



At a Glance

Horizontal Evaluation of the International Climate Change Cooperation (ICCC)

About the program

Formerly known as the International Actions theme under the Clean Air Regulatory Agenda, the International Climate Change Cooperation (ICCC) aims to support international engagement in advancing Canada's climate change objectives. It does so through four activity streams co-delivered by Environment and Climate Change Canada (ECCC), Natural Resources Canada (NRCan) and Global Affairs Canada (GAC):

- Stream 1: Negotiations and Participation
- Stream 2: International Climate Change Obligations
- Stream 3: North American Clean Energy and Environment Strategy
- Stream 4: International Climate Finance

From fiscal year 2016 to 2017 to fiscal year 2020 to 2021, \$61.4 million was allocated to ICCC's Streams 1 to 3, while \$2.65 billion was granted to Stream 4.

What the evaluation found

The evaluation found that there was a clear and demonstrated need for Canada's continued action to fight global climate change through international bilateral and multilateral cooperation.

- ICCC activities were aligned with ministerial mandates, Canada's international commitments and other related federal strategies and initiatives associated with climate change and the clean energy transition. Moreover, the ICCC supported the federal role of providing leadership on international issues and promoting Canada's interests globally.

- Although there was no formal horizontal governance structure to coordinate the delivery of streams 1 to 3 activities, most internal interviewees noted that the roles of participating departments were clear. Coordination took place informally to deliver some of those activities.
- During the evaluation period, both ECCC and NRCan conducted activities beyond the ICCC's initial scope and funding, to adapt to the changing and more complex landscape of international cooperation for climate change and the clean energy transition. This increased demand on departmental resources created new pressures and capacity challenges.
- Overall, streams 1 to 3 activities led to progress towards the achievement of the ICCC's expected outcomes.
- While roles and responsibilities for climate finance (stream 4) were divided between ECCC and GAC, some interviewees felt that improving the coordination between the two departments could support a more effective approach to the delivery and oversight of these activities. As well, several interviewees identified a need for greater coherence in Canada's approach to climate finance and the opportunity to increase coordination with other departments and agencies that have expertise in this area.
- The ICCC achieved its direct expected outcome to initiate both adaptation and mitigation projects. The ICCC made progress towards achieving its expected outcomes of leveraging investments from the private sector, increasing climate resilience in developing countries and meeting its GHG reduction target. Moreover, progress was made during the evaluation period to integrate the perspectives of women, youth and Indigenous peoples into Canada's climate finance, but more work remains to be done in this area.

Recommendations and management response

The first recommendation is addressed to ECCC and NRCan while the second one is addressed to ECCC and GAC.

Recommendation 1: Environment and Climate Change Canada and Natural Resources Canada should develop a strategic approach to prioritizing and allocating resources to cooperation and negotiation activities.

Management response: Clean energy policy, clean technologies, nature-based solutions, trade policy, and land-use issues have become prominent areas of discussion in international climate change forums. As such, NRCan provides critical technical and policy expertise to support Canadian delegations in international climate change and environmental initiatives (for example, the Paris Agreement, the G7, and the G20). Similarly, NRCan consults ECCC as climate discussions have permeated negotiations where NRCan leads for Canada, including multilateral energy negotiations, land use and forestry negotiations, and bilateral natural

resource agreements with key trading partners. This includes, for example, engaging ECCC in advance of the International Energy Agency's Net Zero Summit and Clean Energy Transitions ministerial, the Clean Energy and Mission Innovation ministerials and G7/G20 Energy ministerials.

Collaboration between the two departments is essential due to the interdependence of climate and natural resource issues. Noting the nexus between climate change and energy, the departments have had to increasingly collaborate on senior officials meetings and ministerial communiques. ECCC engages NRCan in advance of international negotiations or external discussions with partners and stakeholders. By regularly exchanging views in advance of negotiations, the departments support an emerging collective understanding of the role Canada can play to advance issues of mutual interest. ECCC and NRCan have also established collaboration on issues such as Indigenous consultations, hydrogen technologies, and participation in natural resources based projects and sustainable practices in the extractive industry with working groups and partners in the Americas and the European Union. At the senior level, Deputy Ministers from ECCC and NRCan now meet regularly at ECCC-NRCan Joint Management Meetings to discuss issues of mutual interest. While the focus of these meetings is not exclusively on international affairs, the meetings provide an avenue for interdepartmental coordination and strategic decision-making on issues related to international cooperation on climate change.

Moving forward, the departments must coordinate on new activities, such as implementing commitments under the Canada-U.S. Roadmap and the next round of climate finance, and continue to improve coordination on existing and emerging climate initiatives building on the collaborative foundation of the Strengthened Climate Plan, including through collaboration with various ECCC-NRCan international advisory bodies and working groups. ECCC and NRCan will continue to work together, including through the Joint Management Meetings, to identify and address international climate activities that necessitate enhanced coordination between the two departments. This will allow the departments to identify areas of cooperation, prioritize upcoming deliverables, and allocate appropriate resources to achieve Government of Canada objectives.

NRCan will assess its current responsibilities for international climate change collaboration. The assessment will cover what is currently linked to the departmental mandate and where the department's expertise is most sought after by international organizations and other federal departments. The results of the assessment will allow the department to develop a strategic approach for the prioritization and allocation of resources needed to support international climate change engagement activities.

Recommendation 2: Environment and Climate Change Canada and Global Affairs Canada should ensure that Canada has a coordinated and coherent approach to climate finance. In particular, both departments should:

- **ensure that their respective roles and responsibilities in the policy design, delivery, oversight and performance reporting of climate finance are clearly defined and coordinated**
- **identify needs and opportunities to foster greater coordination among federal departments and agencies that have expertise in relation to climate finance**

Management response: As GAC and ECCC worked together to implement and deliver on the Government of Canada's \$2.65 billion climate finance commitment, they have put in place collaborative ways of working and regular communication channels at various levels of the respective organizations. Having fully delivered on this commitment, ECCC and GAC will continue their ongoing collaboration on the policy design, delivery, oversight and performance reporting of climate finance. The two departments will build on the lessons learned from the implementation of the \$2.65 billion commitment and have already begun work to define roles more clearly for the implementation of any future climate finance contribution, including by formalizing outreach and engagement with key federal organizations. The division of roles and responsibilities will be based on each department's mandates, expertise and ability to deliver on priorities.

ECCC and GAC will establish a formal governance structure, in the form of interdepartmental committees, to oversee the effective implementation of Canada's climate finance commitments. Other federal departments and agencies that have expertise and knowledge on tackling the climate crisis internationally, including Natural Resources Canada, Agriculture and Agri-Food Canada, Fisheries and Oceans Canada, Innovation, Science and Economic Development Canada and Finance Canada, will be engaged and represented on these committees. This will ensure a whole-of-government approach and will foster greater coordination among federal departments and agencies.

About the evaluation

This evaluation was conducted in fiscal year 2019 to 2020 and focused on the period from April 2016 to December 2019. The evaluation examined issues related to the overall relevance of the ICCC and its performance in terms of program design and delivery, governance, efficiency. The evaluation also applied a gender-based analysis (GBA+) lens, through interviews and case studies, to determine how ICCC activities have helped advance international actions to limit the impacts of climate change on vulnerable populations, particularly women who are most vulnerable to climate change in many developing countries.