Canada's Climate Change Actions and Target

UNFCCC- SBI 42 Bonn, Germany June 4, 2015





CANADIAN CONTEXT



(Photo credit: Environment Canada)

As an Arctic nation, Canada faces unique circumstances. Canada has an extreme, highly variable climate that contributes to higher energy use for space heating and cooling.





Canada is impacted by climate change

Reduced ice cover, affecting economic development and traditional ways of life

Permafrost degradation. affecting northern infrastructure





Changing animal distributions, affecting country food supply

Increased pests (e.g., pine beetle), affecting forest productivity and fire activity





Reduced reliability of ice roads, affecting access to remote mine sites and northern communities





Incidents of drought, affecting forests and agriculture

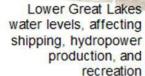


Sea level rise and increased coastal erosion, affecting infrastructure and heritage sites

Reduced glacier cover, affecting western water resources and hydropower production

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Increased temperatures, affecting human health due to heat stress and vector-borne diseases





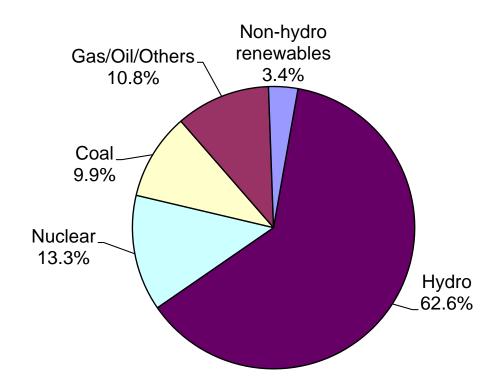
Canada's national circumstances

- Canada's geographic, demographic, and economic circumstances influence its GHG emissions profile and make addressing climate change challenging
 - Extreme, variable climate contributes to higher energy use
 - Large landmass and low population density contributes to longer travel times and higher demand for freight transportation
 - Faster than average population growth vs. other developed countries
 - Resource-based, export-oriented economy with sustained growth





Canada's electricity generation is almost 80% non-emitting



Source: Statistics Canada, Electric Power and Generation -Annual (CANSIM 127-0007), 2013.





Canada is one of the most decentralized federations in the world

- Canada is a federation comprised of a central federal government, 10 provincial governments, 3 territories
- Environment is an area of shared jurisdiction based on various constitutional powers
 - Federal power over international borders; international relations; trade/commerce; navigation/shipping; coasts/fisheries; criminal law; laws for peace, order and good government (i.e., emergency & national concern)
 - Provincial power over municipalities; local works; property and civil rights; provincially owned lands and natural resources



Canada



Institutional arrangements

- Emissions of GHGs are addressed through legislation at both federal and provincial levels
 - The Canadian Environmental Protection Act, 1999 (CEPA) represents main federal instrument for regulating GHGs
 - CEPA allows for equivalency agreements to avoid regulatory overlap
 - Agreement reached with Nova Scotia on coal-fired power plants
- Fora exist for engagement, collaboration between levels of government and with other partners and stakeholders
 - Canadian Council of Ministers of the Environment represents primary mechanism for climate change engagement among federal and provincial/territorial governments
 - Working groups established with industry stakeholders for the development of regulations





Institutional arrangements cont.

- Environment Canada is the federal policy lead for climate change programming and actively engages with many federal departments and agencies.
- Science, modelling, and risk assessment support quality evidence-based decision making and goal of being worldclass regulator.
- Efforts on climate change also support other Government priorities including air quality and health.



Canada



CANADA'S GHG EMISSIONS AND TRENDS



(Photo credit: Environment Canada)

The Paugan Dam in the Province of Quebec





Canada's 2020 target

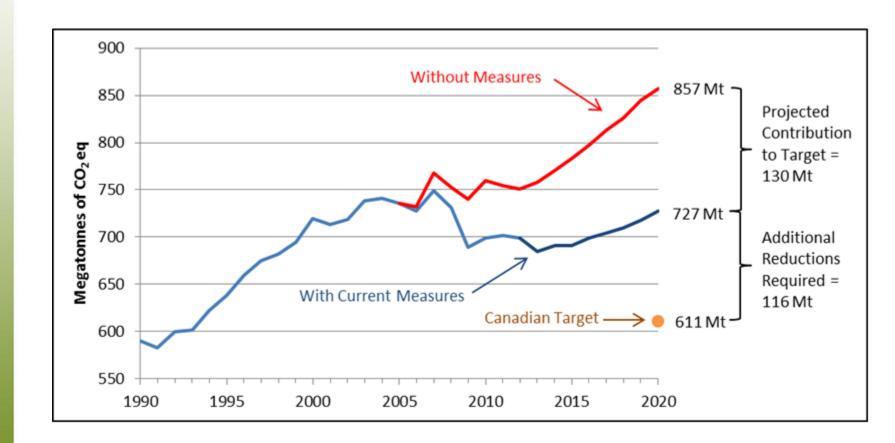
2020 GHG Emission Reduction Target	
Reduction Level	17%
Base Year	2005
Target Year	2020
Туре	Absolute reduction from base-year emissions
Coverage	Economy wide -100% of Canadian GHG inventory
Gases	CO ₂ , CH ₄ , N ₂ O, SF ₆ , PFCs, HFCs, NF ₃
Sectors	All IPCC sectors
GWP	100-year GWP values from the IPCC Fourth Assessment Report
Emission Methodology	IPCC 2006 Guidelines

Target represents significant reductions from projected business-as-usual emission levels





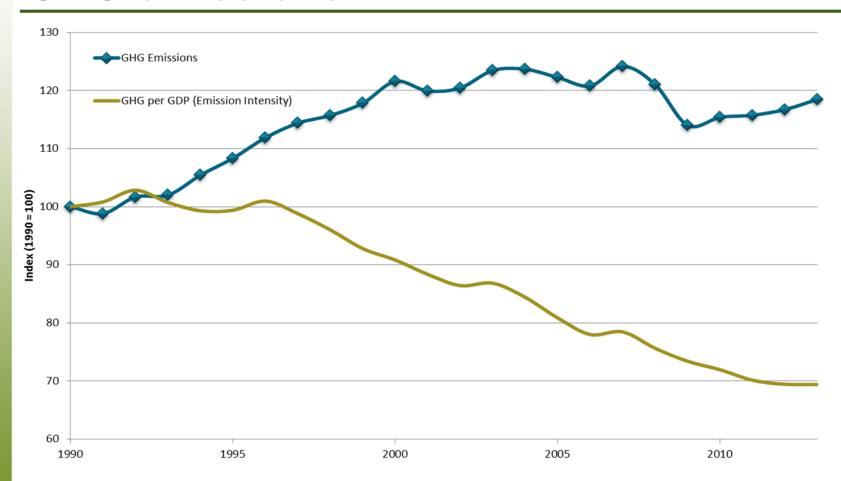
Canada is making progress in reducing emissions







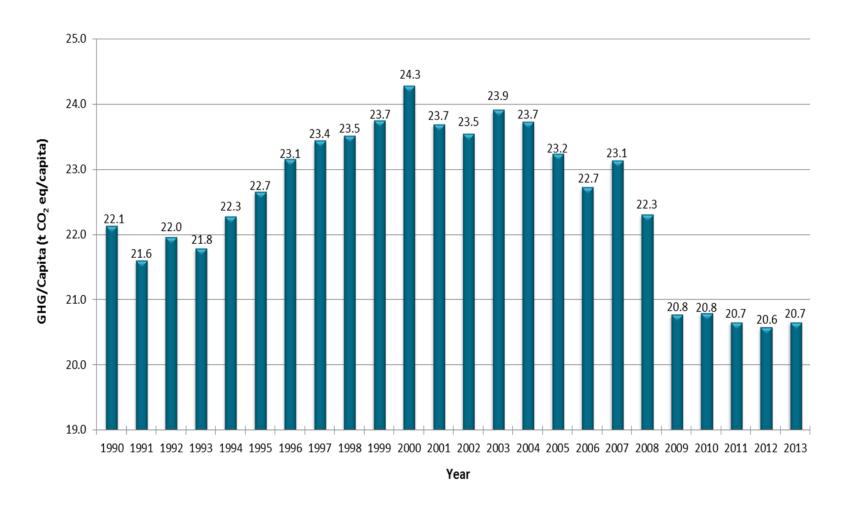
Canada's economy has grown faster than **GHG** emissions







Per capita emissions remain at historic low levels for Canada

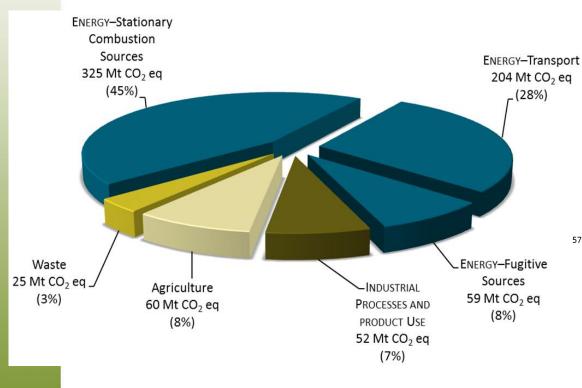




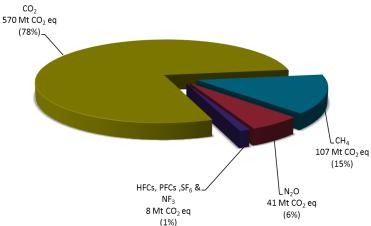


Canada's 2013 GHG emissions breakdown

Canada's Emissions by IPCC Sector (726 Mt CO₂eq)



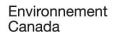
Canada's Emissions by Gas

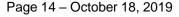


*Note: Totals may not add up to due to rounding



Environment Canada







CANADA'S ACTION ON CLIMATE CHANGE



(Photo credit: SaskPower)

Canada is a world leader in carbon capture and storage (CCS) technology. SaskPower's Boundary Dam is the world's first commercial post-combustion CCS project for coal-fired electricity.





Canada's sector-by-sector regulatory approach is helping to meet our target

- This approach is allowing Canada to maximize progress on reducing emissions while maintaining economic competitiveness and driving real reductions over the long term.
- Providing regulatory certainty spurs innovation and leverages capital stock turnover to avoid the lock-in of long-lived high-emitting infrastructures.
- Two of Canada's largest-emitting sectors are already regulated:
 - Transportation
 - Coal-fired Electricity





The transportation sector represents 25% of our emissions

- A key priority for the Government's action on climate change
- GHG emission standards are in place for passenger automobiles and light-duty trucks (2011-2016 model years)
- Stringent GHG emissions standards are also in place for on-road heavy-duty vehicles (2014-2018 model years), such as vans, tractors and buses
- Intention to develop more stringent standards





Significant progress is being made in the electricity sector

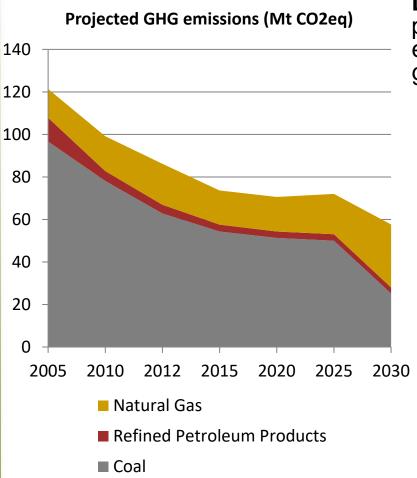
- Canada has one of the cleanest electricity systems in the world with almost 80% of the electricity supply emitting no GHGs.
- Federal and provincial measures phasing out traditional coal-fired electricity generation over the long-term:
 - Federal regulations will lead to the phase-out of existing coal-fired generation units without carbon capture and storage and effectively ban construction of traditional coalfired generation units.
 - Ontario has now completed its phase out of coal-fired electricity generation.



Canada



Electricity



Drivers: Emissions falling due to coal phase out, switch to natural gas and expected growth in non-emitting generation

Existing measures includes:

- Federal coal-fired electricity regulation
- Ontario coal phase-out
- Provincial renewable portfolio standards (NB, NS)
- Provincial feed-in tariffs (ON, PEI, NS)
- · Provincial net metering programs (SK, MB, ON, QC, NB, NS, PEI)
- SK carbon capture and storage (e.g. Boundary Dam)
- NS electricity emissions cap
- Various federal and provincial energy efficiency programs





Oil and gas sector measures

- Canada is a net energy exporter, responding to global energy demand, and has the third largest global crude oil reserves in the world.
- Several measures are already in place.
 - Alberta Specified Gas Emitters regulation (from 2007)
- The Government Canada is planning to proceed with regulations to address methane emissions from oil and gas.
- Significant technology investments have been made, including in carbon capture and storage.
- Canada will focus climate-related investments in innovative production technologies to continue to drive further improvements in environmental performance in the oil sands and other growing sectors.





Canada is a world leader in CCS

Four large-scale projects are operating / under construction

- Weyburn-Midale Project (2000)
- SaskPower Boundary Dam (Operating since October 2014)
- 3. **Quest Project** (Expected launch in 2015)
- Alberta Carbon Trunk Line (Expected operations by 2017)



Federal-Provincial investments in CCS RD&D of over \$1.8B with potentially up to \$4.5B in public-private investment in CCS initiatives





Clean technology investments

- Regulations under the Energy Efficiency Act, 1992, strengthen the minimum energy performance requirements for more than 40 consumer products to date.
- Federal investments in clean energy and technology \$10 billion since 2006 to increase renewables, energy efficiency and innovation.
- In 2013, Canada was the second fastest growing clean energy market in the G-20.
- Since 2008, the Government of Canada has invested more than \$580 million for various research, development, and demonstration for CCS.





Action by Provinces and Territories (PT)

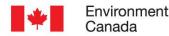
- PT mitigation efforts are significantly contributing to meeting the national target.
- PTs are implementing GHG reduction strategies that reflect their individual circumstances, including:
 - Regulations (Alberta and Saskatchewan)
 - Carbon pricing (British Columbia); and Cap and trade (Quebec)
 - Renewable power feed-in tariffs and Coal phase-out by end of 2014 (Ontario)
 - Absolute cap on emissions (Nova Scotia)
- Continued provincial and territorial efforts will make an important contribution in further reducing emissions:
 - New measures expected: Ontario recently announced it will implement a cap-and-trade program and several other provinces are currently reviewing their climate change plans
 - PT action is important as many policy levers rest with PTs





Complementary International action

- As an Arctic nation, addressing short-lived climate pollutants (SLCPs) is important to Canada.
- Canadian action on SLCPs:
 - Canada established a framework for action on Black Carbon and Methane during its Arctic Council Chairmanship.
 - Canada is a founder, lead partner and financial contributor and leads a number of initiatives of the Climate and Clean Air Coalition (CCAC).
 - Under the Montreal Protocol, Canada has partnered with the US and Mexico in promoting a proposal to phase down HFCs.





Planned measures

- Building on previous measures under the sector-bysector regulatory approach, the Government of Canada has been moving forward on additional measures to address greenhouse gases:
 - In December 2014, the Government of Canada published a notice of its intent to regulate hydrofluorocarbons.
 - The Government has also announced its intention to regulate GHG emissions from post-2018 model-year on-road heavy-duty vehicles.
- Some GHG measures will also have air quality cobenefits.





Planned measures - continued

- As part of Canada's announcement on its Intended Nationally Determined Contribution (INDC), on May 15, 2015, the Government announced its intent to develop new regulations to address:
 - Methane emissions from the oil-and-gas sector;
 - GHG emissions from natural gas-fired electricity generation that build on existing regulations for coalfired electricity; and
 - GHG emissions from the production of chemicals and fertilizers.





Thank you



(Photo credit: Environment Canada)



