

CANet Discussion Paper

June, 2002

Consultations must be Focussed on Concrete Realities of Climate Change

The Climate Action Networks reminds all Canadians that climate change is a real and present danger for this and future generations. These consultations must never lose sight of the concrete realities of climate change. The impacts are already being felt across Canada, particularly in the north. Melting permafrost, loss of habitat, shrinking polar ice cover, forest fires, droughts and severe storms come with a price we must all pay. The worst is yet to come if we do not act to reduce greenhouse gas emissions. It is imperative to be anchored to this reality as we enter an economic debate that, to date, has not recognized the costs of inaction on climate change nor has it recognized the benefits of action, such as cleaner air and improved public health.

Introduction

This paper outlines some basic principles upon which the Climate Action Network believes Canada's Plan to reach the Kyoto should rest.

The Climate Action Network hopes it will assist environmental groups and individuals across Canada participate meaningfully in the National Stakeholder Consultations about to take place across Canada. Some 900 individuals representing environmental, industry and municipal organizations have been invited to attend workshops in St. Johns, Halifax, Charlottetown, Fredericton, Montreal, Toronto Winnipeg, Regina, Calgary, Vancouver, Whitehorse, Yellowknife and Iqaluit.

Those who will not be attending the sessions are being asked to send their comments by email. The Climate Action Network urges all Canadian ENGOs to respond to this consultation process by June 24, 2002 at www.nccp.ca fax: 613-523-0717

The federal-provincial consultation represents a turning point on the issue in Canada. We are no longer talking about if but how we will respond to climate change in Canada. The federal government has issued a discussion paper which will be the basis of the consultation process. It includes the most recent economic analysis and various options for action. The Alberta government responded with its own campaign to take Canada out of the Kyoto Protocol. We will be pressed to accept one of the four federal options and find the Alberta response entirely unworthy of consideration.

The Climate Action Network has looked closely at these options and found them all unacceptable as they are presently formulated. However, we recognize the value of important elements within them. Instead, we seek to construct a more positive option, based on significant reductions in emissions within Canada rather than relying predominately upon the international mechanisms of the protocol as the federal options stipulate.

Canada's plan of action on climate change must be developed on the following principles:

PRINCIPLE 1: Canada must take the long term view to reduce emissions by over 50%.

The Kyoto Protocol was never intended to be more than a starting point on a long path to significant reductions in greenhouse gas emissions. The atmospheric scientists of the Intergovernmental Panel on Climate Change have concluded that ultimately the world must

make significantly higher reductions in greenhouse gas emissions in the order 50% to 80% below 1990 levels if we are to prevent catastrophic climate change.

In designing its strategy to reach the Kyoto target of 6% below 1990 levels by 2012 Canada must ensure that actions taken and investments made will not make future reductions more difficult to achieve. Therefore, the plan chosen to reach Kyoto must be seen as the beginning of a much larger and more all encompassing plan to reduce greenhouse gas emissions. We must make wise, longer term choices now to ensure the best transition for the coming decades.

The four federal options do not recognize the longer term and more significant goal beyond Kyoto. The options apparently are designed to protect and ensure limitless growth of the fossil fuel industry and appear to ignore the science which clearly links emissions with climate change. This longer term perspective is another compelling reason for substantive domestic emissions reduction actions, rather than extensive purchases of international credits.

PRINCIPLE 2: Ratify the Kyoto Protocol immediately

Climate Change is a global problem that requires a global response. The Kyoto Protocol is the only framework that can put the world on a path to reduce greenhouse gas emissions. Canada has been successful in rewriting the Protocol at the insistence of the Alberta government and pollution intensive industries, gaining extensive credit for sinks and overseas activities. The Kyoto Protocol is the first step in this process. Canada should ratify immediately for international and domestic reasons in addition to the obvious environmental imperatives.

Internationally, Canada must ratify in order to maintain its international status as a trustworthy independent nation which has been the basis of Canadian foreign policy for fifty years and perhaps Canada's international reputation is at risk if ratification is further delayed.

Domestically, only by ratifying the Protocol can the federal government marshal the necessary public support and provincial cooperation to address climate change. It has been ten years since Canada signed the Framework Convention on Climate Change in Rio and nearly five years since the Kyoto Protocol was negotiated in 1997.

Postponing the decision only leads to continuing uncertainty and inaction which is detrimental both environmentally and economically.

PRINCIPLE 3: Alberta Government 'plan' must be rejected!

The Premier Klein's self styled 'climate change plan' is unacceptable for both Canada and Alberta and does not merit further consideration as public policy. An Alberta type strategy would lead to significant increases in greenhouse gas emissions not a reduction, would deprive Canadians of the benefits of improved air quality and would increase the cost of reducing emissions for the rest of Canada. Alberta ministers say the Kyoto Protocol's emissions reduction target and implementation timetable is too expensive and technically unreachable. This premise is utterly false. There have been numerous studies that indicate the technology is available and that the cost, if there is a real cost at all, is negligible.

For example, the federal option number three estimates Canada can reach the Kyoto target in 2012 while the economy grows by 30.4% instead of 31% under business as usual conditions. The Alberta economy would grow 26.2% and even the oil and gas sector grows 24.6%. So why would Canada need to look for a plan outside of Kyoto? Why would Alberta?

Moreover, the Alberta plan has a number of questionable aspects the least of which is its basic dishonesty. This dishonesty is what has led the rest of country to reject it. The announced target of minus 10% is for "domestic emissions". This means the Alberta government intends only to count emissions from activities in the province that are not associated with the export of oil and gas. Those emissions are expected to rise from 42 megatonnes to 73 megatonnes by 2020.

Alberta's real emissions target is actually an increase of 28-42% - not a decrease at all. This is not a real departure from business as usual and merely copies the Enron-style reporting employed by President George Bush in his anti-Kyoto Plan.

PRINCIPLE 4: No need for "credits for clean energy exports"!

There is no need or any justification for Canada to demand a 70 megatonne "credit" for clean energy exports. The Kyoto Protocol awards emission reduction credits only for emission reductions action in addition to business as usual. This requires a country to take new actions over and above those that are already ongoing or that would be done anyway. Canada is arguing that because the US imports Canadian natural gas and hydro electricity US emissions are now and will continue to be 70 megatonnes less than if the US used coal to replace this energy. It is an ongoing business as usual practice, and does not merit credit. Further is not clear that Canadian gas is actually displacing coal fired power plants. Many experts argue that huge quantities of cheap Canadian gas and Hydro discourage efficiency and renewables use in the US and, in fact, encourage more energy use and therefore more pollution on both sides of the border. Canada has already received a substantial reduction in its Kyoto Target by forcing the international community to grant a large unearned forest and agricultural sink credits. The concession was granted on the understanding that it would be sufficient to ensure Canadian ratification. As soon as it was granted Canada changed its position and demanded the so called clean energy export credit as well. Should this new loophole be granted (and there is no international support for this Canadian demand) the Kyoto Protocol will lose even more environmental integrity.

PRINCIPLE 5: Canada's Kyoto target must be reached mainly in Canada

Ottawa has frequently and publicly declared that Canada will make the majority of its emissions reductions through domestic action. This not only ensures the reductions will be real and not just "hot air" purchased internationally, but will lead to significant environmental and economic improvements in Canada. Reducing greenhouse gas emissions will result in improved air quality and public health, less environmental damage and improved habitat protection. This will be extremely important as reducing health costs associated with fossil fuel use in Canada would save an estimated \$1 billion per year in Ontario alone. Yet, the options put forward in the federal discussion paper deviate from federal promises and suggest the federal government will purchase international credits in excess of 50% of the target.

Further, reducing emissions in Canada, even if it is slightly more expensive, will increase energy efficiency here, stimulate the economy, create new jobs, and encourage innovation in the "new energy economy" - all of which help Canada become more competitive.

We must also recognize that there are already significant emissions reduction actions underway in key industrial US states such as New York, Massachusetts, California, Michigan and New Jersey that will give them new competitive advantages in key energy and industrial sectors and in overall economic performance.

SUMMARY: It is imperative for Canada to not lose sight of the harsh realities of climate change as we enter an economic debate that, to date, has not recognized the costs of inaction on climate change nor has it recognized the benefits of action, such as cleaner air and improved public health. The Climate Action Network (CANet) feels that Canada must: 1) take a long term view to reduce emissions by over 50%, 2) ratify the Kyoto Protocol immediately, 3) not consider the Alberta government's plan to increase emissions, 4) not seek further credits for 'clean energy' exports, and 5) reach its targets mainly through

reductions that take place in Canada. These 5 principles will help see Canada into a brighter economic and environmental future.

Next Step

The federal government is under intense pressure from some provinces and certain industrial sectors to not take action on climate change or at least not put in place a plan that will lead to real reductions in greenhouse gases. Only a sense of responsibility supported by public pressure will maintain government resolve in the face of this pressure. Therefore it is of vital importance that environmental organizations, whether or not they work directly on climate change, communicate support for an environmentally acceptable climate change plan. The Climate Action Network urges all groups to forward a response to the federal discussion paper.

The Climate Action Network will assist any group in formulating a response.

About The Climate Action Network

The Climate Action Network was established in Canada in 1989 to bring together environmental organizations working on climate change. It is composed of nearly 100 members from across Canada. It is directed by a steering committee of regional representatives who oversee a staff of two located in Ottawa.

The focus of the Climate Action Network for 2002 is the ratification of the Kyoto Protocol. For information on membership please contact [CANet](#).