



Sustainable **FINANCE**

NOVEMBER 1-2, 2023

forum

Summary Report
and Recommendations



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Introduction

by Ryan Turnbull

It was truly an honour to Chair the Sustainable Finance Forum advisory committee as we worked collectively to plan and make this year's forum a success. Over the course of our time together during the two days of the 2023 Sustainable Finance Forum on November 1 and 2, 2023, more than 600 industry and community leaders, elected officials and policy makers engaged in insightful discussions, shared best practices, and explored innovative solutions to grow a sustainable and inclusive economy.

Including both the Prime Minister and Deputy Prime Minister & Minister of Finance, the Forum mobilized an unprecedented lineup of speakers on topics such as climate change, sustainable procurement, affordable housing, the circular economy, sustainable food systems and many more.

As I reflect on the discussions and exchanges that took place, it is clear to me that our collective efforts yielded valuable insights and meaningful actionable recommendations. The Summary Report and Recommendations captures the key themes and outcomes of our deliberations, serving as a roadmap for advancing the agenda of sustainable finance in the years to come.

At the heart of this report lies a recognition of the urgent need to accelerate the transition to a more sustainable and resilient global economy. From the imperative of decarbonization to the importance of promoting social inclusion and equity, our discussions underscored the interconnected nature of the environmental, social, and economic challenges we face moving forward.

Central to our recommendations is the call for greater collaboration and partnership

among stakeholders across the public, private and community benefit sectors. By working together in a spirit of shared purpose and mutual respect, we can unlock new opportunities for innovation and drive meaningful progress toward our sustainability goals.

Furthermore, our recommendations emphasize the importance of leveraging financial mechanisms and incentives to accelerate positive change. From sustainable investment strategies to innovative financial products, we have identified a range of tools and approaches that have the potential to mobilize capital at scale in support of sustainability objectives.

Crucially, our report also highlights the need for robust policy frameworks that provide clarity, consistency, and long-term certainty for investors and businesses. By creating an enabling environment for sustainable finance, governments and regulators can facilitate the transition to a low-carbon, inclusive economy while safeguarding financial stability and resilience.

As we embark on the next phase of our journey toward a more sustainable future, let us remain guided by the principles of collaboration, innovation, and shared responsibility. Together, we have the power to drive transformative change and create a world that is prosperous, equitable, and environmentally sustainable for future generations.

I would like to express my heartfelt gratitude to all participants, speakers, and organizers for their invaluable contributions to the success of the 2023 Sustainable Finance Forum.

May the insights and recommendations contained in this report inspire action and propel us forward on our collective path toward a more sustainable future.



**Ryan Turnbull,
Parliamentary Secretary to the
Minister of Innovation, Science
and Industry**

Introduction

by Mike Toye

The Canadian Community Economic Development Network (CCEDNet) was delighted to host the 2023 Sustainable Finance Forum.

In these times of urgent social and ecological crises, sustainable and social finance offer promising paths to shift economic systems towards greater equity, resiliency, and inclusion today and into the future.

For 25 years, CCEDNet has been connecting people and ideas for action to build inclusive and sustainable local economies across Canada. CCEDNet members and others in the social solidarity economy such as co-operatives, credit unions, social enterprises, and Indigenous, Black, and women-led social purpose organizations have been successfully demonstrating alternatives for a long time.

Advancing financial systems to accelerate their growth and success is needed now more than ever. This report is a testament to the Sustainable Finance Forum contribution to that progress, bringing together over 600 industry and community leaders, elected officials and policy makers to align policy and practice and scale up solutions that work.

Thank you to everyone who helped make the event such a success. It was truly a collaborative, cross-sectoral effort – reflecting the growing movement for urgent and sustainable change.



Michael Toye
Executive Director, CCEDNet



Sustainable Finance Forum 2023

Advisory Committee

Thank you to the following individuals who supported the planning of the Forum by participating in the Advisory Committee.

Namendra Anand, Director of Business Strategy and Impact Investing, Metro Vancouver Zero Emissions Innovation Centre

Kathy Bardswick, Chair, Sustainable Finance Action Council

Roger Beauchemin, President and CEO, Addenda Capital

Victor Beausoleil, Executive Director, Social Innovation Through Social Inclusion

Daniel Brunette, Senior Director, External Affairs, Co-operatives and Mutuals Canada

Mark Carney, United Nations Special Envoy on Climate Action and Finance

Tom Chernisky, External Affairs & Social Capitalism, TELUS

Alex Cool Fergus, National Policy Manager, Climate Action Network Canada

Lauren Dobell, Boann Social Impact

Sagal Dualeh, Senior Director, Canadian Women's Foundation

Glenn Ewald, Director of Government and Stakeholder Relations, Vancity

Jocelyn Formsma, CEO, National Association of Friendship Centres

Marisol Fornoni, Investment Readiness Program Partnership Manager, Canadian CED Network

Christelle François, Board Chair, Table of Impact Investment Practitioners

Tim Fuchs, Head of Public Affairs, IKEA Canada

The Honourable Rosa Galvez, Senator from Quebec

Alex Gray, Senior Director, Fiscal and Financial Services Policy, Canadian Chamber of Commerce

Shady Hafez, Program Manager, National Association of Friendship Centres

Andrea Harris, Vice-President of Impact Strategy, Vancity

Toby Heaps, CEO, Corporate Knights



Jerry Koh, Impact Lead, New Power Labs

Sonia Li, Director, Canada Climate Law Initiative

Matthew Lombardi, Director, Telus Pollinator Fund.

Elizabeth Milan, Director of Policy, Canadian CED Network

John Nelson, Director, Innovation Hub, Carleton University

Andrea Nemtin, CEO, Social Innovation Canada

Isaac Olowolafe, Founder and General Partner, Dream Maker Ventures

The Honourable Ratna Omidvar, Senator from Ontario

Lili-Anna Pereša, President and CEO, McConnell Foundation

Tracey Robertson, Innovation Lead, Ontario Trillium Foundation

Maya Saryyeva, Associate Director, Institute for Sustainable Finance, Queens University

Matthew Seddon, Director, Global Government Affairs & Public Policy, Sunlife

Julie Segal, Senior Program Manager, Climate Finance, Environmental Defense

Charles-Antoine St Jean, Chair, Canadian Sustainability Standards Board

Ralph Torrie, Director of Research, Corporate Knights

Michael Toye, Executive Director, Canadian CED Network

Ryan Turnbull, MP for Whitby, Chair of the Social Innovation and Sustainable Finance Caucus

Muska Ulhaq, Director of Programming at Social Innovation Canada

David Watson, Associate Director of Communications, Institute for Sustainable Finance, Queens University



Sustainable Finance Forum 2023

Summary

The 2023 Sustainable Finance Forum brought together policymakers, finance industry leaders to identify the policy changes that are necessary to mainstream sustainable finance in Canada, and add urgency to the implementation of those changes.

With 300% growth in attendance from the previous year, the Forum demonstrated broad-based support for this national dialogue, highlighting how mobilizing finance is an essential and powerful strategy to grow an inclusive and sustainable economy.

Sustainable finance integrates environmental, social, and governance (ESG) criteria into financial services and investment decisions. This approach aims to ensure long-term financial returns and addresses some of the most pressing global challenges, including climate change, social inequality, and biodiversity loss. Sustainable finance is about reorienting investments necessary to combat climate change by investing in resiliency, renewable energy, conservation projects, and other initiatives to transition to net-zero emissions. As it focuses on social equity, sustainable finance can help reduce disparities in income, health care, education, and employment opportunities, contributing to a more equitable society. Lastly, incorporating governance practices, sustainable finance ensures that companies and financial institutions broaden their goals to include ethical standards and societal and environmental well-being. All of these are necessary to transition into an equitable, resilient, and inclusive economic system.

The 2023 Forum emphasized the urgent need for the necessary policy and financial architecture to scale the innovative solutions that already exist throughout Canada. These include a clear taxonomy, transparency in disclosure, green bonds, social bonds, impact investing, and the active involvement of both public and private sectors in climate and social initiatives.

Discussions centred on enhancing transparency and accountability within the financial system, harmonizing standards for sustainability reporting, and the role of public policy in facilitating and regulating the shift towards sustainable finance.

Collaboration across sectors was also highlighted as essential. Governments, financial institutions, social purpose organizations, and the private sector must work together to align financial flows with sustainable outcomes. This collaborative effort mitigates risks associated with climate change and social inequality and unlocks opportunities presented by sustainable development.

The applications of a growing sustainable finance marketplace are wide-reaching. Forum sessions covered issues ranging from the role of Indigenous leadership in driving the social economy and reconciliation efforts, to tackling the barriers that marginalized communities

face in securing financing, new models for affordable housing and the circular economy, improving supplies of healthy, affordable food, and changing procurement practices.

The 2023 Sustainable Finance Forum was a catalyst for the dialogue and actions necessary to accelerate the shift towards more sustainable investment and business.

The connections and insights generated during the two days created new opportunities for innovation and collaboration, and reinforced momentum for a sustainable, equitable, and prosperous future.





Hon. Prime Minister Justin Trudeau

My friends, it is so great to be here with you today. I know Ministers Sudds and Valdez are here. Minister Fraser will participate in the housing panel later today, and many other ministers spoke yesterday.

To see so many people here today, whether they are leaders of different organizations or people who work hard in our communities, shows how much we all care about the future of our country. When we talk about sustainable finance and social finance, we are talking about making people's lives better. I often say that the promise of Canada is that every generation can reach even higher than the one before. Well, our government is working really hard every day to secure this promise at a time of uncertainty by investing in housing and social programs, by creating good, reliable jobs, and by bringing world-leading projects to our communities.

So how have we been able to mobilize capital? And, how can we keep driving even more investments in the solutions that will improve people's lives and futures? Let us start with our strategy on cleantech. We have made it clear that Canada is the place to be for companies looking to launch big projects for everything from electric vehicles to clean energy. Companies around the world have done more than just take note. They have invested. And that is good not only for our environment, it's good for the middle class too. Take, for example, Michelin. When Michelin invests to modernize its facilities in Nova Scotia to be able to make EV tires here in Canada, it means more good jobs in small communities like Bridgewater. The production of batteries for electric vehicles by Volkswagen in Ontario or Northvolt in Quebec will grow our economy and contribute to air quality.

These companies choose Canada first and foremost for our workers but also because we have established the foundations for producing clean technologies here in Canada. I am thinking of our investment tax credits for energy and clean technologies or our new Canada Growth Fund, created to attract private capital, invest in Canadian companies, and reduce emissions. Just last week, Deputy Prime Minister Freeland announced a first investment through the Canada Growth Fund. We are investing in Eavor Technologies in Calgary, a company that has developed the first scalable technology that captures geothermal energy to produce steady and dependable heat and electricity without emissions. As you all know, protecting the environment and growing the economy go hand in hand. This is also true with social policy.

Two years ago, we started investing to provide \$10-a-day childcare to families across the country, and we are now seeing that women's participation in the workforce is at an all-time high. Because, as you all know, social policy is economic policy. This is true in Canada. Yeah, that is an applause line too. This is true in Canada, and it is true around the world. When we welcomed the Canada-CARICOM Summit recently, I had the opportunity to talk about the Sustainable Development Goals of the United Nations and the fact that these goals are linked to each other.

For example, let us take gender equality. Gender equality plays a major role in achieving many other Sustainable Development Goals. The latest World Bank estimates show that GDP per capita would be almost 20% higher if all gender employment gaps were to be closed. Gender equality is not only good for women and girls, it is good for the economy too. This is another case where the right thing to do is also the smart thing to do. Here in Canada, our government is working hard to strengthen the social finance market.

In May, Minister Gould launched the Social Finance Fund with an investment of \$755 million. By offering greater access to flexible financing, the fund helps organizations achieve better social, economic, and environmental results. And to help advance social innovation and social finance, we also created the Investment Readiness Program.

Last week, Minister Sudds announced over 400 projects across the country.

One of them is The Raw Carrot, a non-profit that makes gourmet soup and hires people living with disabilities and mental illness. This funding will help them expand and hire even more people.

When Conservative politicians say we should not invest in programs like these, it means that they think we should not invest in people. Our government believes that every Canadian deserves a real and fair chance at success, and we know that by investing in people, we build the economy from the middle outward and the bottom up,



When we talk about sustainable finance and social finance, we are talking about making people's lives better.

– **Rt. Hon. Justin Trudeau**
Prime Minister of Canada

which produces real results for all, as opposed to the failed approach of trickle-down economics.

The reality right now is that people are worried. People are anxious. People are not sure how they're going to make ends meet. People are not sure how they are going to pay their rent or their mortgage over the coming months. People see the impacts of climate change. They have been knocked around by the pandemic. They look at geopolitics, from the invasion of Ukraine by Russia to the conflict in the Middle East to the rise of authoritarian powers around the world, and they wonder if that promise of Canada is really going to hold for their kids. Is the next generation going to be able to do better than the previous generation? Because as a parent, I know that is what we all want. We want our kids to be better than we do, do better than we do, based on our hard work, based on what we have built and invested so that they can benefit from an even better society, an even better world, and even better opportunities than we had. And that is the promise that has created Canada and bound us together, taught us to learn that diversity, whether it is geographic or in stories, cultures, and language, is a source of strength, is a source of richness.



We pull together in this place knowing, perhaps because of winter more than just about anything else, that we need to be there for each other, that no one can go it alone, that this country is too big, too empty, and too damn cold to be able to thrive in a purely individualistic way. That is why even, well, until a few years ago anyway, most conservatives, more conservative politicians, supported things like universal public health care. Because we understand, in a place like this, that when our neighbours do well, so do we. But right now, it is natural, it is human nature, when a storm's hitting, to hunker down, to hold on to those very closest to you, and let the wind and the storm blow past. That is human instinct. But that is not what is going to get us through this storm.

The times we are in, the changes we are facing as a world, require us to lean in together, require us to think differently about how we operate, how we build success, how we define success. And it is a time when people are anxious, they do not necessarily want to hear it either. They want to hear that everything will be fine and that we will resolve everything for you. We have simplistic solutions to complicated problems. But we all know there are no simple answers to complex questions. Everything is connected now and requires us to work in connected ways.

That is why initiatives like this one, that bring people together, not with a focus on just doing well, but on doing good at the same time, of understanding that every choice we make, everything we do is connected to everything else. And when it is done right, the economy is not a zero-sum game, and everyone can succeed, even in a competitive capitalist system. That is what this is about.

That is why this conference is growing from a much smaller room to as many attendees now, and I know in the coming years, Ryan's going to continue to grow it and create this impact because it is something that matters, that people understand, and people want to be a part of. We are still in the early days of this, but we are already seeing tremendous impacts in everything you are doing. And the nice thing is the successes represented here in this room multiply. As people in communities far from this room see the impacts, oh that was a great idea, let us do more of this. Let us understand that we can counter the anxiety in the world by solving for the problems that people are facing, by bringing people together in compassion and, understanding, and optimism, by setting aside those folks who see the anger out there and just want to amplify it instead of solving for it. That is not what has gotten Canada through difficult times in the past.

What do we do as Canadians? We roll up our sleeves, we lean in, we look out for each other, we remain optimistic and ambitious about the future. And I can tell you that seeing some of the things being discussed over this conference, hearing some of the amazing stories that are being showcased here, and absorbing the collective will of this room and rooms like it across the country and around the world to work hard and build that better world in meaningful ways every single day, I do not find it hard. Even in this time of tremendous challenges, I do not find it hard to build that optimism and that ambition for Canada and for the world.

So thank you for that. Thank you very much, my friends.



And I can tell you that seeing some of the things being discussed over this conference, hearing some of the amazing stories that are being showcased here, and absorbing the collective will of this room and rooms like it across the country and around the world to work hard and build that better world in meaningful ways every single day, I do not find it hard. Even in this time of tremendous challenges, I do not find it hard to build that optimism and that ambition for Canada and for the world. So thank you for that. Thank you very much, my friends.

– Rt. Hon. Justin Trudeau
Prime Minister of Canada



**Rt Hon. Prime Minister
Justin Trudeau**

DAY 1

Sunrise Ceremony

Elder Claudette Commanda, Kitigan Zibi Anishinabeg

Opening Plenary: The Power of Finance

Opening Prayer

Elder Claudette Commanda

Welcome to the Territory

Chief Dylan Whiteduck, Kitigan Zibi Anishinabeg

Opening Remarks

Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Finance

Panelists

Hon. François-Philippe Champagne, Minister of Innovation, Science and Industry

Hon. Steven Guilbeault, Minister of Environment and Climate Change

Hon. Jonathan Wilkinson, Minister of Energy and Natural Resources

Hon. Harjit Sajjan, Minister of Emergency Preparedness and Minister responsible for the Pacific Economic Development Agency of Canada

Ryan Turnbull, Parliamentary Secretary to the Minister of Innovation, Science and Industry

Helen Ng, United Nations Office for Disaster Risk Reduction

Morning Breakout Sessions

Financing the Circular Economy

Senator Rosa Galvez

Annie Levasseur, École de technologie supérieur, Université du Québec

Daniel Breton, Mobilité électrique Canada

Jill Doucette, Synergy Foundation

International Reconstruction and Development

Senator Ratna Omidvar

Michael Cholod, The Peace Coalition

Katherine Mulhern, Restitution

Geoffrey Goodell, University College London

Tracking Policy Progress and Data

Toby Heaps, Corporate Knights

Ralph Torrie, Corporate Knights

Andrea Moffat, Addenda Capital

Anna Kanduth, Canadian Climate Institute

Rosemary McGuire, CPA Canada

Lunch and Keynote: The Cost of Inaction

Katherine Hayhoe, The Nature Conservancy

Catherine McKenna, Climate and Nature Solutions

Mark Carney, United Nations Special Envoy on Climate Action and Finance

Eric Usher, United Nations Environment Program Finance Initiative

Rick Smith, Canadian Climate Institute

Afternoon Breakout Sessions

Innovations in Sustainable Procurement

Hon. Anita Anand, President of the Treasury Board

Hon. Jean-Yves Duclos, Minister of Public Services and Procurement

David LePage, Buy Social Canada

Aatif Baskanderi, Northpine Foundation

Tim Coldwell, Chandos Construction

Elizabeth Chick-Blount, Buy Social Canada

Jeff Cyr, Raven Indigenous Capital Partners

Investing in Sustainable Food Systems

Naomi Gichungu, The Northpine Foundation

Josephine Grey, OASIS Foodhub

Dr. Bahram Rashti, UP Vertical Farms

Dr. Alison Blay-Palmer, UNESCO Chair for Food, Biodiversity and Sustainability Studies

Laura Howard, Collectif Récolte

Linda Best, FarmWorks Investment Co-operative

Policy Changes for Greening Finance

Senator Rosa Galvez

Nathan Fabian, United Nations Principles for Responsible Investment (virtual)

Dr. Janis Sarra, Canada Climate Law Initiative

Julie Segal, Environmental Defence

Cat Abreu, Net-Zero Advisory Board

Jonathan Fowlie, Vancity Credit Union

Afternoon Plenary: Sustainable Finance

Kathy Bardswick, Sustainable Finance Action Council

Matthew Seddon, Sun Life

Rob Wesseling, Co-operators

Jonathan Fowlie, Vancity Credit Union

Carmen Velasquez, Alberta Investment Management Corporation

Barbara Zvan, University Pension Plan

Gildas Poissonnier, Desjardins





Hon. Chrystia Freeland

Deputy Prime Minister and Minister of Finance

It is a great pleasure for me to be here today as Deputy Prime Minister and Minister of Finance. I would like to welcome you to speak about the work we have done at the Ministry of Finance to support the fight against climate change and help Canada face this important moment. Over the past year, we have taken unprecedented measures to build our clean economy, and sustainable finance is an essential element of our economic plan.

Now, as usual, Ryan has anticipated where I want to go because I am going to start, as he foreshadowed, by talking about the Canada Growth Fund. We launched it this summer. The Canada Growth Fund is led by some of Canada's top investors, and we created it to invest in Canadian businesses, to help them scale and to help them crowd in Canada's share of the trillions of dollars in private capital that are waiting to be invested in the global clean economy.

This is a really, really innovative way to make the people's money work harder and to fill some gaps that private capital alone just has not been filling in financing the green transition in Canada. It is a big deal. That is why last week, I was incredibly proud and incredibly excited to announce the very first investment by the Canada Growth Fund. It is in action. That was an investment in a Calgary-based company called Eavor Technologies. Eavor specializes in geothermal energy, and the \$90 million investment by the Canada Growth Fund is going to help turbocharge Eavor's growth and help Eavor expand around the world.

I was there at that investment last week. At the announcement, the leaders of Eavor said very clearly, very explicitly that absent the investment from the Canada Growth Fund, they had a very appealing offer on the table from an international company to be bought out, and that would have provided them all the capital they needed to do the things they wanted to do. But what it would have meant was that Eavor would cease to be a Canadian company, and their headquarters would no longer be in Canada just because they were missing that little slice of capital. The Canada Growth Fund – and that means everybody here; that is Canada’s money – the Canada Growth Fund has provided that capital and as a result, Eavor is going to continue to grow based here in Canada, and from that Canadian base, Eavor is going to continue to take its world-leading technology across Canada and around the world. They are doing a very big project in Germany, even as we speak. So that is what success looks like for climate action and for the Canadian economy.

The Growth Fund is a pillar of our economic plan, and this is a plan that is helping to develop a sustainable finance market in Canada that will create jobs, boost investor confidence, and drive economic growth, all while it is fighting climate change. The second thing I want to talk about, as I am sure everybody here knows, last year we issued Canada’s first green bond in March of last year. This inaugural seven-and-a-half-year, five billion dollar green bond was backed by Canada’s sovereign AAA credit rating, and we saw a final order book of more than 11 billion dollars. What was also really significant is that 45% of the investors in our green bond were international. Now what does that tell us? Demand for Canadian bonds is high, with non-resident ownership of Canadian debt climbing from 13% in 2008 to about 27% in June of last year. That is an international vote of confidence in our economy. It is an international vote of confidence in our economic plan and in our green plan. The green bond issuance was proof that there is a strong global demand for clean investments here in Canada. And that is a good thing because, as we heard from Stephen and from Ryan, we need capital. We need capital to drive economic growth and to drive the green transition. And that bond issuance was proof that Canada is and will continue to be a global leader in sustainable finance.



Today is a moment where climate action is also about showing people, showing Canadians, that we also have a plan for their future. A plan for them and for their children... We have reached a tipping point where climate policy truly is economic policy. You could even say that the environment and the economy go hand in hand

– Hon. Chrystia Freeland,
Deputy Prime Minister and Minister of Finance

I would also like to congratulate Kathy Bardswick and the Sustainable Finance Action Council for the excellent work they have been doing since the creation of the SFAC in 2021. This includes the very important work you have done on the mandatory disclosure

of climate change information and on a roadmap towards a taxonomy. And by focusing on the work you have done, we will continue to take specific steps later this month.



Today, for Canada and the world, climate action is not just about climate change. Today, having a climate plan is synonymous with having an economic plan. It is synonymous with having a jobs plan.

– **Hon. Chrystia Freeland**,
Deputy Prime Minister and Minister of Finance

Before I close, I want to make a final point. And it is actually where Ryan concluded. This is a room full of people who have been working for years, for decades, maybe your entire professional lifetimes, on issues related to climate change. Some of you probably call yourselves, think of yourselves as activists, even if you sit around a cabinet table today. What is really exciting to me today, as the Deputy Prime Minister, as the Minister of Finance, and as someone who also believes we have a moral obligation to act on climate

change, and this is something that I hope is also exciting to all of you. And that is that today, for Canada and the world, climate action is not just about climate change. Today, having a climate plan is synonymous with having an economic plan. It is synonymous with having a jobs plan. Climate action is about saving the planet, of course. And I know that that is what motivated many, many people at the beginning of your activism and surely what motivates us still today.

Today is a moment where climate action is also about showing people, showing Canadians, that we also have a plan for their future. A plan for them and for their children. That is exactly what Ryan highlighted at the conclusion of his opening remarks, and I think that is today truly central to the work that we have to do together. We have reached a tipping point where climate policy truly is economic policy. You could even say that the environment and the economy go hand in hand. And I wish Catherine were here.

Thanks to the work and the commitment that you have shown so many people for years, for decades, over your lifetime, we can now say that. We are now seeing that not just as rhetoric; we are seeing that in action. So, I thank you for your hard work, and I look forward to our government continuing to work with you to build a clean economy that creates excellent careers for Canadians, from one ocean to the other.

Thank you very much, and once again, congratulations, Ryan, for your work.



**Hon. Chrystia Freeland,
Deputy Prime Minister and
Minister of Finance**

Hon. Steven Guilbeault

Minister of Environment and Climate Change

Bonjour tout le monde. Good morning everyone.

It is amazing to see how this Forum has grown and taken on a life of its own. As Ryan was saying earlier, this year has tripled the size of last year's event that is a tribute to you Ryan to your dedication, your advocacy, and your leadership, and for that, I want to say thank you.

But it is also about the urgency of the issues at stake. I have been interested in sustainable finance for a long time, but in the past, the subject was more the domain of climate specialists and financial idealists. Today, sustainable finance is at the center of the conversation, and rightly so: Canada will only be able to achieve its ambitious climate objectives if the financial sector - our banks, our pension funds, our insurers - rallies behind our country's commitments to carbon neutrality, and the problem is certainly not a lack of money - it is the fact that we need to align capital at the speed and scale required to fully seize Canada's opportunity for clean economic growth. The other option is the status quo, which not only compromises the achievement of our climate objectives but will also set us back in the economic race towards carbon neutrality.

While many financial institutions across Canada have set net zero targets for 2050 it is essential that these targets be credible. My friend Catherine McKenna, who is here with us today, has done remarkable work on this issue of ensuring credible net zero commitments from the private sector. We know the government provides a key role in enabling credible, transparent targets necessary to provide investor certainty. I am inspired by models of leadership we are seeing all over the world. The United Kingdom, for example has already launched a transition plan task force to provide guidance on what is a credible business climate transition plan. Gavin Newsom and my good friends in the government of California put together world-leading legislation requiring strong climate disclosure of all emissions and climate risks. The legislation has been welcomed by California's biggest pension funds. Secretary Yellen has described climate change as the top of the list of financial challenges, and the United States



Treasury has released guidance for transition plans. The International Financial Stability Board just reported last month that it sees encouraging progress on the development of global assurance ethics and independence framework for sustainability disclosure, and as BlackRock CEO Larry Fink told his shareholders last year, and I quote, “we’re interested in sustainability not because we’re environmentalist but because we’re capitalist and fiduciaries to our clients.”

The federal government continues its work to ensure all sectors of the economy, including finance, are contributing to the health of our environment and the health of our economy. Sustainable finance sits at the intersection of both, and let’s make sure we continue to move forward on this important agenda together.

– **Hon. Steven Guilbeault,**
Minister of Environment and Climate Change

Here in Canada, the Office of the Superintendent of Financial Institutions has issued its first prudential framework that is climate-sensitive and recognizes the impact of climate change on managing risk in Canada’s financial system. But Canada’s playing catch-up. The huge interest in this Forum today shows that there is a great appetite for more clarity and direction. As a government, we want to create consistency for Canadian investors and businesses. With my colleague Chrystia who is here with us today as well, we have received thoughtful advice and analysis from Canada’s financial institutions on how the government can provide an enabling role for clean economic growth and help them and us remain competitive in this new green economy that will be the driver of jobs and growth in the 21st century.

As Minister of Environment and Climate Change of Canada, I want us to meet our climate commitments and preserve the health of our environment, which leads to a more stable and more sustainable economy. The Government of Canada probably has the most detailed emissions reduction plan for 2030 in the world, with the objective of reducing emissions for all sectors of the economy. To reduce emissions in the sector that produces the most energy, we will soon announce a framework to address emissions in the oil and gas sector. We will continue to invest in technologies that will ensure jobs for the years to come. When we published the emissions reduction plan last year, we were surprised by the praise we received from a wide range of groups from the industry, the finance sector, the municipal sector, and environmental protection groups. The reason why the industry, in particular, welcomed this plan was that it gave it precise information on the government’s ambitions for decarbonization and helped support the objectives of reducing emissions for its own companies and to realize commitments on environmental, social, and governance norms.

By drawing lessons from the progress made by other countries, the federal government can do even more to contribute to achieving our goals for 2030 and 2050 by implementing a sustainable finance policy. Nearly all of Canada’s large banks and pensions have committed to reducing their emissions and reaching net zero by 2050 or sooner, but a climate commitment matters only if you have a plan to achieve it; interim, short-term targets are also very important. So, I would like to challenge our banks and pension funds with 2050 commitments to show their homework, including short-term targets for 2030, and put concrete plans in place to meet these goals. Because what our financial institutions invest in today’s infrastructure, businesses, and industry shapes the economy of tomorrow and the resilience of our climate.

Sustainable finance, you might say, can play hard at both ends of the rink; it can play both offense and defense. Companies need to better understand and manage the risks posed by the growing impacts of climate change. We need to move toward mandatory disclosure of climate risks by companies. At the same time, capital must support the accelerated reduction of emissions, the driver of growing climate impacts. Think about Canadian pension plans; they are some of the largest asset owners globally and have international impacts. How they invest our retirement savings matters not just for Canada but affects whether or not we get to keep a safe planet globally. Canadian pension funds are some of the world's leading investors in clean tech and clean growth. But Canadian investors, both banks and pensions, also continue to direct significant capital to fossil fuels. This creates a risk of what is known as stranded assets as our investors move to slowly follow the global direction of the energy transition. As Ryan was saying, more than \$100 billion of investments are at risk of becoming stranded.

Reducing emissions and investing in line with the clean energy transition is the best way to reduce these risks. As I said, offense and defense. Climate action from the financial sector can play both, and it is the government of Canada's job to help the financial sector up its game. We need to move forward on policy to align Canada's financial flows with our climate goals, including through guidance for credible and mandatory climate-related financial disclosures and the next step of a taxonomy to define sustainable investments.

On this point, I would like to take a moment to thank the work of the Sustainable Finance Action Council for all their hard work that went into recommendations on disclosure and taxonomy. Moving these policies forward is hard work; it does not always garner the attention it deserves. Financial disclosure and taxonomy aren't measures that result in ribbon-cutting ceremonies that attract front-page news. But as I said earlier, they are mission-critical for setting up the enabling framework to reach our climate and economic goals in Canada. So, I ask you all to continue to highlight the importance of sustainable finance and to deploy the crucial efforts that will enable such a policy to take office in Canada. Forums like this one will provide more ideas and momentum for action. The federal government continues its work to ensure all sectors of the economy, including finance, are contributing to the health of our environment and the health of our economy. Sustainable finance sits at the intersection of both, and let's make sure we continue to move forward on this important agenda together.

Thank you.



We need to move forward on policy to align Canada's financial flows with our climate goals, including through guidance for credible and mandatory climate-related financial disclosures and the next step of a taxonomy to define sustainable investments.

– Hon. Steven Guilbeault,
Minister of Environment and Climate Change



**Hon. Steven Guilbeault,
Minister of Environment and
Climate Change**



Opening Plenary

The Power of Finance

Summary and Recommendations

Panelists

Hon. François-Philippe Champagne,
Minister of Innovation, Science and
Industry (video message)

Hon. Steven Guilbeault, Minister of
Environment and Climate Change

Hon. Jonathan Wilkinson, Minister of
Energy and Natural Resources

Hon. Harjit Sajjan, Minister of Emergency
Preparedness and Minister responsible
for the Pacific Economic Development
Agency of Canada

Helen Ng, United Nations Office for
Disaster Risk Reduction

Finance is pivotal for the energy transition as it provides the necessary capital to innovate, develop, and deploy the clean technologies that drive the shift towards a zero-net, sustainable economy. It also enables scaling renewable energy projects, decarbonization efforts, and resilient infrastructure development, making it the backbone of a sustainable future.

The plenary session delved into the transformative power of finance in steering us towards a resilient and sustainable economy. Recognizing the critical junction at which we stand, the discussion highlighted the necessity of mobilizing private and public funds to navigate the challenges and harness the opportunities presented by the energy transition.



The conversation focused on four pivotal areas where private capital is most needed: unlocking new opportunities through transition, bolstering electricity generation, spearheading the decarbonization of the oil and gas sector, and creating avenues for Indigenous communities to access capital. These areas underscore the diverse and substantial investment landscape that is part of sustainable finance.

Taxonomy and disclosure are key. Transparency is a cornerstone for informed decision-making and bolstering investor confidence. Clear, accessible information plays an essential role in averting stranded assets and attracting the investments necessary for a low-carbon transition.

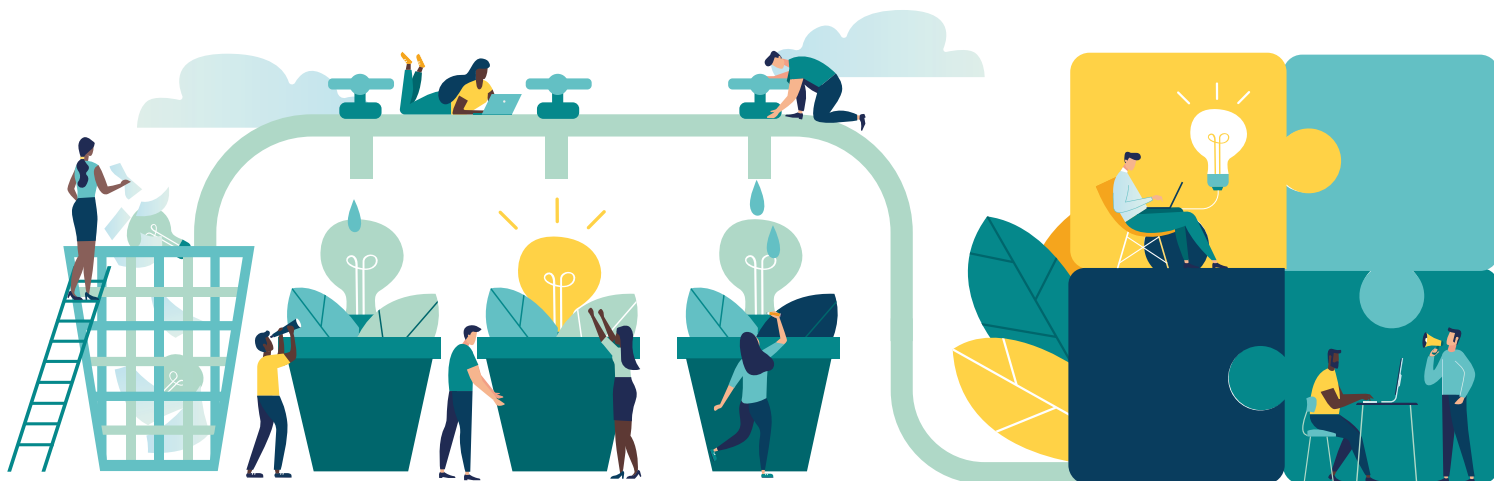
Resilient infrastructure will also play an important role in climate adaptation. The United Nations Office for Disaster Risk Reduction has been rallying private sector involvement to build resilience against the escalating intensity and frequency of natural disasters. The call for risk-informed

investments and the proposition for Canada to issue resilience bonds were measures that could accelerate investments in climate resilience.

The disproportionate impact of climate change on vulnerable communities underscores the critical need to enhance disaster risk reduction and preparedness efforts. There was strong agreement on the importance of prioritizing preventive measures to foster community resilience and mitigate the financial burdens of future climate-related disasters. This approach is essential for safeguarding communities and ensuring sustainable development in the face of escalating environmental challenges.

The panel concluded with a call to action, emphasizing the critical role of both public and private sectors in addressing climate change and building resilience, with a consensus that timely investments today can lead to significant returns in the future.

- Attract private sector investments to critical areas such as new opportunities enabled by the transition: electricity generation, decarbonization of the oil and gas sector, and pathways for Indigenous communities to access capital.
- Issue resilience bonds to finance resilient infrastructure investments.
- Establish a Canadian taxonomy and disclosure framework to align investments with the transition to a low-carbon future.
- Implement cost-effective preventive measures focused on recovery and preparedness to mitigate the impact of climate-related disasters.
- Apply the UN Principles for Resilient Infrastructure to ensure investments are risk-informed and protected from the expected increase in disasters.



Morning Breakout Sessions Summary and Recommendations

Financing the Circular Economy

Panelists

Senator Rosa Galvez

Annie Levasseur, École de technologie supérieur, Université du Québec

Daniel Breton, Mobilité électrique Canada

Jill Doucette, Synergy Foundation

Summary

The circular economy reorients production and consumption patterns of “take, make, dispose” towards a sustainable and regenerative systems. This model aims to keep products, materials, and resources in use for as long as possible, extracting the maximum value during their lifecycle and then recovering and regenerating products

and materials at the end of each service life. By doing so, it can help address global challenges such as climate change, resource scarcity, biodiversity loss and pollution while developing new economic opportunities.

Discussions in this session emphasized strategies for optimizing resource use, extending product life, and improving recycling processes to minimize environmental impacts.

While the electrification of the transport sector is seen as a vital step towards net zero economies, it is also a significant opportunity to embed circular principles into production and supply chains. Electric vehicles (EVs) offer a cleaner alternative to traditional transportation modes

despite increasing demand for minerals and electricity. Thus, their production and use must be carefully managed within the circular economy framework. This includes considerations for shared mobility solutions that can further reduce waste and promote sustainability.

To drive transition and overcome barriers to circularity, panelists emphasized the importance of adopting a holistic approach that includes regulatory support, innovative business models, and community engagement. When done

right, the adoption of circular economy principles across numerous economic sectors could bring a wide range of potential economic opportunities.

Overall, this session underscored the importance of transitioning to a circular economy to address environmental challenges while fostering economic growth. Doing so will require a collective effort from governments, businesses, and communities to rethink and redesign the future of production and consumption.

- Enact circular economy legislation that enforces circular economy practices across all sectors, including mandatory recycling standards, bans on single-use plastics, and requirements for sustainable product design.
- Implement national recycling initiatives and promote markets for recycled goods by setting up efficient collection systems, incentivizing recycling initiatives, and promoting the development of markets for recycled goods.
- Mandate sustainability standards in product design for longevity and use of recycled materials in manufacturing.
- Encourage practices that replenish and restore natural systems. This involves sustainable harvesting rates and regenerative agriculture practices to maintain ecological balance.
- Encourage entrepreneurship and innovation in circular economy sectors by providing financial incentives and support for businesses in circular economy sectors.
- Adopt government procurement policies that prioritize circular economy principles.
- Actively involve Indigenous communities in circular economy policymaking, respecting their relationship with nature and traditional knowledge.
- Invest in circular economy infrastructure by building state-of-the-art recycling facilities, composting centers, and renewable energy systems.



International Reconstruction and Development

Panelists

Senator Ratna Omidvar

Michael Cholod, The Peace Coalition

Katherine Mulhern, Restitution

Geoffrey Goodell, University College London

Summary

International Reconstruction and Development (IRD) focuses on rebuilding regions affected by adversities such as war, corruption, and oppression. It is a process aimed at restoring infrastructure, governance, and social fabric in countries facing the aftermath of crises. IRD efforts are crucial to address immediate needs like shelter, health, and safety, laying the foundation for sustainable growth,

equitable governance, and long-term peace and stability.

This breakout session delved into how social finance tools can be pivotal in IRD processes. Experts discussed innovative approaches to funding reconstruction efforts, emphasizing the need for policies and financial strategies tailored to create sustainable and equitable governance models in affected regions.

The experience in Ukraine illustrates the urgent need for inventive financial solutions to rebuild the country. There is significant potential in recovering stolen or seized assets and illicit financial flows and restoring them or redirecting them towards genuine reconstruction efforts.

The discussion also emphasized the importance of incorporating privacy-preserving technologies within financial

systems to facilitate aid delivery without compromising individual privacy.

Addressing the complexities of channeling capital into conflict zones, the panel explored the role of private investment in humanitarian projects. The panel also stressed the importance of transparency, efficient governance, and innovative legal and financial tools in ensuring the success of IRD efforts.

The session concluded with a recognition of Canada's potential as a leader in global reconstruction efforts. By implementing comprehensive legal, financial, and policy strategies that focus on sustainable and equitable governance, alongside leveraging innovative technologies and fostering private sector involvement, Canada can play a pivotal role in international reconstruction and development initiatives.

- Implement legal mechanisms to seize assets from corruption, war, and oppression to compensate victims in affected regions.
- Develop and implement innovative financial and policy strategies for the reconstruction of war-torn areas, focusing on sustainable and equitable governance models.
- Implement strategies for the recovery of illicit financial flows, redirecting them to democratic governments in the Global South.
- Develop privacy-preserving technologies in financial systems to aid refugees, balancing the need for compliance and individual privacy.
- Establish robust governance structures to ensure transparency and accountability in reconstruction funds disbursement, ensuring aid reaches intended recipients.





Tracking Policy Progress and Data

Panelists

Toby Heaps, Corporate Knights

Ralph Torrie, Corporate Knights

Andrea Moffat, Addenda Capital

Anna Kanduth, Canadian Climate Institute

Rosemary McGuire, CPA Canada

Summary

Tracking policy progress with robust data is essential for ensuring that financial flows are increasingly aligned with pathways towards low-carbon and climate-resilient strategies. This process involves monitoring and evaluating the effectiveness of policies, investments, and actions aimed at promoting sustainability within the financial sector. As such, tracking policy progress and data helps stakeholders make informed decisions, fosters transparency, and promotes

accountability in the implementation of sustainable finance practices.

During this breakout session, experts explored the multifaceted aspects of sustainable investment and policy advancement. They discussed the urgency of addressing climate change and the innovative solutions emerging, such as artificial intelligence (AI), electrification of transportation, and green buildings. However, a significant challenge remains: financing these solutions at the scale required to mitigate climate impacts effectively.

One key initiative, Climate Dollars, aims to quantify the investment needs for Canada's climate action and facilitate discussions on bridging the investment gap. Rising emissions in sectors like oil and gas and buildings, highlight the need for swift policy action. Tax credits and emissions caps were noted as potential catalysts for investment, but

their translation into tangible actions is imperative.

The complexities of standardization and the necessity for capacity building and stakeholder education were discussed, emphasizing the need for coherent financial system standards.

Furthermore, the development of a clear taxonomy for sustainable finance would reinforce the importance of credible, transparent investments. This is crucial for building market confidence and achieving a successful climate transition.

The panel consensus was clear: there

is an urgent need for more significant investment in sustainable solutions, clarity in policy, and the development of taxonomies to combat greenwashing and bolster investment credibility. Additionally, accurate data and standardized reporting are necessary to drive impactful climate action.

In conclusion, the panel highlighted the importance of accelerating the implementation of climate policies, mandating climate reporting for companies, mobilizing investment in clean technology, and ensuring financial sector engagement in policy development.

- Implement a clear taxonomy to enhance the credibility and transparency of sustainable finance.
- Accelerate the implementation of existing climate policies, such as zero-emission vehicle sales mandates, clean electricity regulations, and emissions reduction plans in key sectors like oil, gas, and buildings.
- Implement mandatory climate reporting for companies, including disclosing climate transition plans, emission reduction targets, and financial alignment with net-zero goals.
- Encourage major financial institutions to develop and implement comprehensive climate transition strategies, leveraging government tools such as pension tax subsidies and regulatory frameworks.
- Ensure financial sector participation in climate and energy policy development.
- Provide resources and education for Small and Medium Enterprises (SMEs) to comply with sustainability reporting standards.
- Work towards a global alignment of sustainability reporting standards.
- Promote organizational behavioral change by prioritizing climate and sustainability in corporate governance.

Lunch and Keynote

The Cost of Inaction

Panelists

Katherine Hayhoe, The Nature Conservancy

Catherine McKenna, Climate and Nature Solutions

Mark Carney, United Nations Special Envoy on Climate Action and Finance

Eric Usher, United Nations Environment Program Finance Initiative

Rick Smith, Canadian Climate Institute



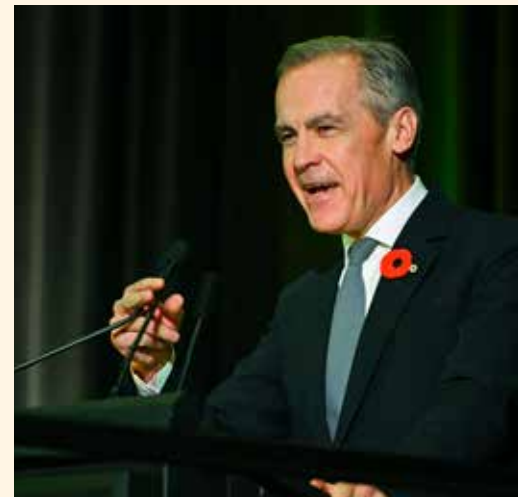
If done right, this net zero transition will actually cut costs for consumers, as opposed to the converse, which is the argument you more commonly hear.

– **Rick Smith**,
Canadian Climate Institute



We've got to reduce global emissions by half by 2030. So when people say, I'm so all in on climate, I'm a climate leader, I'm putting up my hand, you ask them, are you actually doing the work now? This isn't a future problem, as we have heard very eloquently. This is a now problem, and you've got to reduce your emissions, and you've got to scale the money, and that has to happen now.

– **Catherine McKenna**,
Climate and Nature Solutions





Within the next couple of years, due to higher insurance premiums, increased municipal taxes to fund the cleanups that I just mentioned, your average Canadian will be spending about \$700 more a year to deal with the cost being exacted by climate change on our country right now. We know that climate change is an accelerant of existing inequities in our society. Clearly, Canadians of lesser means are going to be disproportionately impacted.

– Rick Smith,
Canadian Climate Institute



In Canada, you've begun to put in place some of the foundational regulatory elements, but other jurisdictions are leading the way and showing that it can be done, irrespective of public budgets and irrespective of, necessarily, the makeup of the economy. So, with the support of the financial community -- and we work with most of the Canadian majors in banking and insurance and investment, they are on board, largely, with this -- but they need the stable framework to understand what is green, what isn't, and what are the transitions needed to get us to an economy fully in transition.

– Eric Usher,
United Nations Environment Program
Finance Initiative



Every decision is a climate decision. And to care about this issue, you don't have to be an environmentalist or a scientist or a former minister of the environment and climate change. You just have to be a human being living on planet Earth, because all of us are impacted by this challenge, but all of us have the potential for a better future."

– Katherine Hayhoe,
The Nature Conservancy





Mark Carney

Thank you very, very much. Catherine stole my joke. I was going to steal Catherine's joke, but she told it much better than I would. Thank you, Ryan, for convening us, and for your tireless work. You and your colleagues, Julie, others, Senator Gignac, almost, you know, all of this room, really, your tireless work on such a crucial issue.

What I am going to do in the time I have is to address three points.

First, how building a sustainable economy can revitalize economic growth while helping to secure the future for our kids and grandkids, something that, as Katharine Hayhoe just said, if we are human beings, we should care about. Secondly, a clear point, the time for study is over, the time for consultations is over. It is time to lay the foundations of a sustainable financial system here in Canada. The world is moving forward. And that gets to the third point. Canadians deserve results. And this is a foundation for those results, but also how we go about getting those results matters.



The time for study is over, the time for consultations is over. It is time to lay the foundations of a sustainable financial system here in Canada.

– **Mark Carney**,
United Nations Special Envoy on
Climate Action and Finance

So, addressing climate change, this room knows, we know, people feel, is a moral imperative, it is the moral imperative of our age, but it is also the greatest economic opportunity of our time. And so, just as we meet this existential challenge, we should also seize this huge opportunity.

So, before I talk about sustainable finance, let me give a bit of an honest assessment of where we are. We are living through, and we all feel this in various ways, we are living through an age of insecurity, a hinge moment of history that is sprung by a series of crises, crises in finance. When I first started as governor of the Bank of Canada, we had the financial crisis, crisis in Europe, crisis in health, crisis in energy, crisis in geopolitics. And the stakes of these various crises are enormous. This is a chart of global GDP; you see the difference between the dotted line, which was the path we were on – it wasn't a fully sustainable path – but the path we were on, and the path that we get knocked to with each of those crises. The slope flattens. The difference between the two paths measured at least on a run rate of about \$40 trillion and a cumulative rate of over \$300 trillion of lost global GDP. If you wonder why governments, and households, and people are under pressure, that is a big part of the answer: those crises.

Building a sustainable economy will bring a multi-decade investment boom after a decades-long drought. In Canada, estimates suggest more than \$50 billion of additional investment, year in, year out, for decades, if we have a sustainable financial system. And addressing climate change will increase productivity in several ways, including across those value chains and through innovations to reduce energy intensity.

– **Mark Carney**,
United Nations Special Envoy on
Climate Action and Finance

In Canada, our per capita real GDP has still not yet returned to its pre-pandemic levels. But of course, people do not look at those figures and do that analysis, why should they? They know this is the case; the issues are more immediate, they are more visceral. Canadians are worried about their wages - they are working harder and longer, but inflation means they are losing, not gaining. People are worried about the cost of housing, whether it is because of skyrocketing rents or soaring mortgage prices. And if you are young, if you do not have a home, the promise of finding one seems to be slipping away day by day. And people are worried about their children and their futures.

We are all anxious, we are worried about; Canadians are worried about their wages because, after inflation, they are falling behind, not getting ahead. They are worried about their kids, and their futures, their homes. It is a fast-changing and dangerous world. We need to find a way to help people regain confidence in the future. We have to face facts and deal with reality. We need a plan to address our challenges. We need concrete results that will give people a reason to believe that progress is not only an ambitious goal but also an achievable and realistic one.

Indeed, building the future must be the mission that drives all our efforts. It is time to build. It is time to build sustainability, but with that, prosperity and opportunity for all. And our greatest opportunity, as I said a moment ago, is to build a sustainable economy. I just want to take a quick survey of what is happening around the world. It was alluded to in

the previous conversation of the two Catherines.

Around the world, entrepreneurs, innovators, and businesses are increasingly focused on the enormous value that can be created by solving this existential problem. Investment in clean energy is exploding, bringing the energy transition to an inflection point. If you are at the back of the room, the horizontal line is the average investment in conventional energy.



The other two bars stacked up are the investment in clean energy supply and demand, now running at 1.8 times the level, having grown at 50% over the course of the last year. In recent years, global investments in solar, electric vehicles, heat pumps, and battery storage have all gone parabolic. And investment in manufacturing capacity is surging as new sustainable supply chains, a sub-theme of this speech, new sustainable supply chains are being formed.

And, turning to finance, as decarbonization becomes a fundamental driver of company competitiveness, if you have the information, valuation premiums across sectors for out-performers are rising sharply. And those companies who move from laggards to leaders, and that is on the left side of this chart, in terms of

carbon performance, are generating excess returns for their stakeholders. At the same time, at the same time of all this value being created, stranded asset risks are rising.

A decade ago, I was amongst those who warned that more than 50% of the world's proven reserves of oil and gas, and over 90% of the proven reserves of coal, must remain in the ground if the world is to limit temperature increases to 1.5 degrees. Then, that was a straightforward statement of climate physics. Now, the world is headed in that direction. The IEA expects that demand for fossil fuels, including oil and gas, will peak over the course of this decade. If you look at the difference between the top line, the green line, and the grey line in that chart, that is the difference in their forecast over the course of the past five years for demand for natural gas. It is clear that carbon is becoming a driver of the country's competitiveness as well. It is a driver of job growth, and in the future, it will be the case that great powers will be green powers. I think this room would agree that Canada can and should be a great power. Building a sustainable economy will bring a multi-decade investment boom after a decades-long drought.

In Canada, estimates suggest more than \$50 billion of additional investment, year in, year out, for decades is needed, if we are to have a sustainable financial system. And addressing climate change will increase productivity in several ways, including across

those value chains and through innovations to reduce energy intensity.

In all respects, Canada can lead. We can be the linchpin in the new sustainable value chains that are being created in virtually every industry. We can cement as well our leadership in new industries, such as AI, where one of the prerequisites is access to large-scale computing resources and cloud that run on clean energy. I can tell you from personal experience dealing with the CEOs of these major companies that that is a prerequisite. You need clean power to power the information revolution. We can be the go-to and nature-positive supplier of critical metals and minerals that a sustainable world needs, and given our track record of innovation, we can become the clean energy superpower, providing solutions ranging from hydrogen to nuclear. But in order to lead, we need a sustainable financial system to move ahead.

And the industrial revolution was made possible by a revolution in finance. You suggested kindly that people had read my book. That will be old news to them if they have. I am happy afterward to give a short summary to anyone who is interested in what happened then. The point is, though, that because the sustainable revolution touches all aspects of our economy, we need changes at least as bold and as far-reaching in the financial system, and I am going to spend the balance of my time going through those.

The foundation is clear, comparable, and decision-useful climate disclosure. And to that end, eight years ago, when Catherine was starting her political career at COP21 in Paris, Mike Bloomberg and I launched the TCFD, then delivered the final standards for the Hamburg summit in 2017. Over the ensuing years, they were adopted by thousands of organizations, and we took the voluntary approach as far as it could go. So, two years ago this month in Glasgow, we launched the ISSB. And Charles-Antoine is here. He was central to it. We launched the ISSB to deliver a global baseline of standards built on the TCFD. Those standards, as this room will know, have been finalized. They were finalized in June. They are backed now by the global securities regulators, IOSCO, backed by the FSB, and numerous jurisdictions – by the way, that is the history of the TCFD – numerous jurisdictions are now implementing them, not discussing them, implementing them, such that they could cover over 100,000 companies by the end of next year worldwide.



So, addressing climate change, this room knows, we know, people feel, is a moral imperative, it is the moral imperative of our age, but it is also the greatest economic opportunity of our time. And so, just as we meet this existential challenge, we should also seize this huge opportunity.

– **Mark Carney**,
United Nations Special Envoy on
Climate Action and Finance

So, the world's moving from concept to reality on disclosure, and where do we stand? Well, we've been working on this issue for years. In 2019, the expert panel on sustainable finance released its first report, including a call for mandatory disclosure. There are over 150 Canadian supporters, including many of our largest companies, that report on

the TCFD. Large Canadian government organizations with more than a billion in assets are required to make these disclosures, and all crown corporations will have to report, according to TCFD, by 2024. And OSFI is implementing with respect to federal financial institutions.

But our securities regulators have been moving more cautiously. Two years ago, the CSA published a national instrument for comment on a comply or explain basis, and they also consulted on an alternative which would disclose only scope 1 emissions, a



In all respects, Canada can lead. We can be the linchpin in the new sustainable value chains that are being created in virtually every industry. ... But in order to lead, we need a sustainable financial system to move ahead.

– **Mark Carney**,
United Nations Special Envoy on
Climate Action and Finance

limitation that would, in my judgment, leave Canadian capital providers and by extension our economies, our workers, at a material disadvantage. One of the benefits of scope 3 emissions is that it aligns the interests of buyers and suppliers in reducing carbon footprints, which would help secure our point, our position in those global value chains that are being created. The CSA is reviewing the ISSB standards. Their eventual conclusions should be coordinated with the CSSB, possibly as late as 2026, for disclosure in 2027, despite SFAC recommending back in February mandatory disclosure in aligning with the SSB.

My point is it is getting beyond time for us to implement mandatory climate disclosure. The need's been long recognized, the world's moving forward, and we could end up in a situation where Canadian firms are subject to a patchwork of methods, including extraterritoriality from the EU and California, and many of them are companies simply not disclosing. This will slow investment, job creation, and hold back competitiveness.

Let me go quickly to the second building block, and Catherine McKenna mentioned this in her comments. The second building block is sustainable finance, which is you need a plan, you need a transition plan to go out and be part of the solution. The guidance for those plans has been provided by GFANS. We released it for COP 27 last year. We are consulting on updated guidance now, including a complement to those, which is expected emission reduction, which will help show the true impact of transition finance and will help get capital to the hard-to-admit sectors, which are numerous in our economy.

There is voluntary action and real momentum here. There are more than 200 global financial institutions that are publishing transition plans now. But just like with the TCFD, there are limits to voluntary action. There are always gaps, there are always laggards, and they also do not fully weigh public policy interests, particularly the just transition. So, we need a statutory and mandatory approach. Outside Canada, that momentum is happening. It is happening much quicker than it did in disclosure because we have much

less time. So the UK's Transition Plan Task Force published last month its final disclosure framework, which will be mandatory. The US Treasury has just announced their principles based on the GFANS framework, and a growing number of jurisdictions you'll see on the screen, including major standard-setters, are endorsing this, and I would draw attention to the Financial Stability Board work to coordinate consistency across jurisdictions.

And the question for Canada is what role are we going to play in this coordination when we do not have an agreed approach? SFAC has released their roadmap. It was September of 22, and I congratulate you, Kathy, and the whole membership for that. It outlined 10 recommendations for Canadian green and transition finance taxonomy. As yet, those recommendations have not been answered.

My point, the world's moving forward on transition. Canada has a good, I would suggest, a great roadmap. We need someone to drive the car. The financial plumbing I have just outlined is vital to build a sustainable economy, and they help take the economic agenda and make it everyone's. We can build not as a government. We need to build as a people, as Canadians, and that means strong, sustainable, and balanced growth is everywhere and everything at once. Now, I am going to finish. I am going to finish. Catherine got an extra minute. I am going to finish by just underscoring a couple of things. We recognize that the scale of what needs to be done is enormous. It touches all aspects of our economy. There are huge capital requirements. This cannot come from government.

We need governments to set credible and consistent policies. They need to be ambitious. They need to be applied fairly, and then with the foundation of sustainable finance, the point of all your work, the point of today's discussion, that capital can move to the Canadian businesses, the entrepreneurs, the unions, the workers, the people, to deliver the future that our children and grandchildren deserve and the economy and the economic growth that we need today.

Thank you very much.

**Mark Carney,
United Nations Special Envoy on
Climate Action and Finance**

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Summary and Recommendations: Afternoon Breakout Sessions

Innovations in Sustainable Procurement

Panelists

Hon. Anita Anand, President of the
Treasury Board

Hon. Jean-Yves Duclos, Minister of Public
Services and Procurement

David LePage, Buy Social Canada

Aatif Baskanderi, Northpine Foundation

Tim Coldwell, Chandos Construction

Elizabeth Chick-Blount, Buy Social Canada

Jeff Cyr, Raven Indigenous Capital
Partners

Sustainable procurement transforms traditional procurement strategies by integrating environmental, social, and ethical considerations into the procurement process. This approach goes beyond the initial purchase price to consider the total life-cycle cost of products and services, including their environmental and social impact. This shift is essential for implementing sustainable finance, as it ensures that procurement decisions align economic activities with societal and environmental goals.

In this breakout session, industry leaders and government officials debated shifting from cost-centric to value-oriented

procurement, and how environmental, social, and cultural considerations are accounted for. This significant policy change – recently made in particular by the federal government – requires more holistic evaluation criteria that encompass sustainability and social value in supplier selection and project execution.

Panelists highlighted the Canadian government's commitment to green procurement, marking a pivotal move towards embedding sustainable practices in government contracts and operations. This initiative sets industry standards and drives broader societal shifts towards sustainability. Representatives from the construction sector and other industries discussed the benefits of collaborative project delivery methods and the importance of transparent reporting to track the effectiveness of sustainable procurement policies.

A particular focus was on including Indigenous communities and social enterprises in the procurement process, advocating for economic development, job creation, and community well-being through community-driven outcomes. Venture philanthropy and strategic investments in social impact initiatives can leverage a combination of philanthropic capital, private investment, and public funding to drive and scale innovation.

The panelists called for a comprehensive approach to expanding sustainable and socially responsible procurement by implementing outcome-focused procurement policies and coordinating government and private sector roles.

The conversation concluded with a strong endorsement of immediate action to prioritize sustainable procurement practices that will advance systemic change.

- Other orders of government and the private sector should follow the federal government's lead and shift from prioritizing the lowest price to the best value in procurement decisions.
- Implement green procurement policies mandating environmental and social considerations.
- Require contractors and subcontractors disclose their greenhouse gas emissions and commit to environmentally friendly practices and collaborative project models, with clear consequences for non-compliance.
- Improve government accountability by establishing clear metrics for measuring the impact of sustainable procurement policies and regularly reporting these outcomes to the public.
- Remove barriers to the participation of social enterprises and Indigenous businesses in procurement processes.
- Foundations should take more of a venture philanthropy approach and endowments for social impact.
- Allocate a percentage of government purchasing specifically for outcome-based procurement.
- Support capacity building and collaboration between various stakeholders, including government, private sector, and non-profit organizations.



Investing in Sustainable Food Systems

Panelists

Naomi Gichungu, The Northpine Foundation

Josephine Grey, OASIS Foodhub

Dr. Bahram Rashti, UP Vertical Farms

Dr. Alison Blay-Palmer, UNESCO Chair for Food, Biodiversity and Sustainability Studies

Laura Howard, Collectif Récolte

Linda Best, FarmWorks Investment Co-operative

Sustainable food systems prioritize the ecological, economic, and social health of a community's food production, focusing on practices that are environmentally sound, economically viable, and socially

responsible. They ensure long-term food security, enhance nutritional health and mitigate the negative impacts of food production on the environment. For this sector, sustainable finance provides the necessary capital to transition towards practices that ensure resilience, sustainability, and equity within global food systems, addressing the immediate and future needs of populations worldwide.

In this breakout session, experts addressed the urgent need to transform Canada's food landscape. Central to this conversation was the acknowledgment that despite global food production being sufficient for 10 billion people, billions still lack access to nutritious diets due to affordability barriers and systemic inefficiencies. A critical shift is required from industrialized, corporate-dominated food systems towards localized,

ecologically sustainable models to combat climate change, biodiversity loss, and food insecurity.

Innovative agricultural practices, including indoor vertical farming, offer a blueprint for future food production, minimizing water and land use. New sustainable business models in agriculture can also foster community-centric local food systems, but existing support structures and initial funding mechanisms must evolve to sustain these initiatives beyond their inception.

Grassroots efforts in urban centers, like Toronto's St. James Town, focus on delivering healthy, culturally appropriate food to marginalized communities, addressing immediate nutritional needs, and advocating for human rights and the necessity of public investment in resilient food systems.

Community finance initiatives, such as Nova Scotia's community economic development investment fund FarmWorks, serve as a means to empower farmers and enhance access to healthy, locally-grown food. But policy reform and financial support is needed for sustainable agricultural practices and infrastructure investments that can facilitate community empowerment and the inclusion of local stakeholders in decision-making processes.

Ultimately, a transition to ecologically sustainable food systems will require investment in efficient farming technologies and the development of financial models that mitigate risks. Policies that encourage youth involvement in agriculture, support innovative practices focusing on sustainability, and foster the growth of infrastructure that bolsters regional food production and distribution are required.

- Invest in the development of efficient farming technologies and methods that reduce water and land use.
- Provide financial and advisory support to new, sustainable agricultural businesses, particularly those focusing on local food systems and collective models, using innovative financial instruments that share risks between investors and food ventures tailored to the industry's unique challenges.
- Allocate government funding to develop resilient food systems that provide healthy, culturally appropriate food, especially in marginalized communities.
- Replicate community investment fund models to stimulate growth and support local food-related businesses, increasing access to healthy, locally-grown food.
- Encourage the development of sustainable business models and effective impact mapping in food ventures, adapted to the specific challenges and risks in the food sector.
- Invest in cross-sectoral local food networks to improve co-ordination for regional food production, processing and distribution.



Policy Changes for Greening Finance

Panelists

Senator Rosa Galvez

Nathan Fabian, United Nations Principles for Responsible Investment

Dr. Janis Sarra, Canada Climate Law Initiative

Julie Segal, Environmental Defence

Cat Abreu, Net-Zero Advisory Board

Jonathan Fowlie, Vancity Credit Union

The transformation of financial systems to promote investments that support environmental sustainability, particularly in mitigating climate change and achieving net-zero carbon emissions, is already underway. But the policies, legislation and regulation that govern these systems need to evolve accordingly for the financial sector to be able to contribute positively to the fight against climate change, align investments with sustainability goals, and facilitate the transition to a low-carbon economy.

In this panel discussion, experts tackled the urgent necessity for Canada's financial framework to align with its environmental commitments, advocating for a comprehensive economic strategy that incorporates sustainability at its core. Despite strong public backing for enhanced climate finance policies, Canada is trailing behind international counterparts, primarily due to its 'low-regulation' approach to climate finance.

The absence of a cohesive climate finance policy, including a taxonomy, detailed transition plans, and stringent performance standards to effectively guide and encourage sustainable investments, does not provide the clarity and certainty that markets seek.

The EU's Corporate Sustainability Reporting Directive and California's climate disclosure laws serve as instructive models. Climate finance will be absolutely essential to achieve net-zero targets, as part of a shifting investment environment with increased accountability, transparency in reporting, and a greater recognition of the role municipalities play

in transitioning to a low-carbon economy.

Legislative action will be necessary to ensure climate accountability. If passed into law, Bill S-243, the Climate-Aligned Finance Act, would mitigate conflicts of interest within the financial sector. A range of legal and legislative measures can provide improved resiliency through political fluctuations to sustain continuity in climate action.

The immediate implementation of comprehensive, science-based, green finance policies and regulations will enable an effective transition to a sustainable and low-carbon economy.



- Implement a taxonomy to guide sustainable finance investments in Canada.
- Amend legislation to incorporate climate transition plans and accountability measures to define clear pathways toward reducing emissions and aligning with climate goals.
- Adopt and enforce comprehensive climate disclosure regulations to ensure transparency and accountability.
- Include climate expertise on decision-making bodies in the financial sector to improve understanding of climate impacts.
- Design climate policies that intentionally include positive social co-benefits, such as improved health outcomes and job creation in sustainable industries.



Summary and Recommendations

Afternoon Plenary: Sustainable Finance

Panelists

Kathy Bardswick, Sustainable Finance Action Council

Matthew Seddon, Sun Life

Rob Wesseling, Co-operators

Jonathan Fowlie, Vancity Credit Union

Carmen Velasquez, Alberta Investment Management Corporation

Barbara Zvan, University Pension Plan

Gildas Poissonnier, Desjardins

Summary

Integrating environmental, social, and governance criteria into financial services and investment decisions is the core of sustainable finance. This session highlighted the transformative role finance plays in the transition to a net-zero, resilient, sustainable, and just economy.

Since May 2021, Sustainable Finance Action Council has brought together 25 financial institutions to identify practical steps that will advance sustainable finance practices, in areas such as data handling, disclosure practices, capital allocation, and a Canadian-specific taxonomy. A taxonomy that meets global standards while reflecting Canada's unique context can position the finance

industry and businesses for growth. Clear, consistent disclosure standards are also essential to attract investment and enhance Canada's position in the global sustainable finance arena.

It's time to move beyond voluntary measures for disclosure, emissions caps and interim targets. Mandatory requirements will level the playing field, providing the transparency and accountability needed to drive Canada's sustainable finance goals forward. These new requirements will create distinct compliance challenges for small and medium-sized enterprises, and policies and tools that support these entities in their transition will be needed.

Given the increasing frequency and severity of natural disasters, resilience investments and adaptation financing will also be of growing importance.

The panel concluded with a united call for action, emphasizing the urgent need for political will to effectively move forward with the clear direction provided by SFAC. Prompt implementation will reinforce economic competitiveness, improve social equity and environmental resilience, and strengthen science-based decision-making.

- Implement a Canadian taxonomy as recommended by the Sustainable Finance Action Council that is aligned with global standards and grounded in science-based requirements, while addressing the country's unique transition challenges and opportunities.
- Build support for taxonomy implementation with effective communications with all stakeholders, including the financial sector, the public, NGOs and unions.
- Introduce mandatory disclosure and transition plan requirements for financial entities to ensure transparency and alignment with taxonomies, recognizing that disclosure is vital for economic competitiveness.
- Support small and medium-sized businesses (SMEs) in their transition, recognizing that they may lack the resources and awareness to comply with disclosure and taxonomy requirements.
- Increase investment in resilience and adaptation projects.
- Propose mechanisms for cities to issue bonds, with federal government support, to de-risk and attract capital for resilient infrastructure.
- Improve the reliability of TCFD data, including information on physical hazards, asset-specific data, and adaptive capacity of our assets.
- Implement parallel mitigation, transition, adaptation, and loss and damage finance measurements.
- Create attractive long-term horizon opportunities and policy certainty to motivate Canadian pension plans to shift capital back into Canada.

DAY 2

Opening Remarks

Hon. Prime Minister Justin Trudeau

Panelists

Hon. Jenna Sudds, Minister of Families, Children and Social Development

Hon. Rechie Valdez, Minister of Small Business

Michael Toye, Canadian Community Economic Development Network and Social Innovation Advisory Council

Antonella Noya, Organisation for Economic Co-operation and Development

Derek Ballantyne, Boann Social Impact

Christelle François, Table of Impact Investment Practitioners

Bernard Ndour, Fonds de finance sociale CAP Finance

Kelly Gauthier and Upkar Arora, Realize Capital Partners

Morning Breakout Sessions

Indigenous Social Economy and Reconciliation

Shady Hafez, National Association of Friendship Centres

Dianne Roussin, Winnipeg Boldness Project

Carolann Harding, SmartICE

Alicia Buckley, Aboriginal Friendship Centres of Saskatchewan

Marginalized Communities and Sustainable Finance

Nikki Clarke, Canadian Black Chamber of Commerce

Gurbeen Bhasin, Aangen

Grace Almendras-Castillo, Gifftid

Armstrong Murira, Simmunome

Affordable Housing: Breaking New Ground

Hon. Sean Fraser, Minister of Housing, Infrastructure and Communities

Andrea Nemtin, Social Innovation Canada

Isaac Olowolafe Jr., Dream Legacy Foundation

Tim Ross, Co-operative Housing Federation of Canada

Cheryll Case, CP Planning

amanuel melles, Network for the Advancement of Black Communities

Stéphan Corriveau, Community Housing Transformation Centre

Dr. Mike Moffatt, National Housing Accord

Lunch and Keynotes: The Landscape of Social Finance

Jean-Marc Mangin, Philanthropic Foundations Canada

Andrea Dicks, Community Foundations of Canada

Marc-André Blanchard, Caisse de dépôt et placement du Québec

Roger Beauchemin, Addenda Capital & Responsibility Investment Association

Sir Ronald Cohen, Global Steering Group for Impact Investment

Afternoon Breakout Sessions

Policy Changes for a More Inclusive, Sustainable Financial System

Narinder Dhami, New Power Labs

Usha Srinivasan, Brampton Venture Zone

Isaac Olowolafe, Dream Legacy Foundation

Wils Theagene, Caisse de dépôt et placement du Québec

Impact Measurement and the Sustainable Development Goals

Kate Ruff, Common Approach to Impact Measurement

Alan Ehrlich, International Association of Impact Assessment

Namendra Anand, Zero Emissions Innovation Centre

Julie Greene, Privy Council Office

Innovations in Social Finance Showcase

Tristan Smyth, Warshield

Kristi Fairholm Mader, Thrive Impact Fund

Brad Andrews, UCeed

Tim Stoate, Efficiency Capital

Graham Singh, Trinity Centres Foundation

Claudia Hepburn, Windmill Microlending

Eoin Callen and **Katy McIntyre**, Bloom Impact Capital

Afternoon Plenary: Accelerating Implementation

Panelists

Ryan Turnbull, Parliamentary Secretary to the Minister of Innovation, Science and Industry and Member of Parliament for Whitby

Taylor Bachrach, NDP Member of Parliament for Skeena-Bulkley Valley

Michael Morrice, Green Party Member of Parliament for Kitchener Centre

Monique Pauzé, Bloc Québécois Member of Parliament for Repentigny

Chief Dylan Whiteduck, Kitigan Zibi Anishinabeg

Jonathan Fowlie, Vancity Credit Union

Graham Singh, Trinity Centres Foundation

Caroline Brouillette, Climate Action Network

Michael Toye, Social Innovation Advisory Council and Canadian Community Economic Development Network





Opening Plenary: Social Finance

Remarks by Hon. Jenna Sudds, Minister of Families, Children, and Social Development

Hello everyone. And thank you so much, Mike, for that kind introduction. It's a pleasure to be with you here this morning. Hard act to follow the Prime Minister, but here I am.

So first I would, of course, like to take a moment to acknowledge that we are gathered on the unceded Anishinaabe Algonquin territory. It's really a pleasure to start my day here with you all, and I do want to recognize my colleague, Minister Valdez, Minister of Small Business, for her incredible work in supporting small business, medium-sized businesses being led by underserved communities. Our respective portfolios, I would say, are quite complementary in our role in addressing the systematic barriers to securing capital that many equity-deserving groups face. I also want to acknowledge, of course, MP Ryan Turnbull, who has, as you all know, been such a force in this space and in bringing today to light. So thank you so much, MP Ryan, for your incredible work.

I want to extend as well my gratitude to Antonella from the OECD for their important contribution to growing the social economy globally.

Our government is mobilizing capital to foster a more inclusive and equitable society through the Social Innovation and Social Finance Strategy because Canadians want investments in organizations that do good. Investments that enable social purpose organizations to grow and enhance their impacts.

Organizations like Nourish Kitchens by 10C Shared Space, a kitchen that helps to support women from diverse and social, diverse social, economic backgrounds in Guelph and in Wellington County, to develop local food ventures designed to create more economic opportunities. The funds they received through the Investment Readiness Program have provided customized one-on-one project support and micro-investments to support these women to succeed in their social enterprises. We are supporting social purpose organizations, including non-profits, charities, social enterprises, and cooperatives that undertake invaluable work to tackle our biggest social, economic, and environmental challenges.



We are working together to remove barriers, to improve access, and to build the inclusive economy that we believe Canadians want. And we have made some incredible progress in the past year. We appointed, as Mike mentioned, the Social Innovation Advisory Council

members, and I do want to as well acknowledge Mike who is the chair of our Social Innovation Advisory Council. I met recently with the Council to discuss their focus for the work that they are undertaking in the coming months, and it was really inspiring to hear about all of the work that they have planned for the months ahead. No pressure. And their strategic advice and support as we do this work together is incredibly valuable.

We also officially launched the Social Finance Fund, and we have committed all funds under the investment readiness program to unlock new potential across this country. And with that Investment Readiness Program funding, we have invested actually, not to correct the Prime Minister, but we have invested in 1,100 organizations to date tackling issues such as



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– **Hon. Jenna Suds,**
Minister of Families, Children and
Social Development

housing, food insecurity, poverty and the climate crisis. Derek, Christelle, Bernard, Kelly, and Upkar are also with us today on behalf of the three fund managers from the Social Finance Fund or the wholesalers.

The Social Finance Fund is truly historic. It provides social finance, innovators access to flexible, long-term capital that they may not traditionally have had access to. When charities, non-profits, and social enterprises have access to capital and investments, they can bring forward inclusive solutions that can make a real impact in their communities.

So, I am thrilled to share that the fund managers are in the process of selecting investments, meaning that they will have good news, I know, in the near future to share

with all of us. And I am proud that we have designed the key elements of the fund through a social equity lens. A minimum of 35 percent of the investments are earmarked for initiatives promoting greater social equity. That includes a minimum of 15 percent for gender equality, and work is underway alongside the wholesalers and key stakeholders to set meaningful thresholds for social and for gender investments. It is important to our government that we are ensuring our investments are generating deep social impact for all Canadians, that all Canadians can see and can feel.



The Social Finance Fund is truly historic. It provides social finance, innovators access to flexible, long-term capital that they may not traditionally have had access to. When charities, non-profits, and social enterprises have access to capital and investments, they can bring forward inclusive solutions that can make a real impact in their communities.

– **Hon. Jenna Suds,**
Minister of Families, Children and
Social Development

Last week, I had the opportunity to visit Matthews House, to visit the Furniture Bank here in Ottawa. They serve over 18,000 community members, including newcomers to Canada, survivors of gender-based violence, unhoused youth, and many others. And last month, Matthews House Ottawa Refugee Services welcomed 500 residents to their program. And they've changed the lives of thousands of people. And with their Investment Readiness Program funding, they will have the capacity to help thousands more. That is just one example of so many.

TechSpark in Toronto is another incredible example. TechSpark is a tech and design school committed to empowering children of colour, girls, women, and teachers through innovative education, and is working to bridge the gap for underrepresented Canadians to provide them with opportunities to make meaningful contributions in Canada's tech ecosystem. These, there are hundreds of stories like this, actually 1,100 stories like this. Organizations that are building their capacity to support their community and hundreds of community members who are receiving additional support during some of the most challenging moments in their lives.

Lastly, we recognize that economic reconciliation is an important step towards Indigenous reconciliation. We are committed to ensuring that our work supports and complements the thriving Indigenous social fund, social finance ecosystem, including through the NACCA's Indigenous Growth Fund. There's more work ahead, for sure.

But we are well positioned to build a more inclusive economy and Canada, a Canada, excuse me, that leaves no one behind. We are committed to the work ahead, as I know all of you are. And I am confident that there will be many more opportunities to come to celebrate our collective successes in this work. I look forward to our great collaborative work moving forward towards growing a flourishing Canadian finance market. Thank you very much.

I am thrilled to have some time with you here this morning. And I hope you enjoy the rest of the Forum. Thank you very much.

**Hon. Jenna Sudds,
Minister of Families, Children and
Social Development**



Remarks by Hon. Rechie Valdez, Minister of Small Business

Good morning, everyone. I'm so happy to be here with all of you on day two of the Sustainable Finance Forum.

And it's so great to join the Prime Minister and my Cabinet colleague, Jenna Suds, and all the amazing small business owners and business stakeholders right here in Ottawa. And I want to give a special shout-out to Ryan Turnbull for hosting this terrific event, and for his leadership in boosting sustainable finance right here at home.

There's a quote that I've always believed in, which is, you can't change the whole world, not

the whole world, just the part you touch. So, Ryan, I want to thank you for your vision. Each one of you has taken the time out of your busy lives to come together because you understand that vision. My son, 14-year-old Kyle and I are very passionate about this, as you can probably see right now. And so, thank you, Ryan, for that vision, and most importantly, for bringing us all together and sharing it with all of us.

As the Minister of Small Business, I know how important sustainability is for the viability of small businesses across our country, especially since our small businesses aren't small. They make up 98% of all businesses in Canada, and they employ 10 million hard-working Canadians. So when there are economic challenges, they feel it. Just ask small business owners across Atlantic Canada how they felt when Hurricane Fiona struck in 2022. Or those out

in BC, where this past summer was the most destructive and expensive wildfire season on record. I'm sure all of you remember the vivid images we saw all over social media. I was just in Vancouver during Small Business Week, and I heard firsthand how these wildfires have had lasting impacts on businesses during what is usually a very busy summer travel season for them. And that is why fighting climate change is so important, and we cannot do it alone. It is going to take all of us in this room, collectively, to be able to do that.

Small businesses themselves are also at the forefront of building a more sustainable economy, and we are here to support them. Our government invested \$600 million through the Business Development Bank to grow Canada's clean technology industries, and create jobs. We also invested \$50 million in the Venture Capital Catalyst Initiative to leverage private funding and scale up high-potential clean technology startups across the country. These actions will ensure that our small businesses could be able to face the challenges brought by climate change.



We must also ensure that all small businesses and all Canadians are given a fair shot. When we build an economy that works for everyone, everyone, we are contributing to a more sustainable future. That's why inclusivity is at the core of our government's strategy to support small businesses. Both Minister Sudds and I are leading major efforts to ensure that as Canadian entrepreneurs enter this space, they are a reflection of who we are as a society.



When we build an economy that works for everyone, everyone, we are contributing to a more sustainable future. That's why inclusivity is at the core of our government's strategy to support small businesses.

— **Hon. Rechie Valdez,**
Minister of Small Business

For example, despite representing half of the population, women own only 17% of small and medium-sized businesses in Canada. In 2018, we decided to change that. We launched the Women Entrepreneurship Strategy, or WES, a \$7 billion investment and the first program of its kind in Canada's history. We know through studies that advancing gender equality and supporting women could add \$150 billion to the GDP. So, as the Prime Minister said, supporting women isn't just the right thing to do; it is the smart thing to do. And WES has been such a huge contributor to that success. To date, our investment has helped 22,000 women entrepreneurs from coast to coast to coast. And as I've travelled during Small Business Month in October, I've met countless women who have just shown extreme gratitude for our focus and our dedication to invest in them. We've also created the Black Entrepreneurship Program and the world's first ever 2SLGBTQI+ program. By supporting everyone, we will contribute to the growth of a more sustainable and inclusive economy.

This is encouraging, but we know that we only have just gotten started. These programs will continue for years into the future and will continue to have transformative effects on how Canadians from underrepresented groups think about entrepreneurship and whether they want to start their own business. And hopefully when they're making that fateful decision, the other many initiatives being led across our government will encourage them to undertake that new business sustainably.

I've always been proud of my Filipino heritage and my experience starting and running my own business. With my last business, my goal was to create a cafe where all my ingredients were supplied from local suppliers, and were green and sustainable. And you know, being an entrepreneur has given me such a unique perspective and I remember the challenges I faced vividly. Sustainability is so important for small businesses and even more so for those that are run by underrepresented communities. So it is imperative that we absolutely lead the way.

So thank you very much and I do hope everyone has a productive day at this Forum. And the last thing I'll say is: this is day two. It's the last day in this Forum. You've heard from a lot of people. You've been networking today. Each one of you are going to take incredible ideas from this Forum. Let those ideas be a spark in each of you across all of your industries so that you can take that back wherever you are and continue to advocate and fight for our future generations to come. So thank you so much for being here and thank you so much for your time. Merci beaucoup.

Hon. Rechie Valdez,
Minister of Small Business





Summary and Recommendations

Speakers

Hon. Jenna Sudds, Minister of Families, Children and Social Development

Hon. Rechie Valdez, Minister of Small Business

Antonella Noya, Organization for Economic Co-operation and Development

Derek Ballantyne, Boann

Christelle François, Table of Impact Investment Practitioners

Bernard Ndour, Fonds de finance sociale CAP Finance

Kelly Gauthier and Upkar Arora, Realize Capital Partners

Summary

Social finance opens up new opportunities for impact among social purpose organizations that tackle pressing issues such as poverty, housing, food security, health and environmental sustainability. By providing capital in ways that overcome traditional barriers accessing credit or investment, it enables growth and can scale up the innovative practices emerging in communities throughout the country. Social finance takes various forms, from grassroots initiatives like rotating savings and credit associations to formal institutions such as community loan funds, community investment funds and credit unions.

Accessible capital is a key part of a policy ecosystem that is growing in many countries to support the social economy.

Success stories from countries like Spain, Japan, and Brazil illustrate how various national strategies are successfully leveraging the social economy as part of broader economic development strategies.

In Canada, initiatives like the Social Finance Fund and the Investment Readiness Program are initial elements of the federal Social Innovation and Social Finance Strategy. Many social purpose organizations are already benefiting from these programs, like the Raw Carrot, hiring people living with disabilities and mental illness to make gourmet soups.

The announcement earlier in 2023 of Social Finance Fund wholesalers sets

the stage for capital flow into social finance intermediaries, who will be making investments in social purpose organizations led by and benefiting a wide range of equity-deserving groups.

For social finance to be successful, however, a co-ordinated and integrated approach is necessary. Without adequate regulatory change, market access, capacity building, awareness and evidence, the demand for capital will be limited. As the Social Finance Fund begins operations, the need for cross-cutting action drawing on the OECD and UN frameworks becomes increasingly urgent.

- Complement the accessible capital provided by the Social Finance Fund, implement coordinated measures to improve legal, regulatory, market access, skills, data and impact measurement conditions for social purpose organizations.
- Prioritize equity and inclusion by ensuring that social finance initiatives significantly contribute to gender equality and support vulnerable and historically marginalized communities.
- Foster dialogue, collaboration, and co-ordination between government, intermediaries, and social-purpose organizations in the social finance ecosystem to successfully deploy social finance capital.
- Draw on international examples, such as the OECD Council recommendation and the United Nations General Assembly resolution, as well as national strategies like Japan, Spain, Portugal, and Brazil, to inform and improve Canada's social finance and social economy ecosystem.
- Support the development of new financial instruments and intermediaries tailored to diverse and specific community needs in the social finance sector.



Morning Breakout Sessions

Indigenous Social Economy and Reconciliation

Panelists

Shady Hafez, National Association of Friendship Centres

Dianne Roussin, Winnipeg Boldness Project

Carolann Harding, SmartICE

Alicia Buckley, Aboriginal Friendship Centres of Saskatchewan

Summary

The Indigenous social economy encompasses a range of Indigenous-led initiatives, enterprises, and programs designed to build economic self-sufficiency while preserving cultural values and practices. It sits at the intersection

of Indigenous economic development and the broader goals of reconciliation.

Economic reconciliation was a central theme of this session, with an emphasis on moving beyond mere acknowledgment to actionable restitution and support for Indigenous economic development. While economic reconciliation as a term was not unanimously accepted, there was agreement on the importance of addressing systemic barriers and ensuring equitable access to resources for Indigenous peoples. This requires genuine, long-term engagement with Indigenous communities, avoiding tokenistic approaches, and respecting data sovereignty.

Initiatives such as the “Honoring Her Spark” framework, designed to center economic security and prosperity

concepts for Indigenous women and gender-diverse individuals, and the Winnipeg Boldness Project, which focuses on Indigenous-led solutions for systemic challenges, emphasize the importance of culturally-grounded services and the integration of traditional knowledge with modern technologies to address community-specific challenges. The application of Indigenous knowledge and cultural translation has been central to the success of Smart Ice, a nonprofit social enterprise using remote sensing

technology to help Arctic communities adapt to climate change.

By drawing on traditional knowledge, the Indigenous social economy offers community-centric approaches and organizational practices that address systemic barriers for authentic economic reconciliation. Policies and practices that recognize and honour that expertise, fostering Indigenous-led solutions, will benefit Indigenous peoples and Canadians more broadly.



- Move beyond tokenistic approaches to genuinely engage with Indigenous communities by building long-term, respectful relationships based on mutual understanding and shared objectives.
- Increase funding for current urban Indigenous organizations and develop tailored programs that address the unique needs of urban Indigenous communities.
- Simplify application and reporting procedures for Indigenous-led initiatives and consider alternative reporting methods, such as video or oral reporting, to accommodate diverse cultural practices.
- Integrate traditional Indigenous knowledge, elder wisdom and community decision-making processes with contemporary technology, such as for climate change adaptation initiatives.
- Uphold the right of Indigenous communities to control their own data collection, ownership, and usage.



Marginalized Communities and Sustainable Finance

Panelists

Nikki Clarke, Canadian Black Chamber of Commerce

Gurbeen Bhasin, Aangen

Grace Almendras-Castillo, Gifftid

Armstrong Murira, Simmunome

Summary

Sustainable finance and social finance play a pivotal role in addressing the unique challenges faced by marginalized communities, bridging the gap between economic development and social equity. Marginalized communities often face significant barriers accessing capital and resources, hindering their potential for innovation and growth. Sustainable and social finance can offer new opportunities for adapted, more equitable access to capital and foster inclusive economic growth.

Access to capital is a consistent hurdle for marginalized groups striving for entrepreneurial success. But improving access to capital must be part of a systemic shift in the provision of finance and funding, including procurement

reforms, mentorship, training, and resources tailored to entrepreneurs navigating barriers related to their minority status, gender, or other discriminating factors, and direct investments in frontline, community-focused solutions.

This systemic shift represents steps towards an inclusive economic model that fosters personal empowerment, champions sustainable business practices, and cultivates community-based support ecosystems. Technology can play a key role in implementing and measuring such initiatives, ensuring that progress toward sustainability and

inclusivity can be accurately tracked and amplified.

As part of that inclusive economic model, universal basic income can help stabilize the financial footing of those in marginalized positions, along with changes to income assistance rules so that individuals seeking employment do not lose their benefits.

For the promise of inclusive economic growth to truly be realized, sustainable and social finance must be accessible to marginalized communities.

- Ease access to funding and financing for social purpose startups, especially from marginalized communities.
- Provide mentorship, training, and resources to entrepreneurs facing barriers such as disability, minority status, or gender bias.
- Reform procurement policies to improve accessibility by social purpose organizations led by and serving marginalized communities.
- Improve transparency of government investments in social ventures with better reporting, measurement, and accountability, including leveraging digital technology for planning, implementing, and measuring the sustainability and impact of initiatives.





Affordable Housing: Breaking New Ground

Panelists

Hon. Sean Fraser, Minister of Housing, Infrastructure and Communities

Andrea Nemtin, Social Innovation Canada

Isaac Olowolafe Jr., Dream Legacy Foundation

Tim Ross, Co-operative Housing Federation of Canada

Cheryll Case, CP Planning

amanuel melles, Network for the Advancement of Black Communities

Stéphan Corriveau, Community Housing Transformation Centre

Dr. Mike Moffatt, National Housing Accord

Summary

Canada's housing crisis is the result of multifaceted challenges that require innovative responses, including new financial instruments that incorporate ecological, economic and social imperatives. The urgent call for 6 million new homes within the next seven years highlights a significant gap in housing availability that affects affordability, community cohesion, and environmental sustainability.

New construction methods, including advanced building technologies such as modular panelization and 3D printing, and sustainable materials, are revolutionizing housing construction. These approaches not only improve the speed and cost-efficiency of housing development but also contribute to the environmental sustainability of new homes.

Co-operative housing is a proven solution to expand affordable housing through sustainable social finance, with tripartite investments from government, private, and co-operative sectors. A shift from the current housing market's speculative nature towards more stable, non-speculative practices would help de-commodify a larger portion of the housing market. This shift would require political leadership and systemic reforms, including new regulations.

But creating affordable housing is not just about providing shelter. It is also the foundation for inclusive, healthy, and sustainable communities. Simply creating more housing units won't solve systemic underlying issues. A human rights-based approach to housing ensures that housing solutions are equitable, building the inclusive communities where people can thrive and want to live.

First Nations communities face unique challenges and need substantial investment in First Nation-led housing solutions that respect their specific circumstances and rights. Black communities have faced generations of systemic exclusion but are now organizing to invest in a Black Canadian technical housing centre that will enable meaningful engagement by Black communities in a spectrum of relevant solutions. Regardless of the community, representation by those most affected in the choice and implementation of solutions is key to their relevance and success.



- Promote innovative construction methods to increase building speed, reduce costs, and improve sustainability
- Develop and fund housing solutions specifically designed and led by First Nations, respecting their unique requirements.
- Ensure active participation of communities, particularly black and racialized groups, in creating and implementing housing solutions.
- Use social finance, philanthropic, public and private capital in new stack models or revolving funds in order to assemble the investments needed for new housing developments involving various stakeholders.
- Redirect the housing market from speculative to non-speculative practices to ensure long-term stability and strengthen government backing for non-market housing to provide diverse, affordable living options
- Integrate housing with overall community development, aligning with other essential services like transit, healthcare, and education.

Lunch and Keynote

The Landscape of Social Finance

Panelists

Jean-Marc Mangin, Philanthropic Foundations Canada

Andrea Dicks, Community Foundations of Canada

Marc-André Blanchard, Caisse de dépôt et placement du Québec

Roger Beauchemin, Addenda Capital & Responsible Investment Association



Partnership with government remains a critical success factor to help build a more normalized and thriving sustainable finance market in Canada. Government needs to keep showing up to help de-risk investments, to support innovative ideas and models, and to achieve scale. This is especially true for addressing our affordable housing crisis and the transition to a low-carbon economy. Despite very real fiscal constraints, government partnerships and imaginative deployment of investment capacities remain the key catalysts for scaling up and attracting investors.

— **Jean-Marc Mangin**,
Philanthropic Foundations Canada





Through the efforts of community foundations who have leaned deep and early into social finance, what we have learned is that philanthropic capital can be more nimble, it can be deployed faster, and it can take on more risk... Investment Readiness Program projects are doing so much good. They're reducing rural poverty by creating profitable local food production models that are healthy and produce little to no waste. They are creating community-supported, environmentally sustainable, and permanent affordable housing. They are providing tools for marginalized communities to overcome anxiety rooted in culturally responsive care. And they are improving food security through hyper-local vertical farms, among many other incredible things. So imagine what's possible when organizations working on these challenges have investments to scale and to innovate.

— **Andrea Dicks,**
Community Foundations of Canada



Investors need clarity. We need clear signals. We need certainty. And the opportunity is there. There's no doubt. ... There is such massive amounts of capital that is ready to unlock. But we have to give clear signals. And if we do that, we can really unlock that capital, and mainstream capital, and we can really effect serious change.

— **Roger Beauchemin,**
Addenda Capital and
Responsible Investment Association





Remarks by Marc-André Blanchard, Caisse de dépôt et placement du Québec

We, at the Caisse de dépôt et de placement du Québec are working to have a clean portfolio by 2050. We were one of the first institutional investors in the world to make this commitment. We are recognized around the world as being the, or one of the top leaders in terms of sustainable investments.

Last year, we were first in the world according to the World Benchmarking Alliance in terms of sustainable investment. We were recognized as the investment fund of the year, in particular because of our leadership in this function. Where does that come from? Why are we so ambitious? Why do we believe that an institution, investors like us, has a big role to play in the transition, has a big role to play in making sure that we get to a more sustainable world? Well, it comes from, a lot from, actually, the mandate that we have.

We have a dual mandate. We have a mandate to our depositors—46 depositors affiliated with the government of Quebec: insurance plans, pension plans, and so on, so about 6 million Quebecers who are expecting us to provide a pension when they retire. But we also have another mandate.

The second mandate is to contribute to Quebec's economic development. And that is probably where it comes from. In the morning, when we wake up, we think about our depositors and also about Quebec and how can we do more in the province. We believe that having strong communities will make us all stronger in Canada and in Quebec, where we are mostly active.

We invest in 60 countries around the world. We have close to \$100 billion in assets —almost a quarter of our assets—invested here in Canada. We have \$48 billion in assets that are green. We have a quarter of our assets that are aligned with the SBTi certification. That means that they respect the transition certification. So, we are working a lot to make sure that the capital we deploy is constructive. That is our tagline. We are working hard to make sure that capital gets more aligned with sustainable development.

Well, what Andrea and Jean-Marc said was interesting. When Andrea asked “are we set in our old ways of looking at the world?” What needs to be done has never been done before. We need to move capital like we have never done before. Take any number. On average, it is six times more than what we are doing now. In some areas of sustainability of the SDGs, it is more. If you take the climate, we have to move even more, both domestically and internationally.

When I was appointed by Prime Minister Trudeau to be your ambassador to the UN, I had my first meeting with the then Secretary General, Ban Ki-moon. I sat down. I was a very surprising choice to be at the UN because I came from the private sector. So he said, Ambassador Blanchard, you come from the private sector. We are very happy to see you because we have a big task ahead of us. We have just agreed on the Paris Accord. We have just agreed on the SDGs. And we will probably need to move more than \$7 trillion in investments around the world yearly to achieve our goals. We are so far from the goal. He says, in this building, they only talk about \$150 billion of that amount. Everybody quarrels around overseas development assistance. Clearly, this is not the answer. We need \$7 trillion, and the countries of the world are talking about \$150 billion. We need to fill the gap.

When I came back to the mission, I thought I had a great assignment. He told me you need to change the conversation at the UN on that. It could be a good role for Canada. I was so happy. You meet the Secretary-General for the first time, and he gives you a mandate. How better can it be? I arrived at my mission. They all looked at me with depressed faces. They said, “Marc-André, are you crazy?” This will make us so unpopular because you are going to talk about the private sector at the UN. It has never been done before.

Well, fast-forward four and a half years later when I left. I was the co-chair, at Antonio Guterres’ request, of the summit held in the middle of the opening of the General Assembly, a summit for a discussion between the private sector and the UN. Everybody was fighting to get in. Fast forward a few years later, I was at the UN at the same summit. That was four years later this year.



What needs to be done has never been done before. We need to move capital like we have never done before.... So, let us all think about how we can get there together faster. Let us all think about how we can scale up blended finance this way.

– **Marc-André Blanchard**,
Caisse de dépôt et placement
du Québec

The last time I was co-chairing it. Now, I was called on as an expert and someone who had money in his pocket. You know, it had changed completely. People were talking about blended finance as if it was the most mainstream thing—the BlackRock people, like the UN agencies people, like anybody in between. We are not there yet. The money is not moving anywhere near as fast as it needs to move. But we all need to do it together. And it is by trying new ways and not being set in our old ways, as Andrea said.

I will give you two examples where my institution has been very active. The REM. Who knows about the REM? Anybody know about the REM? You should go and visit Montreal and take a ride between Montreal downtown and the South Shore. It is a wonderful, it is a fantastic thing. But who would have thought that, you know, ten years ago that an institution like CDPQ would have designed, developed, built, operated a light rail train. 67 kilometers of light rail train around Montreal. The longest light rail train in the world in operation. We did that because there was trust. There was trust between the CDPQ, the government of Quebec, the city of Montreal, the government of Canada, Hydro-Quebec,



the municipalities that it goes through, and all other communities. And we did that. We did that in six years, I think. And it is contributing to reducing the carbon footprint of Montreal. It is an inclusive way of transportation. It is something that helps the density of housing along the way. It is a very positive infrastructure. And that is not the usual role of an institutional investor to do that. But we did that, and it took some trust between the parties. It took thinking about it differently. And this is what we need to do together. Think about things differently. The other project we are talking about at the moment is transforming the Royal Victoria Hospital in Montreal and making it a first-class student housing facility. We are looking at the feasibility of that. But

that will need also, again, we'll need to think about creative thinking.

And the private sector is not used to work with the government. The private sector is not used to work with philanthropy. The private sector is not used to work with non-profits. And vice versa. The government doesn't know most time how to deal with us. The NGOs, not really. And we all need to work together. For me, the issue is trust. And at a time where we have populism, trust is difficult to get. And we all need to work to change course on that. When I became CEO of one of Canada's national law firms, there was a client who told me, you know Marc-André, remember to always put yourself in the shoes of the person in front of you when you're going to be managing your partners and all of that. That was the best piece of advice.

There are many sources of capital. We all have different expectations and requirements. We have a fiduciary duty. At CDPQ, 6 million people are expecting us to provide a pension. We have to look at our returns. On the other hand, that has not prevented us from making choices that are for a better alignment of capital with constructive capital and sustainable development.

So, let us all think about how we can get there together faster. Let us all think about how we can scale up blended finance this way. But let us make sure we all think differently about risk. There is a risk in not doing anything. There's a risk with the status quo. And that is all of us. Not only the private sector, but governments, NGOs, communities, everyone. We all need to assess the risk differently than what we have done. I really, really thank you for listening to me.

It has been a privilege to be here. Thank you.



But let us make sure we all think differently about risk. There's a risk in not doing anything. There's a risk with the status quo. And that is all of us.

– **Marc-André Blanchard**,
Caisse de dépôt et placement du Québec



Marc-André Blanchard,
Caisse de dépôt et placement
du Québec



Afternoon Breakout Sessions

Policy Changes for a More Inclusive, Sustainable Financial System

Panelists

Narinder Dhami, New Power Labs

Usha Srinivasan, Brampton Venture Zone

Isaac Olowolafe, Dream Legacy Foundation

Wils Theagene, Caisse de dépôt et placement du Québec

Summary

Canada's financial system is rooted in historic inequalities and systemic exclusion. Sustainable and social finance can shift policy and practice towards greater inclusivity so that underrepresented communities have more

equitable access to financial opportunity.

Investing in community-driven initiatives and fostering adapted entrepreneurial ecosystems are key strategies for inclusive economic growth. This requires an environment where community-centric investing and entrepreneurial growth are not just encouraged but systematically supported across all stages of business development. For entrepreneurs from historically overlooked and underfunded communities, institutional support for startups must include sustained assistance throughout these stages and funding models that go beyond conventional approaches.

Successful models like the Black Innovation Fellowship demonstrate the potential of partnerships between

academic institutions, governments, and the private sector in cultivating inclusive economic opportunities. Partnerships can effectively bridge the gap for underfunded communities, with mentorship and strategic alliances building trust and facilitating access to capital.

In the current funding and policy structure, many community projects falter due to a lack of sustainable support and reliance on short-term funding. Particularly for historically excluded communities, a shift towards long-term investments and policies tailored to the unique needs

of diverse communities is needed, recognizing that sustainable development requires more than just financial input—it demands holistic, adaptive strategies.

A forward-thinking approach to developing an inclusive, sustainable, and responsive financial system can better address the unique challenges and opportunities of diverse communities. The invitation to policymakers, the private sector, and community organizations is to collaborate in building a financial landscape where growth and opportunity are accessible to everyone.

- Enhance support for startup ecosystems through institutional support and funding, such as by renewing and expanding the Investment Readiness Program, ensuring ongoing assistance in all business development stages and continued capacity building for social purpose organizations and startups.
- Shift from short-term funding models to longer-term investments that ensure the sustainability of community projects and organizations.
- Develop policies that consider the multifaceted nature of community needs by involving diverse stakeholders in the policy-making processes.
- Adopt a broad definition of underfunded communities to include various aspects of diversity such as gender, ethnicity, ability, sexual orientation, and socio-economic status.
- Reform credit adjudication processes to make them more inclusive, enabling entrepreneurs with limited credit history or non-traditional backgrounds to access capital.
- Include mentorship and advisory support as key components of financing programs, especially for emerging entrepreneurs and community leaders.



Impact Measurement and the Sustainable Development Goals

Panelists

Kate Ruff, Common Approach to Impact Measurement

Alan Ehrlich, International Association of Impact Assessment

Namendra Anand, Zero Emissions Innovation Centre

Julie Greene, Privy Council Office

Summary

The landscape of impact measurement is evolving rapidly, and playing a crucial role in steering sustainable finance toward achieving the UN SDGs. Understanding the tangible impacts of investments and initiatives on social and environmental outcomes is essential to inform better

decision-making, ensuring that financial efforts contribute effectively to global sustainability goals.

The evolution of impact measurement frameworks has produced more sophisticated methodologies and a wider range of standards for different purposes and contexts.

A growing number of data sources can be used as indicators, including tax and open data, administrative data and the linked file environment. Environmental and social impact assessments also have a key role in policy and decision-making processes. Integrating societal values and applying rigorous frameworks, such as the EU taxonomy, is necessary to accurately assess sustainability across various domains.

While there has been progress in specific

and rigorous impact measurement methods, a more significant challenge lies in weaving these varied methodologies into a cohesive, interoperable framework that supports comprehensive understanding and action towards the SDGs.

By harmonizing sophisticated, context-specific strategies for impact measurement with the SDGs, organizations can ensure their efforts

contribute meaningfully to sustainable development, equitable decision-making, and the long-term well-being of communities. This approach aligns with global sustainability goals and paves the way for more informed, effective, and responsible use of finance for social and environmental objectives, emphasizing community involvement, sustainability, and inclusive growth.

- Embrace adaptive management strategies in impact assessments, focusing on monitoring, evaluating, and modifying approaches based on feedback and changing circumstances.
- Strive for a balance between rigorous, verifiable impact measurement methods and the inclusivity of diverse methodologies and perspectives.
- Work towards making different impact measurement methodologies interoperable to comprehensively understand impacts on SDGs.
- Ensure the inclusion of local and marginalized communities in impact assessments for sustainable and equitable decision-making.
- Integrate the valuation of natural resources into financial models to ensure that environmental impacts are adequately considered in economic decision-making.
- Adopt a system-level approach in program design, particularly in sectors like climate action, to consider interconnected impacts and long-term implications.





Innovations in Social Finance Showcase

Panelists

Tristan Smyth, Warshield

Kristi Fairholm Mader, Thrive Impact Fund

Brad Andrews, UCeed

Tim Stoate, Efficiency Capital

Graham Singh, Trinity Centres Foundation

Claudia Hepburn, Windmill Microlending

Eoin Callen and **Katy McIntyre**, Bloom Impact Capital

Summary

Innovations in social finance are widespread throughout Canada. Communities seeking effective solutions to complex problems are constantly creating new approaches. By spotlighting these innovative approaches, policymakers and non-profit organizations can gather insights into novel strategies for channeling investments in ways that foster inclusivity, address pressing challenges, and promote long-term sustainability. This knowledge exchange expands the scope and effectiveness of sustainable finance, multiplying its impact as a mechanism for positive social and economic transformation.

One example, the Thrive Impact Fund in British Columbia, prioritizes accessible investments in sectors and communities often overlooked, showcasing a commitment to fostering sustainable

growth. Projects supported by this fund, such as an upcycling initiative for textiles and a citizen-led water testing program, exemplify how strategic investments can drive environmental sustainability and community empowerment.

The UCEED Social Impact Fund is a well-recognized accelerator in Alberta, focusing on bridging the early-stage capital gap for innovators. By specifically aiming to support a diverse range of entrepreneurs, including women, people of color, and Indigenous peoples, the fund exemplifies an inclusive approach to investment that seeks to democratize access to capital.

Efficiency Capital's unique "energy as a service" model invests in energy retrofits and net-zero building conversions. This approach combines financial support with technological expertise to tackle the significant challenge of reducing building emissions, offering a holistic solution to a critical environmental issue.

Windmill Microlending started as a community finance innovation in Calgary

but has since scaled its activities nationally to invest in skilled immigrants and refugees, enabling them to restart their professional careers in Canada. This initiative highlights the intersection of social finance with efforts to enhance individual livelihoods and meet critical labour market demand.

These examples showcase the diverse landscape of social finance, where innovative models and strategic investments create significant social and environmental impacts. By emphasizing inclusivity, sustainability, and long-term growth, social finance intermediaries offer valuable lessons for policymakers and non-profit organizations looking to harness the power of finance for social and environmental goals. The session concluded with a call to action for increased collaboration and support for social finance initiatives, recognizing their vital role in building a more sustainable and just economy.

- Ensure policies facilitate access to capital for sectors and communities typically underserved by traditional finance.
- Provide funding and capacity building support to social finance intermediaries as part of a renewed and expanded Investment Readiness Program.
- Implement government-backed funds or incentives for private investment to bridge the early-stage capital gap for social innovators and researchers.
- Develop regulatory frameworks that mandate the inclusion of social, environmental, and financial impact metrics in investment analysis.
- Encourage the use of blended finance, combining grants with investments to support ventures with high social or environmental impacts that might not be financially viable on their own.



Afternoon Plenary

Accelerating Implementation

Panelists

Ryan Turnbull, Parliamentary Secretary to the Minister of Innovation, Science and Industry

Taylor Bachrach, Member of Parliament for Skeena-Bulkley Valley

Michael Morrice, Member of Parliament for Kitchener Centre

Monique Pauzé, Member of Parliament for Repentigny

Panelists

Graham Singh, Trinity Centres Foundation

Caroline Brouillette, Climate Action Network

Chief Dylan Whiteduck, Kitigan Zibi Anishinabeg

Jonathan Fowlie, Vancity Credit Union

Michael Toye, Canadian Community Economic Development Network and Social Innovation Advisory Council

Summary

The 2023 Sustainable Finance Forum offered a unique space for cross-sectoral discussions and connections, setting the stage for focused dialogue on concrete steps to strengthen a policy environment that will enable sustainable and social finance to be mainstreamed.

Members of Parliament from four parties emphasized the urgency and importance of these issues that go beyond partisanship. Studies in Committees, private members motions and debates are all opportunities to advance understanding and support for action on sustainable and social finance across party lines and with the public. But political will and concrete action by the government is ultimately what is needed. And democratic expression by constituents contacting their Member of Parliament in support of specific actions and advocacy by civil society organizations can have a significant effect to strengthen that political will.

Over the two days of the Forum, key aspects of sustainable and social finance, from the significance of taxonomies to the importance of representation from diverse

communities in engagement and decision-making, brought greater clarity to the catalytic role finance can play in growing an inclusive and sustainable economy. But for finance to play that role, clear public policies are needed.



Unless we are able to align the power of Canada's financial system in the direction that we need to go, so that it's a wind at our backs and that it has a net positive impact on achieving the goal of net zero... we are not going to reach that place that we know we need to go to.

— **Taylor Bachrach**,
Member of Parliament for
Skeena-Bulkley Valley

The Forum's growth over the previous year and broad range of participants clearly demonstrated significant support across the ecosystem of market actors. Recognizing the intricate link between environmental crises and social equity, finance must catalyze economic transition





I'm very heartened by the fact that you're willing to sit on this stage and have tough conversations, but also rise above the partisan politics when it comes to things like fighting climate change and when it comes to things like eradicating racism and inequality from our society and dealing with the systemic issues that we have, which sustainable finance is really a part of that solution. It's a catalyst for the changes that we want to see.

— **Ryan Turnbull**,
Parliamentary Secretary to the
Minister of Innovation, Science and Industry

that does not overlook the needs and rights of the most affected communities.

Recognizing the interconnectedness of social, environmental, and economic policies, Forum sessions reiterated the need for clear development of new financial tools and accompanying public policy.

Sustainable finance addresses immediate environmental and social challenges and lays the groundwork for a resilient, sustainable, and equitable future. The Forum set the stage for continued action, innovation, and collaboration, concluding with a strong message: the time for action is now.

- Increase funding and resources towards sustainable finance and social innovation, with a focus on benefiting Indigenous communities, municipalities, marginalized communities and social purpose organizations.
- Continue building support for sustainable finance, social finance, taxonomy and disclosure among stakeholders, including the public.
- Strengthen the connection between environmental and social issues, ensuring a just transition in the energy sector that aligns with financial flows.
- Improve representation in discussions on sustainability, particularly from communities most affected by intersecting environmental and social challenges.
- Promote collaborative action in Parliament, beyond party lines, to comprehensively address climate challenges.
- Build from the current focus on climate action to prioritize broader environmental sustainability in financial policies and regulation
- Focus on practical solutions in climate policy that address affordability and economic inequality.





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TURNBULL
Member of Parliament for Whitby

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