

Clean Economic Growth and Climate Change



Introduction

Inter Pares was founded in 1975. Our feminist analysis informs our understanding that unequal power structures are at the root of underdevelopment, and that transformative social change is required for true positive development. The following is a summary of the relevant section of our full submission to the International Assistance Review (IAR).

Implementing the commitments made to fulfill both the 2030 Agenda for Sustainable Development and the Paris Agreement on Climate Change will require a paradigm shift. As the IAR Discussion Paper clearly states: “*Current patterns of economic growth are unsustainable and contribute to the acceleration of climate change, posing huge risks for the planet, including its people and their prosperity*”. Given that climate change is currently and negatively affecting the most vulnerable, even in developed countries like Canada (i.e. Indigenous peoples¹), and the estimation that by 2030, 100 million people could be forced into extreme poverty due to climate change²; it is imperative that climate change adaptation and mitigation be integral to this pillar's implementation, and *delineate* the kind of economic growth that Canada promotes.

Economic growth alone will not eradicate poverty³. Poverty is perpetuated by a variety of factors including inequality, vulnerability to natural disasters, social structures, and issues of governance. While the global economy has grown significantly, the gap between rich and poor is at its highest level in most OECD countries in 30 years⁴.

Despite repeated pledges to reduce the world's hungry in half by 2015, this target was not met. The world still has close to one billion hungry, and with climate change, this number will increase dramatically unless serious measures are taken.

Rural women constitute the majority of the world's poor and are more vulnerable to the effects of climate change due to their dependence on natural resources for their livelihood.⁵ This vulnerability is accentuated by the fact that women are often excluded from decision-making on access to and the use of land and resources⁶. At the same time, women often have a strong body of knowledge and expertise that can be used in climate change mitigation and adaption. Thus, women-driven strategies are vital to effectively address poverty and respond to the environmental and humanitarian crises caused by climate change.

Canada's decisions made in other areas such as trade agreements, and regulation and support of the private sector, have an impact on how effective and lasting development efforts are. Coordinated and coherent efforts are required among multiple government departments in order to make Canada's action on eradicating poverty and addressing climate change significant and sustainable. The actions should take the lead from civil society organizations, and be informed by the perspectives of the poor, women, and other marginalized groups.⁷

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Inter Pares' Work on this Theme

With more than 40 years of work with partners in the global South, Inter Pares has learned that economic growth needs to be environmentally sustainable, as well as fair and just. Green economic growth that continues to heighten inequality cannot be a solution to issues of poverty and marginalization. In order to address the issues outlined above, a coherent approach is required that: (1) addresses the root causes of growing inequality by promoting policies that foster greater equality, and (2) strengthens local communities to become more autonomous and resilient in the face of climate change.

Inter Pares' innovative approach links work we support in the global South with work we carry out in Canada. A key part of this methodology is the use of South-South and North-South knowledge exchanges, bringing together farmers to learn from each other and improve agro-ecological practices. Inter Pares also believes in the principles of common cause and collaboration, and thus invests significant time and resources in coalition work. We are founding members of the Food Security Policy Group, the Canadian Network on Corporate Accountability, and Food Secure Canada. Our approach has been documented extensively through *Does it work? Feminist analysis and practice at Inter Pares*, a participatory research project supported by IDRC⁸.

Inter Pares has supported groups like Third World Network (TWN in both Africa and Asia) that carry out research, capacity building and advocacy for more inclusive economic development. In Africa, TWN significantly contributed to improved government and civil society policies on trade, investment, finance and taxation and the regulation of financial flows. In Asia, TWN is highly respected for providing the resources to civil society and advice to Southern governments on agricultural science, biodiversity, and climate change, increasing the capacity of Southern countries in international negotiations.

Inter Pares has accompanied farmer organizations on the ground to build sustainable local food systems that are managed and controlled by women. This is the case with Deccan Development Society in India, where for more than 15 years, we have supported innovative work with over 5000 Dalit women to reclaim degraded lands and turn them into productive, water efficient, drought tolerant and nutritious farming systems. By adding the processing and marketing of smallholder production, through mechanisms controlled by the farmers themselves, we address not only environmental sustainability but economic inequality as well.

Recommendations

Canada must strengthen farmer organizations and citizen participation, with particular focus on empowering women farmers to play a leadership role in these organizations.

With its history of strong farm organizations, including agricultural co-operatives, Canada can play a valuable role in promoting farm organizations and contribute to long-term food security.⁹ Farm organizations play a vital role in dealing with other actors, to negotiate prices, procure loans, and influence government policies in important areas such as land tenure, access to credit, trade policies, women's right to land, and seed laws. As rural women will be predominantly affected by climate change, it is also essential to empower women farmers so they can play a leadership role in these organizations.

Canada must invest in agroecology and local food systems to combat climate change and promote sustainable economic development

The most effective way to spur economic growth that benefits the poor is to invest in smallholder agriculture. To address climate

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change, however, supporting the appropriate type of agriculture is critical. At present, despite the fact that small farms use only 30% of the resource base, they are producing 70% of the world's food. In contrast, the industrial food system produces 30% of the world's food and uses 70% of the resource base (arable land, water), while being a major contributor of GhG emissions¹⁰. To encourage sustainable agricultural development, improve food security and to tackle climate change, Canada should support a transition from more resource and water intensive forms of agriculture toward agroecology as practiced by small holder farmers.¹¹

Canada should review its policy agenda in all relevant areas of government, particularly foreign affairs, aid, trade, finance and natural resources, to ensure they are consistent with the development commitments Canada has made in its endorsement of Agenda 2030.

Canada should take leadership in international efforts to reduce the opacity in the international financial system, starting with anonymous companies. As countries from Afghanistan to the United Kingdom are doing, Canada should commit to establish a public registry of the legal and beneficial ("true") owners of companies. By making such a commitment at home, Canada will take an important step to stem Illicit Financial Flows that continue to rob developing countries of resources needed for development.

Canada's international assistance funding should not be used to subsidize its own private sector. Development assistance should never be used to promote Canadian commerce, and particularly not to support CSR, which is a cost of doing business that should be borne by those making the profit.

Canada should commit to removing the Investor-State Dispute Settlement (ISDS) mechanism from the Canadian model of Foreign Investment Protection Agreement (FIPA). Canada should also re-negotiate tax treaties that unfairly and dramatically restrict developing countries' right to collect taxes from Canadian multinational companies doing business in their jurisdiction, and to refrain from negotiating future such deals.

Conclusion

We believe the discussion questions in the GAC IAR Discussion Document are all effectively covered by the recommendations above. Some of our main recommendations in response to the key issues raised by GAC in the discussion document are as follows:

1. To ***"support developing countries to mitigate and adapt to climate change"***: Canada must invest in agroecology and local food systems to combat climate change and promote sustainable economic development.
2. To ***"demonstrate leadership on gender equality and the empowerment of women and girls"***: Canada must strengthen farmer organizations and citizen participation, with particular focus on empowering women farmers to play a leadership role in these organizations.
3. To ***"maximise the development benefits from investments"***: Canada should review its policy agenda in all relevant areas of government, particularly foreign affairs, trade, finance and natural resources, to ensure they are consistent with the development commitments Canada has made in its endorsement of Agenda 2030. In doing so, Canada should: (1) reduce the opacity in the international financial system, starting with anonymous companies; (2) remove the

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Investor-State Dispute Settlement (ISDS) mechanism from the Canadian model of Foreign Investment Protection Agreement (FIPA); and (3) re-negotiate tax treaties that unfairly and dramatically restrict developing countries' right to collect taxes from Canadian multinational companies doing business in their jurisdiction, and to refrain from negotiating future such deals.

4. To **“build the right partnerships”**: Canada should work with Canadian civil society and their partners in the global South who have a proven track record of working with the most vulnerable sectors of the society, including farmers and women's organizations.

¹ Henriksen, John B. *Report on Indigenous and Local Communities highly vulnerable to Climate Change inter alia of the Arctic, Small Island States and High Altitudes, with a focus on causes and solutions*. Convention on Biological Diversity, 2007. UN Document symbol: UNEP/CDB/WG8J/5/INF/

² World bank, “Shock Waves: Managing the Impacts of Climate Change on Poverty” accessible at <https://openknowledge.worldbank.org/bitstream/handle/10986/22787/9781464806735.pdf>

³ World Bank, Haughton, J. H., & Khandker, S. R. (2009) “Handbook of Poverty and Inequality” accessible at <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXT/POVERTY/EXTPA/0,,contentMDK:22405907~menuPK:6626650~pagePK:148956~piPK:216618~theSitePK:430367,00.html>

⁴ Ibid.

⁵ 52nd session of the Commission on the Status of Women (2008) “Gender perspectives on climate change,” Issues paper for interactive expert panel on Emerging issues, trends and new approaches to issues affecting the situation of women or equality between women and men. <http://www.un.org/womenwatch/daw/csw/csw52/issuespapers/Gender%20and%20climate%20change%20paper%20final.pdf>

⁶ FAO. Women and Food Security. FAO FOCUS accessible at <http://www.fao.org/FOCUS/E/Women/Sustin-e.html>

⁷ Cf. ODA Accountability Act <http://laws-lois.justice.gc.ca/eng/acts/O-2.8/FullText.html>

⁸ <https://idl-bnc.idrc.ca/dspace/handle/10625/49535>

⁹ Recommendations #1 and 2 are adapted from *Re-committing to Global Food Security: A Multi-dimensional Approach for Canada to Advance a Food Secure Future*, 2015. Food Security Policy Group http://www.ccic.ca/files/en/working_groups/2015_11_Recommitting_to_Global_Food_Security_2015.pdf

¹⁰ ETC Group. *With Climate Change...Who Will Feed Us? The Industrial Food Chain/The Peasant Food Web*. Accessible at http://www.etcgroup.org/sites/www.etcgroup.org/files/Food%20Poster_Design-Sept042013.pdf

¹¹ Ibid.