

The 2010 G8 Muskoka Summit

An Agenda for Global Development

A Focus on Poverty, Economic Reform and Climate Change

In 2010 Canada will play host to the world. The Vancouver Olympics and the G8 Summit in Muskoka will draw the attention of millions to Canada, its geography, its values, policies and practices. If 2008 was the year of China, then 2010 can be the year of Canada. Around the globe, Canadians proudly sport the Canadian flag in traveling as a symbol of Canadian democracy, openness and concern for human rights. Yet our great international achievements of the past—Canadian contributions to the establishment of international peacekeeping, the Universal Declaration of Human Rights, the Ottawa Treaty to Ban Landmines and the International Criminal Court—are today clouded by concerns about Canada's current role in climate change negotiations, Afghanistan, reform of the global economy and addressing global poverty.

When leaders gather for the Muskoka Summit in June, 2010, Canadians will have an unprecedented opportunity to reassert our country as a humanitarian leader in the world. The Prime Minister identified four areas to move the agenda forward: global economy, climate change, development and democratic governance. A broad and diverse coalition of Canadian civil society organizations calls on Canada to seize this opportunity by putting poverty eradication, economic recovery for all and environmental justice at the centre of the international agenda.¹ Fair and durable solutions, grounded in the application of human rights standards, must underscore the obligations of states to people who live in deep poverty and insecurity. We look forward to working with government, and with Canadians on promoting a new model of globalization that is socially responsible, economically sustainable and environmentally just.

A Critical Time for Action

The context going into 2010 is difficult. Poverty remains a fact of daily life for about three billion people on earth.² Most are women and children, the vast majority living in rural areas. They are the working poor who face inadequate access to jobs, food, education, clean drinking water, sanitation and health services.³ In

¹ This document is a product of the 2010 Canadian G8 Civil Society Coordinating Committee. Its members include the following organizations: Africa Canada Forum, Amnesty International, AQOCI, Canadian Catholic Organization for Development and Peace, Canadian Council for International Co-operation, Canadian Crossroads International, Canadian Global Campaign for Education (CGCE), Canadian Labour Congress, Canadian Society for International Health, Climate Action Network Canada, G8 2010 Interfaith Partnership, Global Treatment Access Group, Halifax Initiative Coalition, Interagency Coalition on AIDS and Development, KAIROS – Canadian Ecumenical Justice Initiatives, Make Poverty History Canada, Oxfam Canada, Oxfam Québec, The Pembina Institute, Plan Canada, RESULTS Canada, Save the Children Canada, UNICEF Canada, World Vision Canada.

² *Global Issues – Social, Political, Economic and Environmental Issues That Affect Us All*, Shaw, Anup; March 2009, <http://www.globalissues.org/article/26/poverty-facts-and-stats>.

³ UNICEF estimates that 25,000 children die every day, due to poverty, cited in Shaw, Anup, op.cit. 75% of extreme poverty occurs in rural areas where the principle economy is agriculture. <http://www.ifad.org/poverty/pr.htm>.

Africa, where over 40% of the people live below the poverty line, nearly 300 million live in absolute poverty, on less than US \$1.25 a day.⁴

Predictably, the financial crisis and the deepening climate crisis have hit those who live in poverty the hardest. Environmental and economic pressures—including the high cost of fuel and other agricultural inputs—have combined to raise the price of basic foodstuffs beyond the reach of millions. By the end of 2008, rising food prices had added an estimated 109 million people to the ranks of the chronically hungry, bringing their numbers to over 1 billion.⁵ Caught in a downward spiral of systemic and interlocking financial, food and climate crises, millions more are at risk of being driven into extreme poverty in 2009 and 2010.

In G8 countries, we are feeling these economic pressures at home, particularly for the poor within our borders. The fact that millions are unemployed or underemployed has set the stage for turning inwards, as evidenced by the 'buy at home' sentiments currently surfacing in United States and Canada. With the cost of domestic bailouts of major industries exceeding all expectations, there are those who question whether we can afford to address matters outside our borders. Italy's decision to slash its overseas development budget is a symptom of larger pressures within the G8 to revert to inward looking policies that are likely to exacerbate problems rather than ameliorate them. The economic crisis must not be used a reason to repeat mistakes of the past and bypass the current opportunity to move towards a more sustainable economic development model worldwide. Clearly, the combined economic, food and climate crises demonstrate the reality of global interdependence and the necessity of thinking globally when it comes to solutions.

Three Interlinked Priorities

We call on Canada to build a G8 agenda for 2010 that addresses the global economic and climate crises within a context of sustainable development. We call for action in three broad areas:

1. Combating Poverty
2. Transforming the Global Economic and Financial System
3. Acting on Climate Change

Priority One: Combating Poverty

The credibility of the G8 on the issue of combating poverty rests on its accountability for past promises. In 2010 key G8 commitments made at Gleneagles (2005) come due. As Canada is one of only two G8 countries to have met its Gleneagles commitment to sub-Saharan Africa, we are well positioned for leadership. Our commitment was the smallest of all the G7 donors in volume terms, and the third smallest in terms of ODA as a percentage of projected GNI.⁶ Collectively, the G8 leaders are at risk of defaulting on their commitments on issues from official development assistance (ODA) and health to trade reform. While important progress has been made in debt cancellation, the financial crisis is undermining gains and

⁴*Global poverty and inequality :a review of the evidence*, Ferreira, Francisco H.G.; Ravallion, Martin, World Bank Development Research Group, May 2008, http://www-wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2008/05/19/000158349_20080519142850/Rendered/PDF/wps4623.pdf.

⁵ For details, see <http://www.fao.org/news/story/en/item/8836/icode/>.

⁶ *One International*, the DATA Report, 2009.

threatening a new and profound debt crisis. The failure of the G8 to fully deliver their aid commitments is particularly troubling given the growing evidence that recent increases in development assistance have achieved real measurable results. Aid is only one part of the solution to address global poverty, but it is critical. In Africa alone, citizens have used ODA flows to provide AIDS treatment to nearly 3 million people, to dramatically reduce deaths from malaria and to help put 34 million more children in school.⁷

In Muskoka, the G8 priority must be to meet Gleneagles commitments and set a path towards addressing the gap between stated commitments and necessary actions to put the Millennium Development Goals (MDGs) back on track.⁸ With just five years remaining until the MDG target date of 2015, the summit will mark a critical moment for G8 governments to take stock of progress and make an all-out effort to address the most glaring gaps and shortfalls in reaching their targets. At the same time, G8 leaders will need to improve accountability mechanisms by developing concrete plans of action with specific timetables if they are to honour past G8 commitments and recommendations on education,⁹ water,¹⁰ health care,¹¹ HIV and AIDS, decent work¹² and to Africa.¹³ These include:

1. Meeting the commitments to invest \$60 billion in ODA over five years to fight HIV and AIDS, other infectious diseases, and strengthen health systems as well as to provide universal access to HIV prevention, treatment, care and support by 2010.¹⁴
2. Meeting the commitment to invest \$1.5 billion in child and maternal health.¹⁵
3. Meeting the commitment to invest \$20 billion in food security, nutrition intervention and social protection to assist the 1 billion people who face chronic hunger.
4. Meeting the commitment to provide the G8's fair share of \$11 billion annual funding required for reaching the Education for All goals and the MDGs related to education and literacy.
5. Meeting the Gleneagles commitment for an additional \$50 billion in aid, half of it to Africa by 2010 as well as committing to a timetable by which all G8 countries will meet the UN aid target of 0.7% of Gross National Income.

⁷ The DATA Report 2009, *ONE*, Executive Summary, page 2.

⁸ The Millennium Development Goals (MDGs) are eight goals, agreed to by 192 UN member states, to be achieved by 2015. The goals respond to the world's main development challenges.

⁹ Education for All was adopted in Dakar in 2000, and reaffirmed by the G8 in 2000 (Okinawa), 2001 (Genoa), 2002 (Kananaskis), 2005 (Gleneagles), 2006 (St. Petersburg), 2007 (Heiligendamm), and 2008 (Hokkaido).

¹⁰ G8 2003 (Evian).

¹¹ G8 2008 (Hokkaido).

¹² G8 2009 Employment Ministers recommendation to G8 Summit. The ILO understands the concept of Decent Work to incorporate fundamental principles and rights at work, employment income opportunities, social protection and social security, and dialogue.

¹³ G8 2002 (Kananaskis); G8 2005 (Gleneagles). Under Canada's leadership, the 2002 G8 meeting in Kananaskis established NEPAD, The New Partnership for Africa's Development, to tackle some of the most flagrant obstacles to African development. At the Gleneagles Summit in 2005, G8 countries committed to double their aid to Africa.

¹⁴ Heiligendamm, Growth and Responsibility in Africa Summit Declaration, June 8 2007, Paragraph 48; Hokkaido Toyako Summit Leaders Declaration, July 8 2008, Paragraph 45 (a)

G8 Summit, 2005, Gleneagles Communiqué, 18 (d).

¹⁵ G8 Summit 2007 Heiligendamm, *Growth and Responsibility in Africa. Summit Declaration* June 8, 2007, pp. 50.

Note: all dollar amounts in this paper refer to US dollars.

Key Development Opportunities in 2010

The following are opportunities for Canada to assert an agenda for global development in 2010.

Opportunity: Prevent the deaths of women and children

Each year more than 500,000 women, including adolescent girls, die from pregnancy related causes, and 9.2 million children die before they turn five years old. The major causes of maternal and child mortality are well understood and the means of tackling them, through simple and affordable interventions, are well known.

In 2007 Canada led the multilateral Catalytic Initiative to Save a Million Lives (CI). The CI was based on a pilot project that aimed to deliver an integrated package of high-impact low-cost interventions to save the lives of mothers, newborns and children. The methods are sound and widely supported by Canadian child-focused organizations.¹⁶ Early results are remarkable: when the program was implemented in its entirety the mortality rates of children under five were reduced by approximately 20% for *half* the anticipated cost. Results like these must be replicated.

What we can do:

- Deepen Canada's contribution to the CI by supporting a broader range of life-saving child and maternal interventions during pregnancy, delivery and early childhood in recipient countries, including support to publicly funded health systems.
- Leverage Canada's leadership by bringing other G8 leaders on board to expand the global reach of the initiative and by including countries with the highest rates of maternal, newborn and child mortality.
- Task the *Global Campaign for the Health Millennium Development Goals* to create a Global Action Plan on maternal, newborn and child health to bring coherence to international initiatives towards the achievement of MDGs 4 and 5.
- Commit to funding the global gap between the current level of commitment and what is needed to meet MDGs on child and maternal health by 2015.

Opportunity: Build on Canada's good record on food security

In 2009 Canada designated food security as a priority theme for its official development assistance and announced \$600 million over three years as its contribution to the G8's food security initiative. This built upon Canada's welcome announcement to untie all Canadian food aid in 2008. In 2010, Canada has an opportunity to build on this record and continue to further progress towards greater food security globally.

What we can do:

- Bring coherence and accountability to global food security through a comprehensive, long-term strategy that addresses issues of trade, aid, agriculture and industry, and holds governments accountable for their commitments.
- Improve food and nutrition security by investing in sustainable small-scale agricultural production and rural development in developing nations.
- Direct trade negotiators to promote international trade rules and loan conditions that allow developing country governments to support sustainable local food production and protect small-holder producers and consumers from price volatility and unfair trade.

¹⁶ The CI emphasizes illness prevention, strengthening overall health systems and training health workers; interventions are guided and driven by local country plans.

- Promote policies to strengthen the rights and participation of rural women and children in all food security interventions. Particular attention is needed to address the double discrimination faced by girls because of their gender and age.

Opportunity: Confirm the G8 legacy on HIV and AIDS

We have made substantial progress in delivering HIV services to millions of people, with Canada playing a leading role. Canada was instrumental, for instance, in the achievement of the “3 by 5 campaign” – where the goal of having 3 million people on antiretroviral treatment by 2005 was finally realized in 2007. New infections among children also dropped, thanks to the scale-up of services to prevent mother-to-child transmission.¹⁷

While we celebrate these successes, AIDS is far from over. For every two people starting treatment, five people are newly infected with HIV. About 70% of people who need antiretroviral therapy do not have access to it. While in 2009, G8 leaders reaffirmed their previous commitments on HIV and AIDS, they did not provide a plan or concrete targets for meeting these pledges. At L’Aquila, leaders also reaffirmed the value of the Global Fund but made no commitment to fund its current shortfall of up to \$5 billion .

In 2010, Canada will host the summit where one of the G8’s largest legacies- the Global Fund- faces a devastating funding shortage and one its most important commitments- universal access- remains underfunded. In this context, where over 5000 people die of AIDS related illness each day, G8 leaders must translate commitments into action with concrete country pledges, commitments and timelines to meet targets for both the Global Fund and universal access.¹⁸

In Muskoka, if Canada can restore momentum to reach country-defined universal access targets that ensure 6.7 million people receive life-saving treatment, then 2.6 million new infections can be avoided and 1.3 million deaths averted.

What we can do:

- Ramp up efforts to meet the commitment to develop and implement a comprehensive response to HIV to achieve universal access to HIV and AIDS prevention, treatment, care, and support by 2010.¹⁹
- Commit to fund 5% of the Global Fund to fight AIDS, TB and Malaria requirements in each of the next five years and strengthen support for country health systems.
- Improve access to life saving medicines by fixing Canada’s Access to Medicines Regime. This requires making the necessary amendments to streamline the process of licensing generic manufacturers to supply developing countries with lower-cost medicines. In particular, Parliament should legislate the “one-license solution” recommended by NGOs and other experts—one license on a patented medicine that would allow exports to any of the developing countries covered by the law, without advance restrictions on quantity or arbitrary time limits.
- Strengthen the G8 follow-up mechanism on global health commitments.

Opportunity: Emphasize water and sanitation as the foundation to good health

¹⁷ UNAIDS Annual Report, 2008.

¹⁸ AIDs and Global Health, UNAIDS, 2009.

¹⁹Gleneagles Communiqué, 2005 : Africa, points 17 and 18 (d).

The single largest cause of sickness globally is the lack of potable water and adequate sanitation. Investments in water and sanitation predictably reduce child and maternal mortality and should be made in conjunction with initiatives to strengthen public health systems and actions to address specific diseases. Nearly 900 million people lack access to safe drinking water. A further 2.5 billion people have no access to basic sanitation.²⁰ The total burden of disease worldwide could be reduced by almost 10% with improvements in water and sanitation.²¹

What we can do:

- Commit to quantitative targets and a clear action plan to provide access to clean water and sanitation as a means to catalyze progress in other areas of development and provide the foundation for good health, education and economic productivity.

Opportunity: Make progress on Education for All

Education is widely recognized as a critical factor in fighting poverty, improving health, reaching gender equity and achieving economic prosperity. In 2000, at the World Education Forum in Dakar, world governments set six clear “Education for All” goals to be met by 2015.²² As we approach the 2015 deadline, 75 million children are still out of school, more than half of them girls, and more than half of them in conflict-affected countries.

What we can do:

- Keep our commitments by providing our fair share of the financing needed to reach all six Education for All goals and the MDGs related to education and literacy by 2015. Success in meeting these targets will not only reduce poverty, it will also build a strong foundation for future economic productivity and democratic development.

Opportunity: Ensure economic recovery includes decent work for all

Good jobs are axiomatic to any strategy to address poverty, correct inequalities and promote economic justice. Unemployment and underemployment are significant contributors to poverty. The ILO anticipates that in 2009, unemployment will reach up to 239 million worldwide; the worst year on record for employment creation. Globally, 200 million workers risk joining the ranks of the 1.2 billion workers already living on less than \$2 per day.²³

What we can do:

- Establish employment transition mechanisms whereby those who are displaced by economic restructuring or social and environmental upheavals are retrained and re-integrated into active economic life.

²⁰*Progress in Drinking-water and Sanitation: special focus on sanitation.* Joint Monitoring Report Programme for Water Supply and Sanitation, WHO and UNICEF, 2008. Furthermore, every year 1.5 million children die from diarrhea diseases that result from unsafe water and poor sanitation. http://www.wssinfo.org/en/40_MDG2008.html

²¹ Safe Water, Better Health, WHO, 2008. http://esa.un.org/WHO_CB_eng.pdf

²²The six EFA goals are: 1) expand early childhood care and learning; 2) provide free and compulsory primary education for all (particularly girls, children in difficult circumstances and those belonging to ethnic minorities); 3) promote learning and life skills for young people and adults; 4) increase adult literacy rates by 50% (especially for women); 5) achieve gender parity in primary and secondary schools by 2005 and gender equality in education by 2015; and 6) improve all aspects of the quality of education.

²³ Global Employment Trends Update, International Labour Organization, May 2009.

- Support the International Labour Organization's proposal to create a Global Jobs Pact based on the *Decent Work Agenda*.²⁴

Opportunity: Solidify and reinforce progress made in Africa

Under Canada's leadership at Kananaskis in 2002, the G8 promoted the *New Partnership for Africa's Development (NEPAD)* to tackle the most flagrant obstacles to African development and eradicate poverty on the continent. At Gleneagles in 2005, Canada promised to double its aid to Africa by 2008, which was achieved in 2008-09. Today, however, Africa stands out as the continent where poverty has deepened most severely due to the financial crisis.²⁵ African income as a whole is expected to fall by 13%, or US\$49 billion, between the start of the crisis and the end of 2009.²⁶

What we can do:

- Renew the commitment to Africa by establishing a post-2010 G8/Africa development initiative shaped by the participation of African governments and their populations affected by poverty.
- Make sure it is effective by extending the mandate of the Africa Personal Representative and by including Africa-specific targets in each of the above commitments.
- Commit to increasing and improving African aid programs focused on education, health systems and sustainable agriculture.
- Support the meaningful regulation of investments in African countries to ensure investment is socially responsible.

Priority Two: Transforming the Global Economic and Financial System

The impact of financial crisis on the developing world is devastating: an additional 46 million people are living on less than \$1.25 per day; export growth is slowing rapidly, exacerbated by lack of available trade financing and a fall in commodity prices; and foreign direct investment has retreated, forcing both the devaluation of local currency and a rise in the price of imports. Further, the IMF estimates that 28 countries already have external debts in excess of 60% of GDP, putting them at risk of default.²⁷ Devaluation, perhaps more than inflation, is a concern. Declining remittances from workers in recession-affected countries mean that families in the developing world, who depend on remittances to supplement their income, are no longer able to support their households.

²⁴ This pact aims to make the global response for recovery job-intensive and gender inclusive and to promote sustainable growth which would include access to credits for small and medium-sized enterprises and for farmers, especially in developing countries.

²⁵ UNESCO estimates that the poorest 390 million workers in Africa will see their incomes drop by about 20% - far more than G8 countries. Child malnutrition is expected to cause an additional 200,000 to 400,000 infant deaths a year in Africa. Setbacks in universal primary education are expected to affect numerous countries, including Mozambique, Ethiopia, Mali, Senegal, and Rwanda, all of which have made substantial progress in recent years in EFA Global Monitoring Report 2009 – *Overcoming Inequality: why governance matters*.

<http://www.unesco.org/en/efareport/reports/2009-governance/>. See also a presentation by the report's authors - Kevin Watkins and Patrick Montjourides at http://portal.unesco.org/en/files/44668/12360113951/watkins_UNESCOFutureForum.ppt/watkins_UNESCOFutureForum.ppt.

²⁶ *Where does it Hurt? The impact of the financial crisis on developing countries*, Action Aid, March 2009; http://www.actionaid.org.uk/doc/lib/where_does_it_hurt_final.pdf.

²⁷ *The Implications for the Global Financial Crisis for Low income Countries*, International Monetary Fund, March, 2009, page 35.

The G-20 has begun to address the short-term impact of the crisis. But of the \$1.1 trillion in funding announced by the G-20 in 2009, only \$50 billion is expected to go to the world's poorest countries. Although the IMF and the World Bank have introduced new forms of social protection and have reduced the number of conditions attached to new loans, many of the remaining conditions (including public sector wage freezes or cuts, pension freezes, utility price hikes and rising interest rates) will undermine these attempts to increase social protection.

In 2010, G8 leaders have the opportunity to begin transforming the global economy—both its systems and institutions—so that it can deliver decent work and sustainable development to all parts of the globe. Through fairer international rules and policies for trade and finance and the democratization of international financial institutions (IFIs), the G8 can address the structural flaws that have exacerbated the financial crisis and help build a strong public sector that can support measures to mitigate its most adverse affects.

The Muskoka G8 should build on the findings of the UN Commission of Experts on Reforms of the International Monetary and Financial System and the outcome document of the UN Conference on the World Financial and Economic Crisis and its Impact on Development, by announcing specific G8 initiatives aimed at a sustainable global economic recovery that serves as a transition towards a low-carbon green economy.

Opportunity: Provide immediate assistance to developing countries dealing with the crises

- Provide emergency grants for developing countries to pursue their own counter-cyclical policies, including introducing social safety nets, measures to protect livelihoods of the poor, and to strengthen the public provision of essential services. Such grants should be without the harmful policy conditions that limit democratic ownership of country-led development priorities.
- Provide 100% debt cancellation for all indebted poor countries, taking account of the impact of the triple crises of finance, food security and climatic change. A renewed G8 debt initiative should support the establishment of a sovereign debt workout mechanism that is fair, transparent and independent. Such a mechanism should help ensure the responsible nature of future lending and advance the debate on odious and illegitimate debts.

Opportunity: Democratize international financial institutions

- Lead efforts to transform and democratize the World Bank and International Monetary Fund through meaningful accountability to the United Nations and to internationally agreed standards for human rights, labour and the environment. The G8 should respect the development of regional monetary and financial initiatives that promote sustainable human and economic development.
- Commit to full civil society involvement in decision making at the national level and in the world's workplaces. Basic freedoms and rights to participate should be a hallmark of G8 summit decisions, including for workers and trade unions to engage employers for needed production changes and for the poor and vulnerable groups to shape a future that addresses their concerns.

Opportunity: Implement new rules for trade and finance

- Create new rules for regulating both the mechanisms and the flows of global finance, including for hedge funds, tax havens and speculative capital flows. Such rules should ensure that financial institutions, markets and financial products are transparent and publicly accountable.
- Commit to a new multilateral trade deal that prioritizes development. This should include new mechanisms to regulate the volatility of commodity prices, tools to support infant industry and small farmers in developing countries, and the rapid elimination of harmful agricultural subsidies. Such a

deal should allow for more space for poor countries to protect jobs and public health and to control the pace and extent of liberalization, particularly in financial and other services.

Opportunity: Transition to a sustainable economy:

- Promote a coordinated international recovery strategy that emphasizes green and decent job creation and public investments.²⁸ Measures should be introduced to reduce the risk of unemployment and wage losses, and to support the purchasing power of low-income earners, including single earner households that are overwhelmingly female-headed.
- Support innovative financial mechanisms to meet urgent financial requirements for climate change, development and the MDGs, such as the following: supporting the existing levy on airline tickets in 13 European and developing countries; a carbon tax on wealthy countries' CO₂ emissions (or an equivalent mechanism); a global currency transaction tax; and a global financial transactions tax.²⁹

Priority #3: Acting on Climate Change

Climate change was a priority agenda item at the 2009 G8 summit in L'Aquila. Falling just six months after the Copenhagen climate conference, the 2010 G8 Summit will likely be the first high-profile leaders' meeting at which G8 governments can flesh out their Copenhagen commitments including urgent mitigation action (action to reduce emissions) and support for adaptation for those affected by the impacts of climate change. This would build on G8 leaders 2009 "strong commitment" to the "successful conclusion of a global, wide-ranging and ambitious post-2012 agreement in Copenhagen", and on their recognition of "the broad scientific view that the increase in the global average temperature above pre-industrial levels ought not to exceed 2°C".

Opportunity: Commit to ratifying a strong Copenhagen Agreement

Canada and other G8 members should demonstrate leadership by moving rapidly to implement a strong Copenhagen agreement and by their support for finalizing elements of the agreement under the United Nations Framework Convention on Climate Change (UNFCCC) negotiations process if any remain outstanding.³⁰

What we can do:

- Urge G8 leaders at the Muskoka meeting to announce their plans to ratify the Copenhagen agreement in their legislatures as quickly as possible. If elements of the agreement remain to be finalized, G8 countries can pledge their support for finalizing them as quickly as possible through an equitable and inclusive UN process.

Opportunity: Move forward on domestic implementation plans to meet G8 countries' mitigation targets.

Achieving the science-based emission targets that are expected to be agreed in Copenhagen will require ambitious domestic policy action in G8 countries, including effective carbon pricing and scaled-up investments in renewable energy and energy efficiency. These investments in the clean economy of the

²⁸As understood by the ILO and UNEP in their September 08 research on green jobs for addressing the climate crisis

²⁹ This airline tax currently raises \$200 million annually, a carbon tax could raise over \$130 billion annually; a currency transaction tax could raise \$33.4 billion annually, without causing any market distortions, if imposed at the modest level of 0.005% on all foreign exchange transactions; a modest financial transactions tax could easily raise more than \$100 billion a year at present. The United Kingdom has a tax on stock trades that generates approximately 30 billion a year.

³⁰This recommendation will be updated to reflect the outcome at Copenhagen once the UNFCCC negotiations conclude there on December 18, 2009.

21st century will yield economic benefits, including new and decent jobs, in addition to the environmental gains they will leverage.

What we can do:

- Significantly scale-up support for renewable energy and energy efficiency in advance of the Leaders' Summit as a complement to demonstrating rapid progress towards enforcing an economy-wide cap on emissions (which the government of Canada plans to outline in the fall of 2009).
- Immediately strengthen our national emissions target for 2050 to bring it into line with the G8's support, in L'Aquila, of the goal "of developed countries reducing emissions of greenhouse gases in aggregate by 80% or more by 2050 compared to 1990 or more recent years". Canada's current 2050 target – 60 to 70% below 2006 levels, or 51-63% below the 1990 level- falls far short of that goal.

Opportunity: Take rapid action to implement financial commitments for climate action in developing countries.

Under the 1992 UN climate convention, developed countries accepted an obligation to provide financial support for developing countries as they reduce their emissions and adapt to a changing climate. A range of estimates show that the new and additional public financing that will be required will be in the order of at least \$100 billion per year. Current sources of climate financing do not come close to meeting the need. As a first step towards the fuller financing mechanism that is expected to take effect in 2013 under the Copenhagen agreement, G8 countries must ensure that any remaining near-term adaptation needs identified by the Least Developed Countries are fully met.

What we can do:

- The world's poorest countries have identified well over \$1.5 billion of urgent adaptation needs through the UN's Least Developed Countries Fund. As soon as possible, Canada should contribute its fair share of the total need, which is in the range of C\$100 million.
- G8 countries can also work to ensure adaptation financing and frameworks address the need for disaster risk reduction and conflict mitigation while increasing the resilience of vulnerable women and men.