# RATING CANADA'S CLIMATE POLICY SUSTAINABLE CANADA DIALOGUES REPORTS ON 2016 PROGRESS

On November 4<sup>th</sup> 2016 the Paris Agreement came into force aiming to stimulate world-wide climate action. It has been said that the agreement was "a laissez-faire accord among nations" whose strengths pertain "to principled obligations to act, regularity and progression of national policy development, international transparency and accountability"<sup>1</sup>. Parties to the Paris Agreement will indeed take stock of progress every 5 years starting in 2020. Therefore, *Sustainable Canada Dialogues*<sup>2</sup> – a network of 60+ scholars from across Canada, have teamed up to provide a report card on climate actions at the federal level. The feedback we offer aims to support advancing the low-carbon transition by applying policies, monitoring progress, and adjusting efforts over time to increase the ambition to mitigate climate change.





#### RATING CANADA'S CLIMATE POLICY: SUSTAINABLE CANADA DIALOGUES\* REPORTS ON 2016 PROGRESS

	STEP BACKWARD	CHANGE	STEP FORWARD
1. Put a price on carbon.			
Adopt either a national carbon tax or a national cap and trade program.			•
2. Include aggressive goals for low-carbon electricity produc	tion in federal and provincia	al climate action plans.	
Adopt ambitious sectorial targets for low-carbon electricity production. <sup>1</sup>			•
Support interprovincial electricity transportation infrastructure."		•	
3. Integrate the oil and gas production sector in climate polic	ies.		
Eliminate all direct and indirect subsidies to the fossil fuel industry."	•		
Develop a clear regulatory framework coherent with the transition to a low-carbon economy.	•		
4. Adopt a multi-level energy policy with energy efficiency an	d cooperation in electrificat	tion at its core.	
Develop a national energy policy with long-term plans for transitioning to low-carbon energy.		•	
Ensure government efficiency standards and procurement.™		•	
5. Throughout Canada, rapidly adopt low-carbon transportati	on strategies.		
Update emissions standards for vehicles and support fuel diversification. $^{\nu}$		•	
Support new models of transportation. <sup>VI</sup>		•	
Favor active transportation.		•	
6. Integrate landscape, land use, transportation and energy in	nfrastructure planning poli	cies at multiple scales to ensure (	climate change mitigation.
Integrate climate change into the heart of territorial and urban planning and identify new avenues for financing. <sup>vii</sup>		•	
Acknowledge the importance of, and support, green infrastructu and "smart growth" city planning. <sup>viii</sup>	ire	•	
7. Support evolution of the building sector toward a carbon neutr	al or carbon- positive sector		
Adopt ambitious targets for energy demand and efficiency of bu and include climate change mitigation in national building code	ildings s. <sup>™</sup>	•	
Invest in renewable and ambient energy for new and existing bu	ildings.	•	
8. Safeguard biodiversity and water quality during Canada's tran	sition to a low-carbon societ	y, while aiming for net positive app	roaches. <sup>x</sup>
		•	
9. Support fisheries, forestry and agriculture practices offering of protect biological diversity and water quality. <sup>XI</sup>	pportunities to limit GHG em	issions, enhance carbon sequestra	ition,
10. Facilitate the transition to a low-carbon sustainable society	through the implementation	of more participatory and open gov	vernance institutions.

\* For more information on Sustainable Canada Dialogues: http://www.sustainablecanadadialogues.ca/en/scd1

FSDS: By 2030, 90% and in the long term, 100% of Canada's electricity is generated from renewable and non-emitting sources.

Budget 2016: \$2.5 million over two years, starting in 2016-17, to Natural Resources Canada to facilitate regional dialogues and studies that

identify the most promising electricity infrastructure projects with the potential to achieve significant greenhouse gas reductions.

III LNG annoucement

FSDS: Reduce GHG emissions from federal government buildings and fleets by 40% below 2005 levels by 2030, with an aspiration to achieve it by 2025. Carbon neutral was the ideal position
<sup>V</sup> Budget 201: \$62.5 million over two years, starting in 2016-17, to Natural Resources Canada to support the deployment of infrastructure for alternative transportation fuels,

including charging infrastructure for electric vehicles and natural gas and hydrogen refuelling stations.

<sup>VI</sup> Budget 2016: Up to \$3.4 billion in public transit, starting in 2016-17 to improve and expand public transit systems across Canada.

VII Budget 2016: 975 million over the next two years to the Federation of Canadian Municipalities to enhance the Green Municipal Fund, including for projects

that reduce greenhouse gas emissions.

Budget 2016: Additional \$40.0 million over five years, starting in 2016–17, to integrate climate resilience into building design guides and codes.
See FSDS.

XI See FSDS.

## STEPS FORWARD PRICING CARBON

On October 3<sup>rd</sup>, Prime Minister Trudeau announced that, starting in 2018, carbon will be priced at \$10 per tonne across Canada and that the price will rise to \$50 per tonne in 2022<sup>3</sup>. The carbon price will be revenue neutral for the federal government and income generated will go back to the province or territory of origin. The proposal also respects the different mechanisms for carbon pricing selected by each province, while supporting a variety of pathways to greenhouse reductions. We think that carbon pricing is paramount to the achievement of significant reduction in greenhouse gas emissions<sup>4</sup>. In short, the decision was a necessary and important step in curbing emissions.

#### **INFRASTRUCTURE INVESTMENT**

The \$120 billion infrastructure investment plan<sup>5</sup> led by Infrastructure Canada exemplifies the federal government's decision to favour low-carbon infrastructure, raising hope that Canada is taking seriously the transition to low carbon development pathways. Targeted, large-scale investment in low-carbon infrastructure is needed and local and regional governments are key stakeholders in these infrastructure investment decisions. We welcome the support of municipality-led projects to identify and implement greenhouse reduction opportunities at the local level, as well as projects that will deliver transformative shifts toward clean energy and robust public transportation. The impact of the infrastructure investment plan will however depend on selecting projects on the basis of what would best contribute to low-carbon and sustainable outcomes.

## SMALL STEPS SUSTAINABLE DEVELOPMENT STRATEGY

In February 2016, Environment and Climate Change Canada released a draft Sustainable Development Strategy (FSDS) and engaged in a public consultation around the document. The FSDS seeks to ensure that Canada works towards meeting United Nations' 17 Sustainable Development Goals<sup>6</sup>. We welcome a strategy allowing for the positioning of climate change in the broader context of sustainability. We particularly applaud the broad public consultation developed to receive feedback from engaged citizens<sup>7</sup>, via an on-line conversation, short animation videos, and "Climate Town Halls." These served to draw attention to climate change challenges and to elicit solutions. The final version of the 2016-2019 Federal Sustainable Development Strategy<sup>8</sup> is interesting in that it present long-term goals, medium-term targets, and short-term milestones, as well as evaluation criteria providing a framework to assess progress.

#### VANCOUVER DECLARATION AND INTER-GOVERNMENTAL CONSULTATION PROCESS

The March 2016 First Ministers' meeting in Vancouver<sup>9</sup> initiated a country-wide concertation process about four topics: *Clean Technology, Innovation and Jobs; Carbon Pricing Mechanisms; Specific Mitigation Opportunities; and Adaptation and Climate Resilience.* The mobilisation of different sub-national governments, including Indigenous leaders, together with the federal government, is necessary to achieve concrete climate action. Different social, economic and political realities exist among provinces, territories, and cities across Canada. Broad consultation identifies a diversity of solutions, which allows different regions to explore alternative routes, drawing on different technologies, industries and practices, opening room for creativity, mutual learning and cooperation to encourage movement toward low-carbon emission solutions. Transparent coverage of the consultation process would have enhanced the usefulness and engagement of citizens in the process.

#### **ENGAGING WITH INDIGENOUS PEOPLES**

As Canada moves forward to meet the challenges posed by renewable energies, future resource extraction, and industrial development, Indigenous sovereignty and Indigenous governance are defining issues. Canada's adoption of the UN Declaration on rights of Indigenous peoples is therefore an important step in the right direction. It reinforces the mention by Prime Minister Trudeau in the mandate letters that "No relationship is more important to me and to Canada than the one with Indigenous Peoples. It is time for a renewed, nation-to-nation relationship with Indigenous Peoples, based on recognition of rights, respect, co-operation, and partnership"<sup>10</sup>. Given that the need to adopt a low-carbon energy future could affect Indigenous peoples and communities, we hope that Canada will honour its commitments and ensure all aspects of this transition respect Indigenous territorial rights and their special socio-economic and cultural circumstances.

### STEP BACKWARD ADDRESSING FOSSIL FUELS

Despite the progress outlined above, Prime Minister Trudeau's decision to approve the Pacific Northwest liquefied natural gas (LNG) project casts doubt on the willingness of Ottawa to meaningfully tackle climate change<sup>11</sup>. The impact assessment concluded that this liquefied natural gas project would increase BC's emissions by 8.5% and that the facility would be one of the largest point source of emissions in Canada<sup>12</sup>.

The decision to approve the project in spite of its implications for future emissions, speaks to the urgency for Canada to integrate

- <sup>1</sup> Radoslav S. Dimitrov The Paris Agreement on Climate Change: Behind Closed Doors Global Environmental Politics 16:3, August 2016, doi:10.1162/ GLEP\_a\_00361
- <sup>2</sup> http://www.sustainablecanadadialogues.ca/en/scd
- <sup>3</sup> http://news.gc.ca/web/article-en.do?nid=1132149
- <sup>4</sup> Potvin, C et al. (2015) Acting on Climate Change: Solutions from Canadian Scholars. Report, Sustainable Canada Dialogues, Canada, March available at: http://www.sustainablecanadadialogues.ca/en/scd/acting-on-climatechange?id=51
- <sup>5</sup> http://www.infrastructure.gc.ca/plan/index-eng.html

- <sup>6</sup> https://sustainabledevelopment.un.org/?menu=1300
- <sup>7</sup> https://www.canada.ca/en/services/environment/weather/climatechange/ climate-action.html
- <sup>8</sup> http://fsds-sfdd.ca/index.html#/en/intro/
- <sup>9</sup> http://www.scics.gc.ca/english/Conferences.asp?a=viewdocument&id=2401
- <sup>10</sup> http://pm.gc.ca/eng/mandate-letters
- <sup>11</sup> http://news.gc.ca/web/article-en.do?mthd=tp&crtr.page=1&nid=1130489&crtr. tp1D=1
- <sup>12</sup> http://www.ceaa-acee.gc.ca/050/details-eng.cfm?evaluation=80032

the oil and gas production sector in climate policies. Continued investment in projects with large greenhouse emissions will compromise other sectoral actions, prevent Canada from meeting its emissions reduction target for 2030 and is incompatible with the declared goal of limiting climate change to 1.5°C. It has been said that, to maintain global temperature increase below 2°C, half of existing gas reserves must remain unused<sup>13</sup>. Furthermore support of the LNG project is not coherent with the push for an innovative low-carbon economy to drive future economic growth.

We therefore urgently call for the establishment of a high-level taskforce to begin discussions with a broad range of stakeholders from the oil and gas industry, unions, Indigenous peoples, environmental NGOs, the clean technology sector and academia, on how to transition away from fossil fuels in Canada. This task-force should also be charged with examining how subsidies received by this sector can be shifted to best promote transitions to green energy sources and how to help workers from the oil and gas industry transition their skills to other sectors.

#### A NON-PARTISAN MULTI-STAKEHOLDER ADVISORY BODY

While the federal government has reached out to citizens and to the Canadian academic community for feedback and open discussions, ambitious climate action demands quickly building support variety of stakeholders from rural communities to corporate boards. Such consensus for change requires a transparent and coherent approach involving all stakeholders and taking into account the diversity of the Canadian population, both indigenous and non-indigenous.

We see a need for an innovative non-partisan advisory board charged with building consensus for, and giving visibility to, climate actions. Such an advisory board, inspired by past initiatives such as the late National Round Table on the Environment or the Economy and the Species at Risk Advisory Council, could help increase the chance for public and industry support and for a deep integration of climate change goals throughout all facets of society and government. The federal government currently benefits from very strong support from the population to tackle climate change<sup>14</sup>, with 77% of Canadians supporting a national plan to reach our international targets to reduce emissions. Now is the time to enhance the level of ambition and engage the society fully in the transition to a low carbon Canada.

<sup>13</sup> McGlade, C. and P. Ekins (2015). «The geographical distribution of fossil fuels unused when limiting global warming to 2 [deg]C.» Nature 517(7533): 187-190. <sup>14</sup> http://nanosresearch.com/sites/default/files/POLNAT-S15-T701.pdf

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