cnap-wps-pnac_fps.aspx?lang=eng

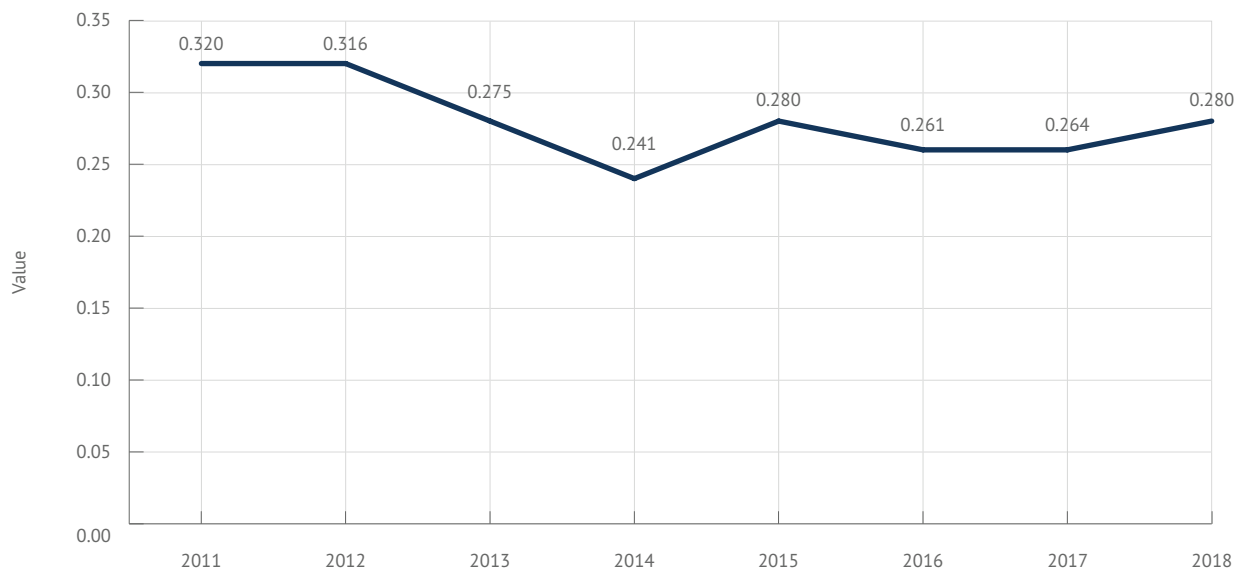
- Government of Canada. "Feminist International Assistance Policy Indicators." 2019. Retrieved from https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/priorities-priorites/fiap_indicators-indicateurs_paif.aspx?lang=eng
- Government of Canada. "International Assistance Innovation Program." 2019. Retrieved from <https://www.international.gc.ca/world-monde/funding-financement/iaip-piai.aspx?lang=eng>
- Government of Canada. "Oceans Plastics Charter." 2019. Retrieved from <https://www.canada.ca/en/environment-climate-change/services/managing-reducing-waste/international-commitments/ocean-plastics-charter.html>
- Government of Canada. "Women, peace and security." 2019. Retrieved from https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/gender_equality-egalite_des_genres/women_peace_security-femmes_paix_securite.aspx?lang=eng
- Government of Canada. 2016. "International assistance review." Retrieved from <http://publications.gc.ca/site/eng/9.820042/publication.html>
- Government of Canada. 2016. "The Paris Agreement." Retrieved from <https://www.canada.ca/en/environment-climate-change/services/climate-change/paris-agreement.html>
- Government of Canada. 2017. Canada's Development Finance Institution. Retrieved from https://www.international.gc.ca/world-monde/international_relations-relations_internationales/multilateral-multilateraux/dfi-ifd.aspx?lang=eng
- Government of Canada. 2019. "Women Deliver 2019 Conference - Vancouver, B.C. - June 3 to 6, 2019." Retrieved from https://www.international.gc.ca/gac-amc/campaign-campagne/women_deliver/index.aspx?lang=eng
- Government of Canada. February 27, 2018. "Equality and growth for a strong middle class." Budget 2018. Retrieved from <https://www.budget.gc.ca/2018/docs/plan/budget-2018-en.pdf>
- Greenhill, Robert and Celine Wadhwa. "On paying its global share, Canada's not back—it's far back." Open Canada. January 11, 2017. Retrieved from <https://www.opencanada.org/features/paying-its-global-share-canadas-not-backits-far-back/>
- Hadley, Lance and Aniket Bhushan. "Canada's historic \$1.4billion annual commitment to women and girls' health." Canadian International Development Platform. July 23, 2019. Retrieved from <http://cidpnsi.ca/canadas-historic-1-4billion-annual-commitment-to-women-and-girls-health/>
- Liberal Party of Canada. "Real Change a New Plan for a Strong Middle Class." 2015. Retrieved from <https://www.liberal.ca/wp-content/uploads/2015/10/New-plan-for-a-strong-middle-class.pdf>
- OECD-DAC, "OECD DAC Peer Review of Canada: 2018, Main Findings and Recommendations". 2018. Retrieved from: <https://www.oecd.org/dac/peer-reviews/DAC-Canada-2018-Main-findings-and-recommendations.pdf>
- Prime Minister of Canada. "Canada concludes successful G7 Presidency." 2018. Retrieved from <https://pm.gc.ca/eng/news/2018/12/31/canada-concludes-successful-g7-presidency>

- Prime Minister of Canada. "Mandate Letter to Minister of International Development and La Francophonie." 2015. Retrieved from <https://pm.gc.ca/eng/minister-international-development-and-la-francophonie-mandate-letter>
- Prime Minister of Canada. June 10, 2018. "Prime Minister concludes successful G7 Summit focused on creating economic growth that benefits everyone". <https://pm.gc.ca/eng/news/2018/06/10/prime-minister-concludes-successful-g7-summit-focused-creating-economic-growth>
- Prime Minister of Canada. June 4, 2019. "Government of Canada makes historic investment to promote the health and rights of women and girls around the world." Retrieved from <https://pm.gc.ca/en/news/news-releases/2019/06/04/government-canada-makes-historic-investment-promote-health-and-rights>
- Prime Minister of Canada. November 27, 2015. "Prime Minister announces investment in Global Climate Change Action." Retrieved from <https://pm.gc.ca/en/news/news-releases/2015/11/27/prime-minister-announces-investment-global-climate-change-action>
- Prime Minister of Canada. September 17, 2016. "Prime Minister hosts successful Global Fund Replenishment Conference to fight AIDS, Tuberculosis, and Malaria". Retrieved from <https://pm.gc.ca/eng/news/2016/09/17/prime-minister-hosts-successful-global-fund-replenishment-conference-fight-aids>
- Status of Women Canada. "What is Gender-Based Analysis Plus?". 2018. Retrieved from <https://cfc-swc.gc.ca/gba-ac/s/index-en.html>
- The World Bank. "Leveraging Innovative Finance For Realizing The Sustainable Development Goals." Remarks by Arunma Oteh, Vice President and Treasurer, World Bank. May 15, 2018. Retrieved from <https://www.worldbank.org/en/news/speech/2018/05/15/leveraging-innovative-finance-for-realizing-the-sustainable-development-goals>
- UN News. "World 'off track' to meet most Sustainable Development Goals on hunger, food security and nutrition." 2019. Retrieved from <https://news.un.org/en/story/2019/07/1042781>
- United Nations. "Remarks by Ambassador Earle Courtenay, Round Table B: Domestic and international private business and finance Action Area B, New York. May 24, 2017. Retrieved from <https://www.un.org/esa/ffd/ffdforum/wp-content/uploads/sites/3/2017/05/RT-B-Rattray.pdf>
- United Nations. "UN Secretary-General's Strategy for Financing the 2030 Agenda." 2018. Retrieved from <https://www.un.org/sustainabledevelopment/sg-finance-strategy/>
- Zilio, Michelle. "Canada leads calls for development funding in bid to boost UN Security Council chances". Globe and Mail. November 6, 2017 Retrieved from <https://beta.theglobeandmail.com/news/politics/canada-looks-to-boost-un-security-council-bid-by-leading-effort-to-unlock-private-sector-development-financing/article36855551/>

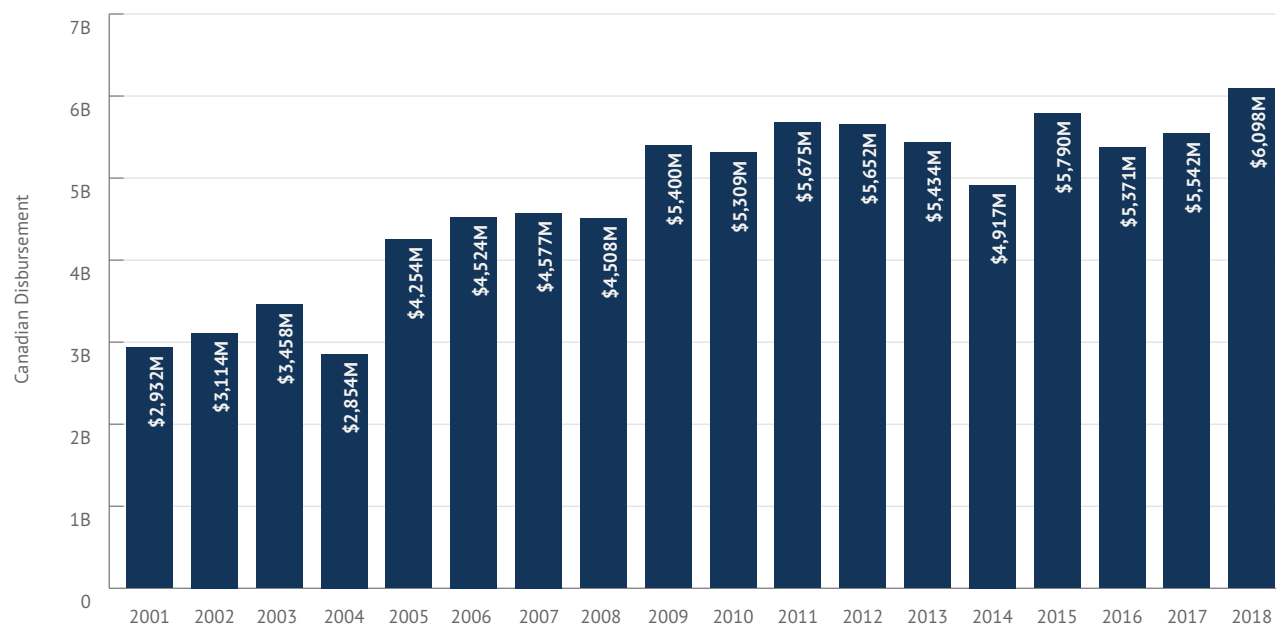
ANNEX

Additional data

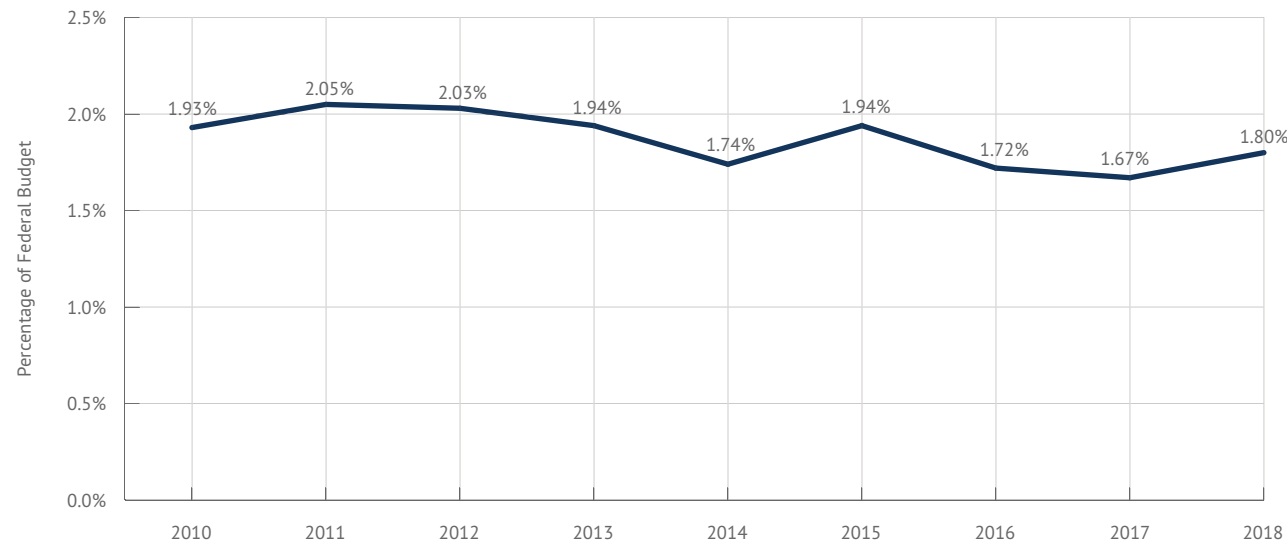
Canada's ODA/GNI ratio trend



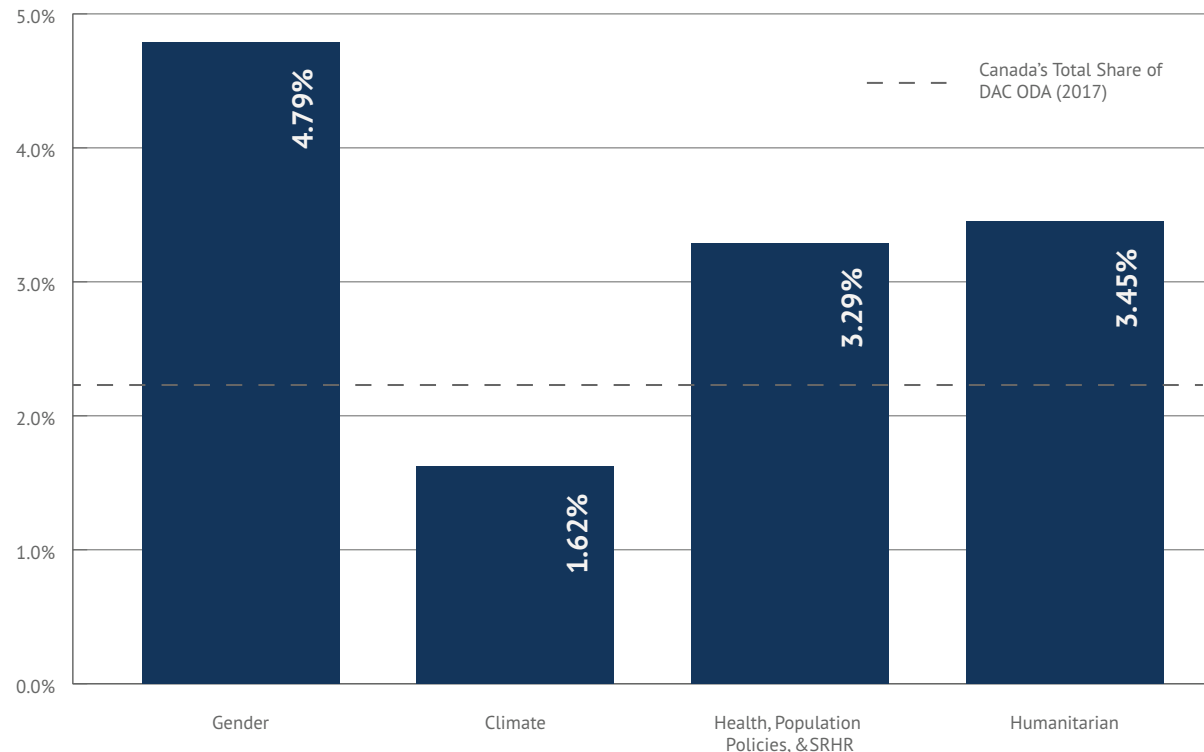
Canada's total international assistance disbursement trend



International assistance as a share of federal budget expenditure trend

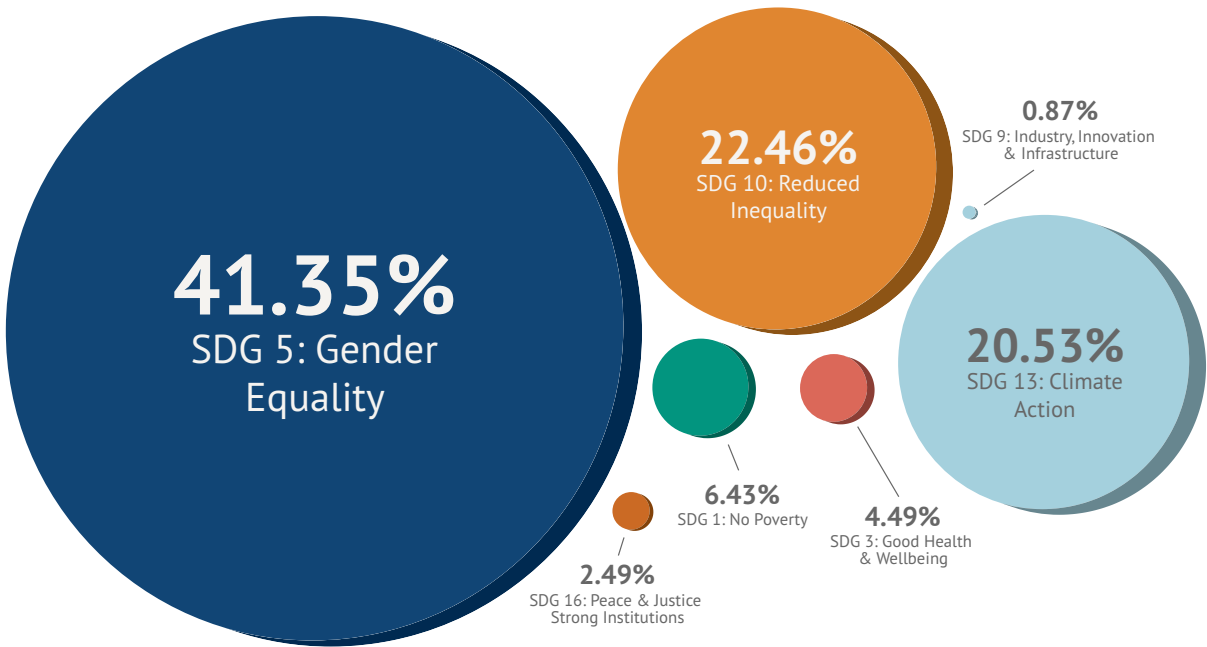


Canada's overall OECD-DAC ODA share vs. ODA share in sectors where it outperforms and underperforms

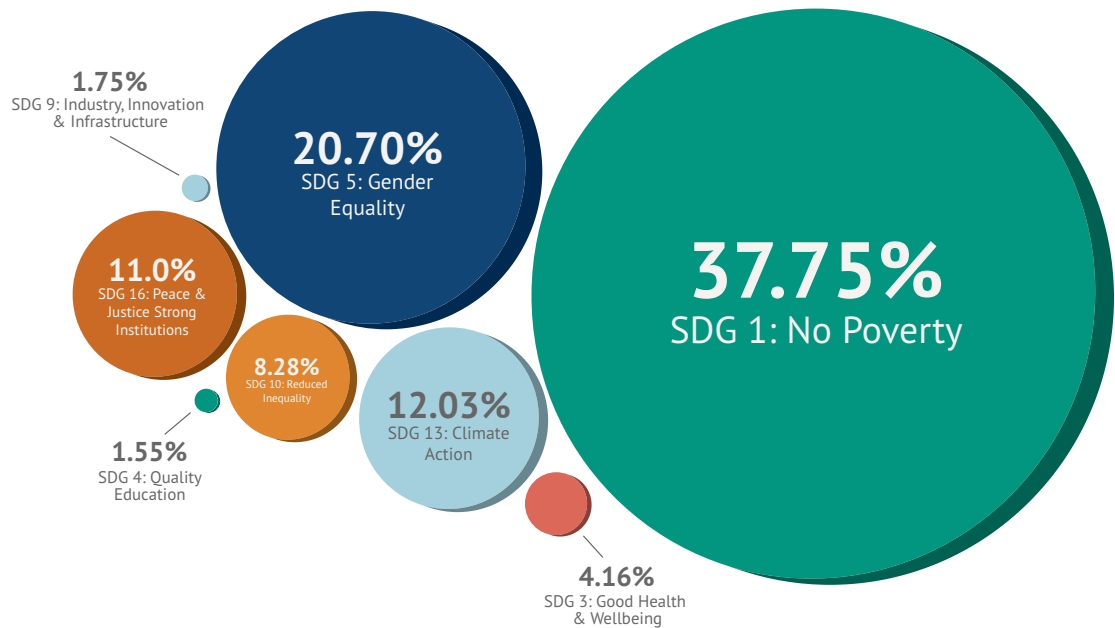


ODA mapped to SDG comparison: similar sized donors compared to Canada

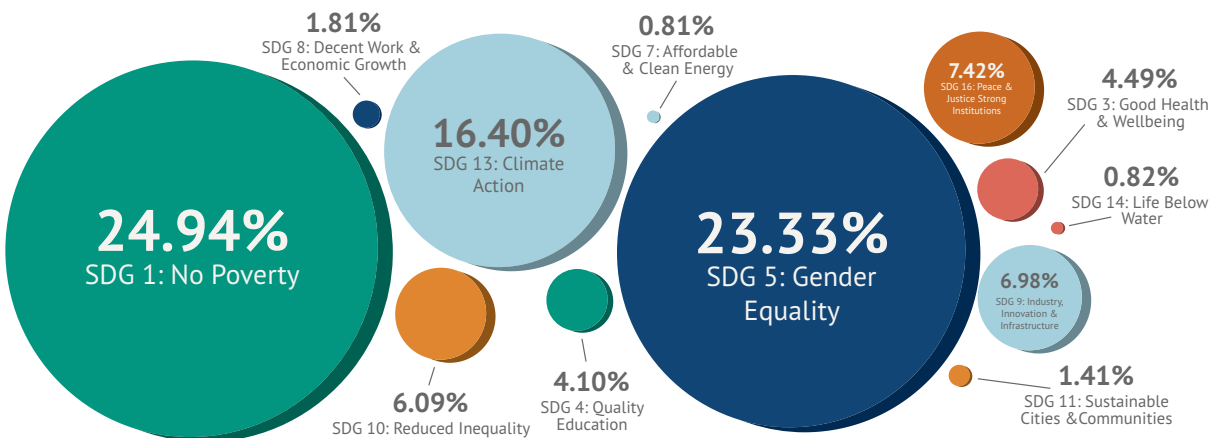
Sweden



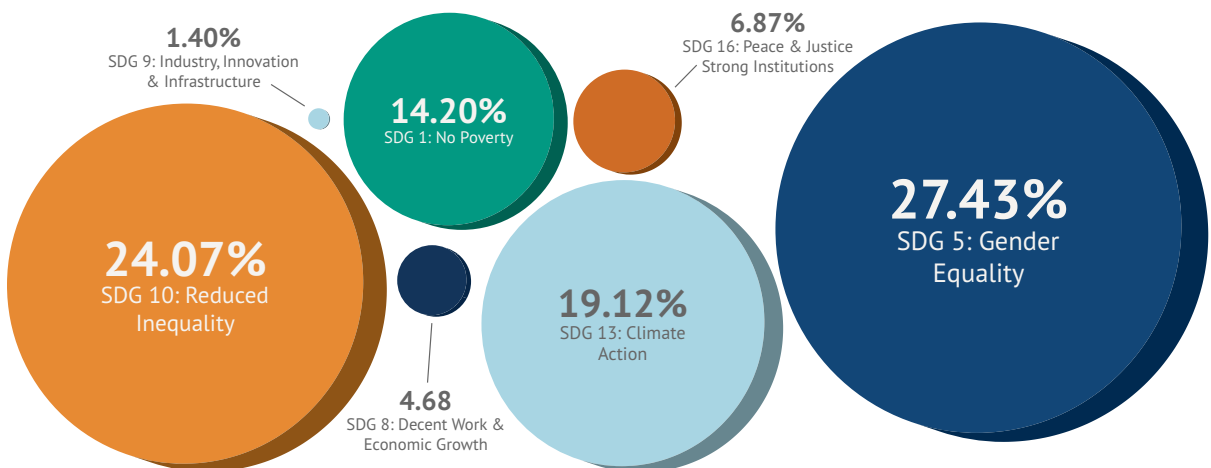
Denmark



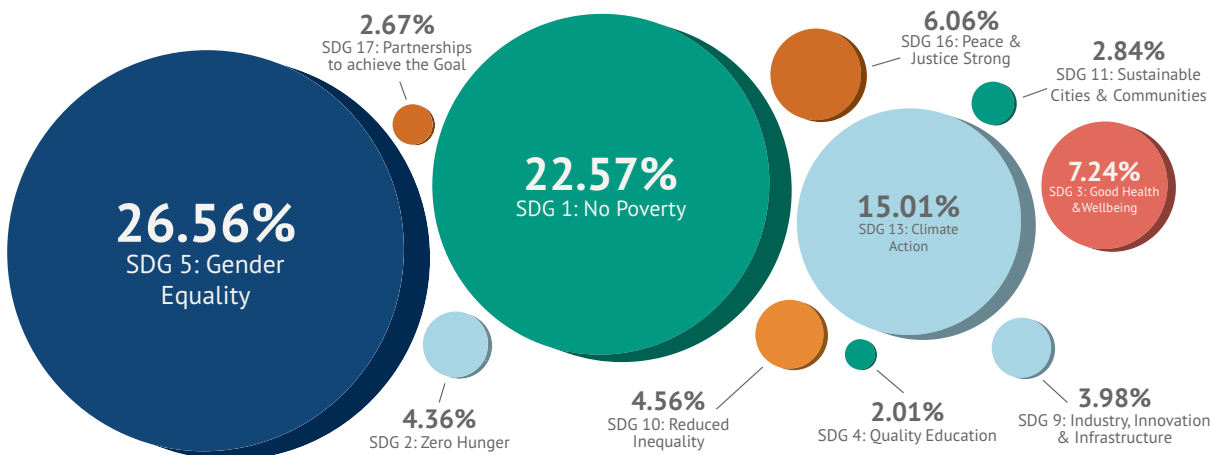
Norway



Netherlands

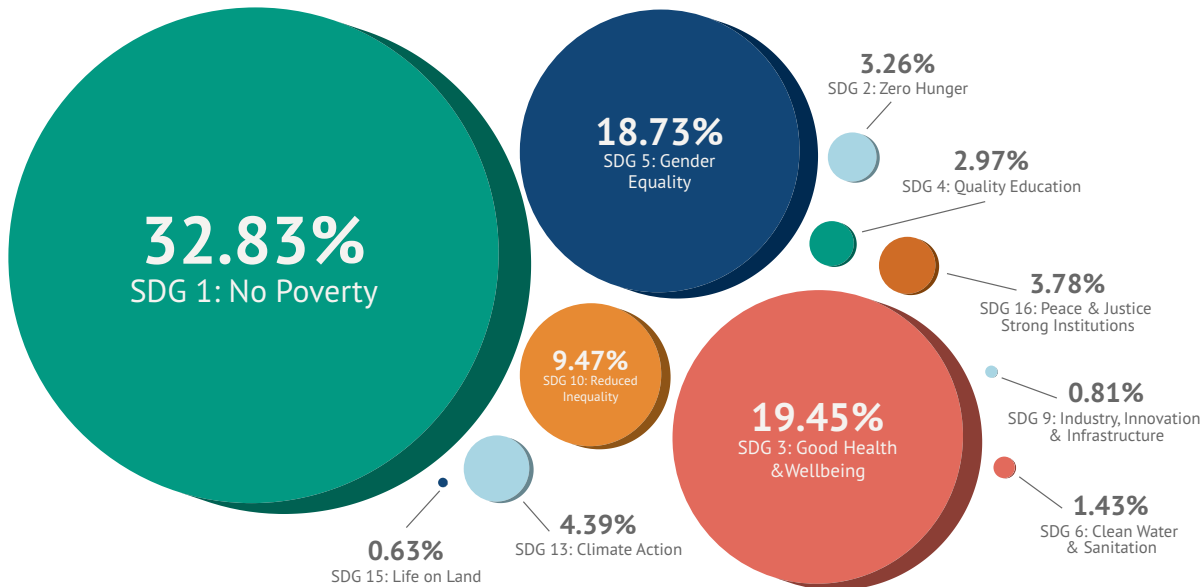


Australia

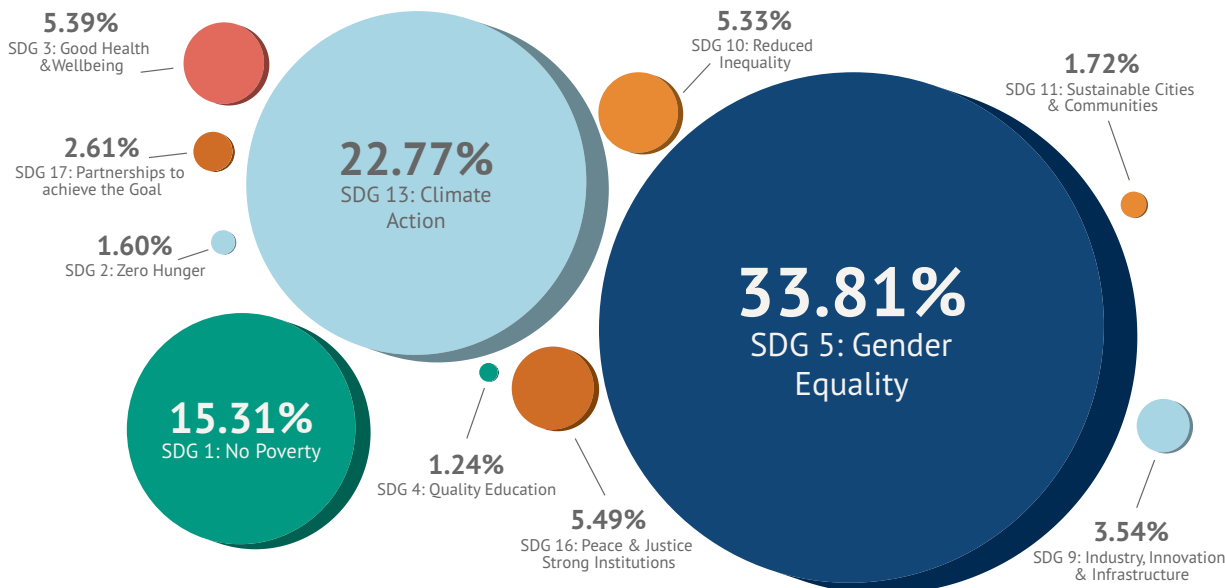


ODA mapped to SDG comparison: larger donors compared to Canada

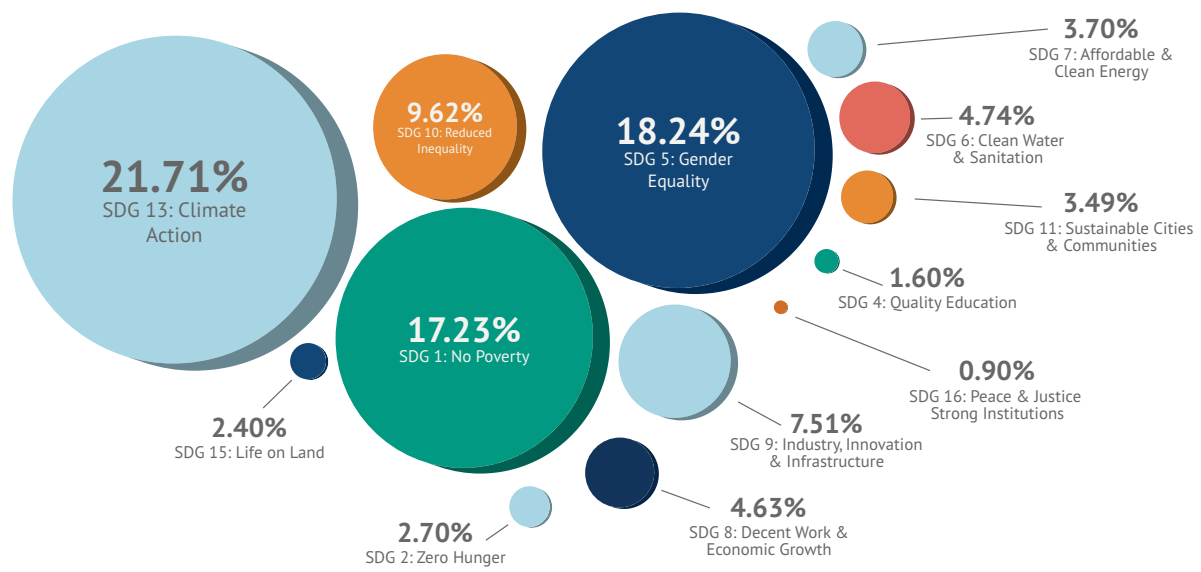
United States



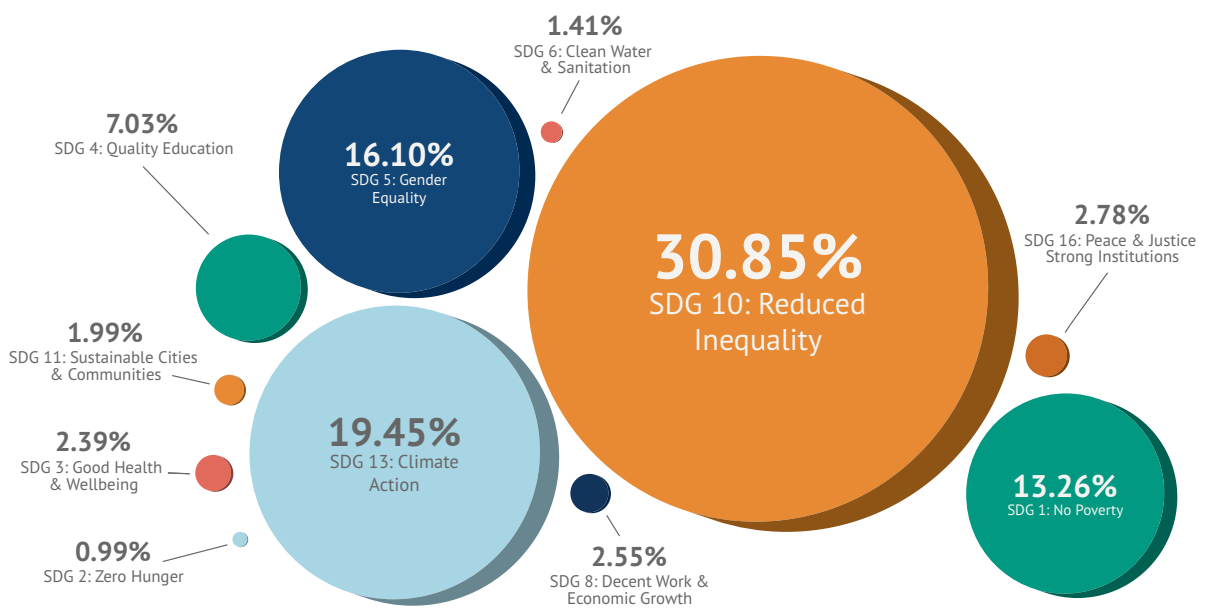
United Kingdom



France

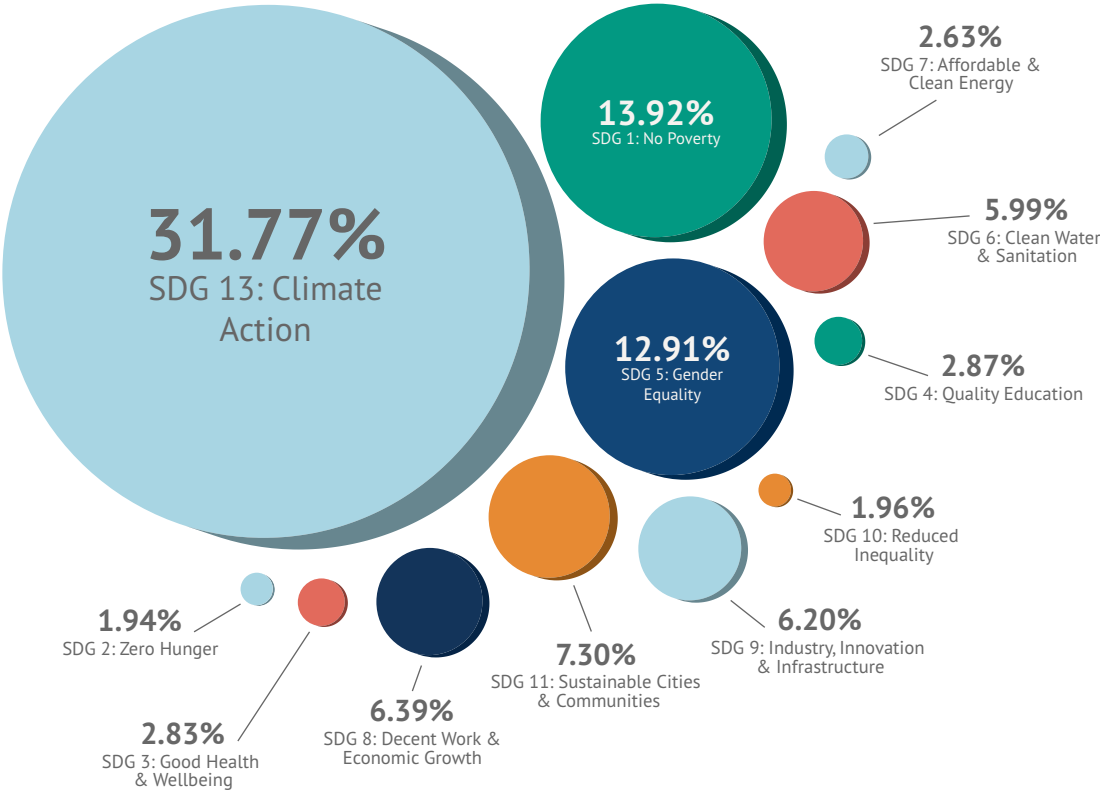


Germany



ODA mapped to SDG comparison: larger donors compared to Canada - continued

Japan





Summary of ODA to SDG mapping methodology

The authors map OECD-DAC CRS projects to SDGs with two passes over projects.

The first pass focuses on markers: projects with any climate-related markers are mapped to SDG13; projects with RMNCH markers 3 or 4 are mapped to SDG3; projects with any gender markers are mapped to SDG5.

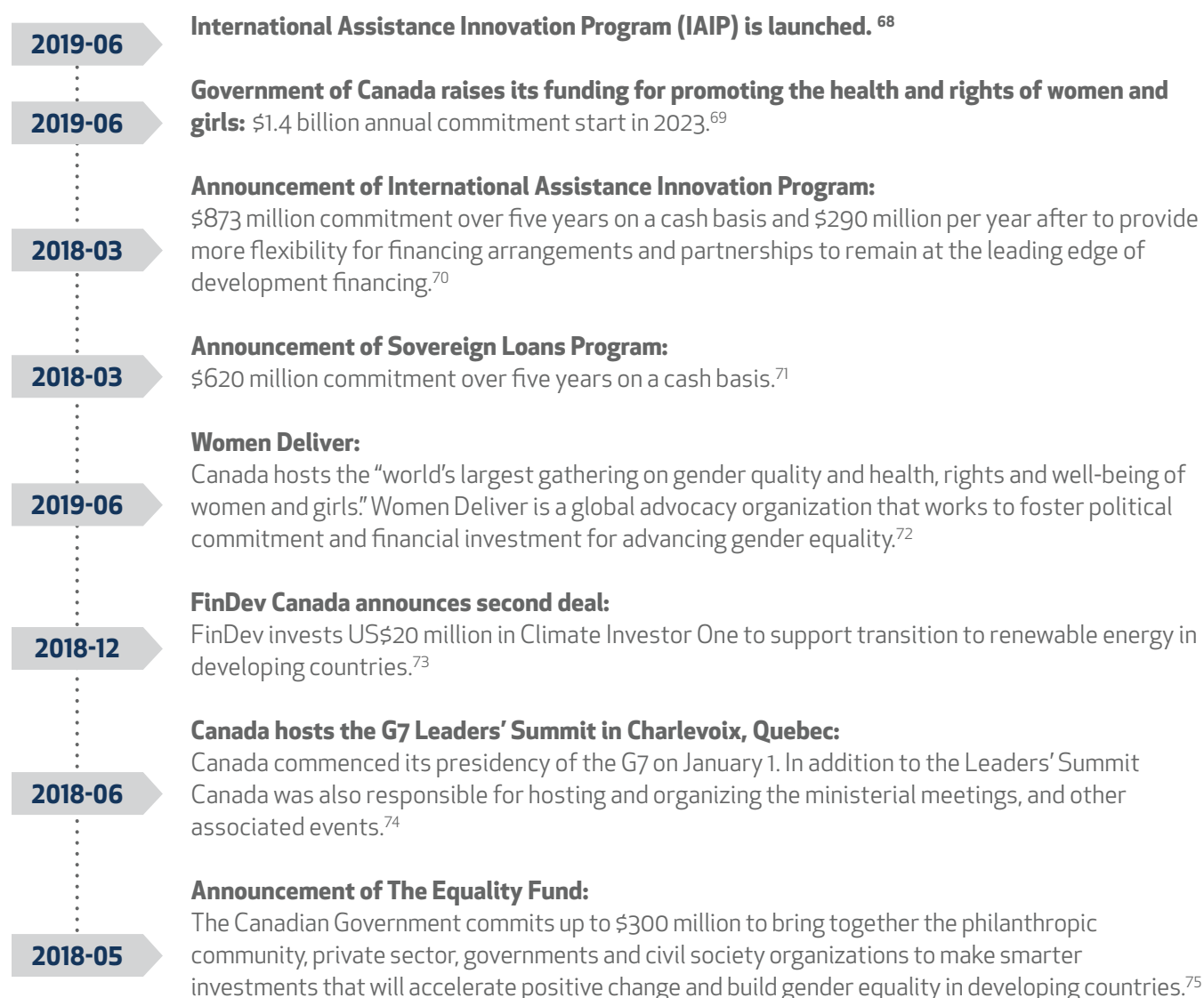
Then, any remaining projects not been mapped to an SDG by a marker, are mapped according to the project purpose codes and their relevance to specific SDGs (tag: [SDG]⁶⁷ below following last IFELSE).

The mapping code was written in SQL and is as follows:

```
if(left(str([Purpose Code]),3)=="233")THEN 0
Elseif([Climate Adaptation]>0 OR [Climate Mitigation]>0) THEN 13
ELSEIF([Rmnch]>2)THEN 3
ELSEIF([Gender]>0)THEN 5
ELSE [SDG]
END
```

⁶⁷ SDGs and CRS purpose codes are mapped using a custom methodology. Resulting data run approx. 360 rows and are therefore too large to present here. Further details are available upon request.

Timeline of Key Milestones



⁶⁸ See: <https://www.international.gc.ca/world-monde/funding-financement/iaip-piaf.aspx?lang=eng>

⁶⁹ Prime Minister of Canada. 2019. “Government of Canada makes historic investment to promote the health and rights of women and girls around the world.” <https://pm.gc.ca/eng/news/2019/06/04/government-canada-makes-historic-investment-promote-health-and-rights-women-and>

⁷⁰ See: <https://www.budget.gc.ca/2018/docs/plan/budget-2018-en.pdf>

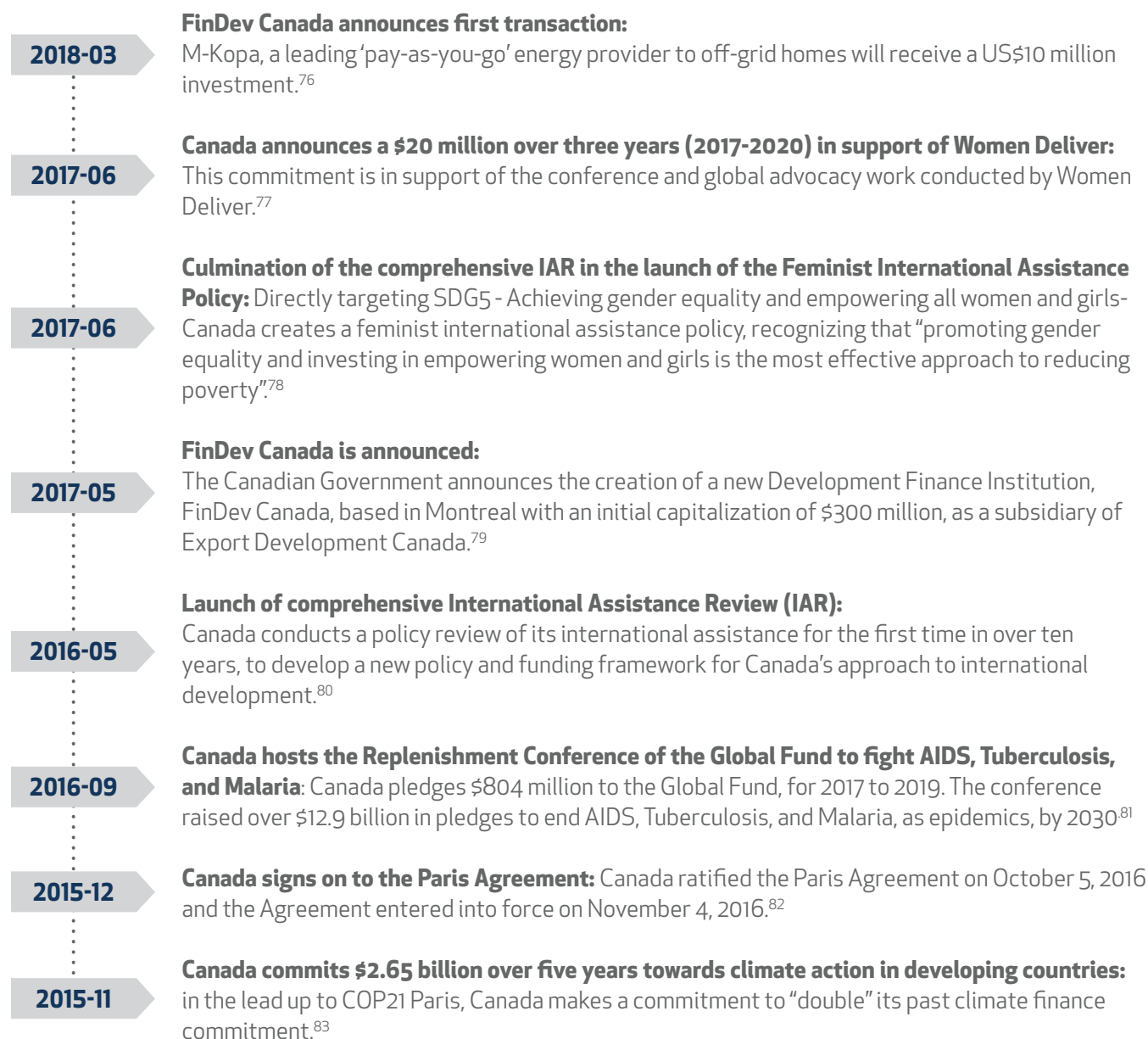
⁷¹ See: <https://www.budget.gc.ca/2018/docs/plan/budget-2018-en.pdf>

⁷² Global Affairs Canada. 2019. “Women Deliver 2019 Conference - Vancouver, B.C. - June 3 to 6, 2019.” See: <https://www.international.gc.ca/gac-amc/campaign-campagne/women-deliver/index.aspx?lang=eng>

⁷³ FinDev. 2018. “FinDev Canada invests USD 20 million in Climate Investor One to support transition to renewable energy in developing countries.” <https://www.findevcanada.ca/en/news/findev-canada-invests-usd-20-million-climate-investor-one-support-transition-renewable-energy>

⁷⁴ Prime Minister of Canada. 2019. “Prime Minister concludes successful G7 Summit focused on creating economic growth that benefits everyone.” <https://pm.gc.ca/eng/news/2018/06/10/prime-minister-concludes-successful-g7-summit-focused-creating-economic-growth>

⁷⁵ Global Affairs Canada. 2019. “The Equality Fund”. <https://www.canada.ca/en/global-affairs/news/2019/06/global-affairs-canada---the-equality-fund-transforming-the-way-we-support-womens-organizations-and-movements-working-to-advance-womens-rights-and-g.html>



⁷⁶ FinDev. 2018. "Canada's new development finance institution, FinDev Canada, announces first transaction." See: <https://www.findevcanada.ca/en/news/canadas-new-development-finance-institution-findev-canada-announces-first-transaction>

⁷⁷ Global Affairs Canada. 2019. "Women Deliver 2019 Conference - Vancouver, B.C. - June 3 to 6, 2019." See: <https://www.international.gc.ca/gac-amc/campaign-campagne/women-deliver/index.aspx?lang=eng>

⁷⁸ Global Affairs Canada. Statistical Report on International Assistance- Fiscal year 2017-2018. See: <https://www.international.gc.ca/gac-amc/assets/pdfs/publications/sria-rsai-2017-18-en.pdf>

⁷⁹ Government of Canada. 2017. "Canada's Development Finance Institution." See: https://www.international.gc.ca/world-monde/international_relations-relations_internationales/multilateral-multilateraux/dfi-ifd.aspx?lang=eng

⁸⁰ Government of Canada. 2016. International assistance review. See: <http://publications.gc.ca/site/eng/9.820042/publication.html>

⁸¹ Prime Minister of Canada. 2016. "Prime Minister hosts successful Global Fund Replenishment Conference to fight AIDS, Tuberculosis, and Malaria". See: <https://pm.gc.ca/eng/news/2016/09/17/prime-minister-hosts-successful-global-fund-replenishment-conference-fight-aids>

⁸² Government of Canada. 2016 "The Paris Agreement." <https://www.canada.ca/en/environment-climate-change/services/climate-change/paris-agreement.html>

⁸³ See: <https://pm.gc.ca/en/news/news-releases/2015/11/27/prime-minister-announces-investment-global-climate-change-action>



About Engineers Without Borders Canada

Engineers Without Borders Canada (EWB) brings people and ideas together to tackle the most crucial causes of poverty and inequality. EWB is a non-partisan and not-for-profit organization which exists to foster long-term development and sustainability.

EWB provides systems change leadership and training for thousands of university students and young professionals across Canada. EWB provides seed funding, talent and mentorship to social

entrepreneurs in sub-Saharan Africa, enabling them to scale innovative solutions to transform their communities. EWB also puts forward evidence-based policy recommendations on Canada's international development assistance and financing, working collaboratively with researchers, civil society partners and parliamentarians.

For more information, please visit www.ewb.ca or email info@ewb.ca.



EWB Canada

About the Canadian International Development Platform

The Canadian International Development Platform (CIDP) leverages open data and Big Data to enhance policy relevant analysis of international development issues.

CIDP is a vehicle and venue for independent, non-partisan research, policy analysis, and data analytics. CIDP supports policymakers, practitioners, and researchers in Canada and abroad by grounding discussions in the best available evidence. CIDP

began as an initiative of the North-South Institute (NSI), Canada's first independent international development think tank, and is now housed at Carleton University's Norman Paterson School of International Affairs (NPSIA).

For more information, please visit www.cidpnsi.ca or email info@cidpnsi.ca.

