



Environment and  
Climate Change Canada

Environnement et  
Changement climatique Canada

Canada



# Environment and Climate Change Canada Perspective

Scaling Up Bio Conference  
November 15, 2016

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# Canada's GHG Targets

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- Canada has signed the Paris Agreement and is committed to reducing Canada's greenhouse gas emissions to 30% below 2005 levels by 2030
- Canada is committed to creating a cleaner, more innovative economy that reduces emissions and protects our environment, while creating well-paying jobs for the middle class and those working hard to join it
- Canada recognizes the challenges in addressing climate change as well as the opportunities this presents to innovate and to take a leadership position in the low-carbon economy



# Developing a Pan-Canadian Framework

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- The Vancouver Declaration - In March, First Ministers committed to partner to build a low-carbon, climate resilient economy
  - Promote clean economic growth to create jobs
  - Deliver mitigation actions
  - Increase action on adaptation and climate resilience
- Pan-Canadian framework – Developed through a federal/ provincial/ territorial process and being presented to First Ministers later this fall
- This framework will outline the plan to achieve our international commitments, including meeting or exceeding Canada's 2030 target



# Pan Canadian Framework - Process

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- Established Federal/ provincial/ territorial working groups
  - Mitigation working group focused on identifying options for action: electricity; transportation; industry and buildings
- Engagement with Indigenous Peoples, stakeholders and the public
- Working group reports were delivered to Ministers of Environment, Finance, and Innovation in September
- Ministerial tables met in October to discuss reports and prepare recommendations to First Ministers
- First Ministers will meet to finalize the pan-Canadian framework on clean growth and climate change this fall



# Pan-Canadian Approach to Carbon Pricing

- Canadian jurisdictions to have carbon pricing in place by 2018
  - Helps to reduce GHGs and meet our international commitments
  - Provides greater certainty to Canadian business
  - Will be complemented by other measures in PCF
- Federal government sets benchmark; provinces and territories have flexibility to choose instrument that best suits their needs
  - Price-based instruments: start at minimum of \$10/tonne in 2018, increase by \$10 each year to \$50/tonne in 2022
  - Cap-and-trade: 2030 emissions reduction target equal to or greater than Canada's 30% reduction; plus declining annual caps that achieve emission reductions that would result from benchmark prices



# Pan-Canadian Approach to Carbo Pricing – Slide 2

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- Federal backstop will apply where carbon pricing systems does not meet benchmark by 2018
- Revenues stay in province/ territory of origin
- Approach to be reviewed in 2022



# Building on Federal GHG Regulations

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- **Coal fired electricity generation** - performance standard for new and 'end-of-life' coal-fired units (420 tonnes of CO<sub>2</sub> per gigawatt hour)
  - Effectively ban construction of new traditional coal-fired electricity units and require gradual phase-out of existing units without carbon capture and storage
- **Renewable Fuels Regulations** - mandate an average 5% renewable fuel content in gasoline and 2% in diesel fuel
- **Methane** in Oil and Gas – committed to reducing methane emissions by 40-45% below 2012 levels by 2025. Consultations underway



# Building on Federal GHG Regulations

## - Slide 2

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- **Light-Duty Vehicles** - progressively more stringent GHG emission standards from model years 2011 to 2025, in alignment with U.S.
- **Heavy-Duty Vehicles and Engines** (on-road) - progressively more stringent GHG emission standards for model years 2014 to 2018, in alignment with U.S. Working on amendments to include requirements for post-2018 model year



# Renewable Fuels Roundtable

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- Minister McKenna hosted a Renewable Fuels Roundtable in August with petroleum and renewable fuels industries and environmental NGOs
- Initial discussion on what might be needed to drive a greater use of lower carbon fuels
- Some jurisdictions have moved beyond volumetric biofuel mandates to more modern regulatory frameworks that give more flexibility to fuel suppliers and address a broader range of fuels
- Participants generally recognized the need to modernize the Government of Canada's approach, but there were a range of views on the preferred model



# Federal Biofuel Programs

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- **EcoENERGY for Biofuels**

- \$1.5 billion over nine years to support the expansion of Canadian production of renewable fuels, ending March 31, 2017

- **Next-generation Biofuels Fund**

- \$500 million managed by Sustainable Development Technology Canada to invest with the private sector in establishing large scale demonstration facilities for the production of next-generation biofuels
- In its wind-down phase, focused on construction-ready projects that have successfully progressed through pre-construction planning

- **EcoAgriculture Biofuels Capital**

- \$200 million was available over four years until 2013 to provide capital funds to new plants based on the level of farmer ownership



# Examples of Other Federal Measures

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- **Low Carbon Economy Fund** - \$2 billion over two years, starting in 2017-18
  - To support provincial and territorial actions that materially reduce greenhouse gas emissions and are incremental to current plans
- **Green Infrastructure Investments** - \$21.9 billion
- **Greening Government Operations** - \$2.1 billion for repairs, retrofits, and greening of government facilities
  - Purchase 100 percent of our electricity from clean power



# Canada and a Low-carbon Economy

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- Canada's First Ministers will soon come together to release the Pan-Canadian Framework
- Governments will be looking for all Canadians, individuals as well as businesses, to join us in the challenge of achieving a low-carbon economy
- Each of us should think of what actions we can take to support Canada's success in reaching its GHG goals





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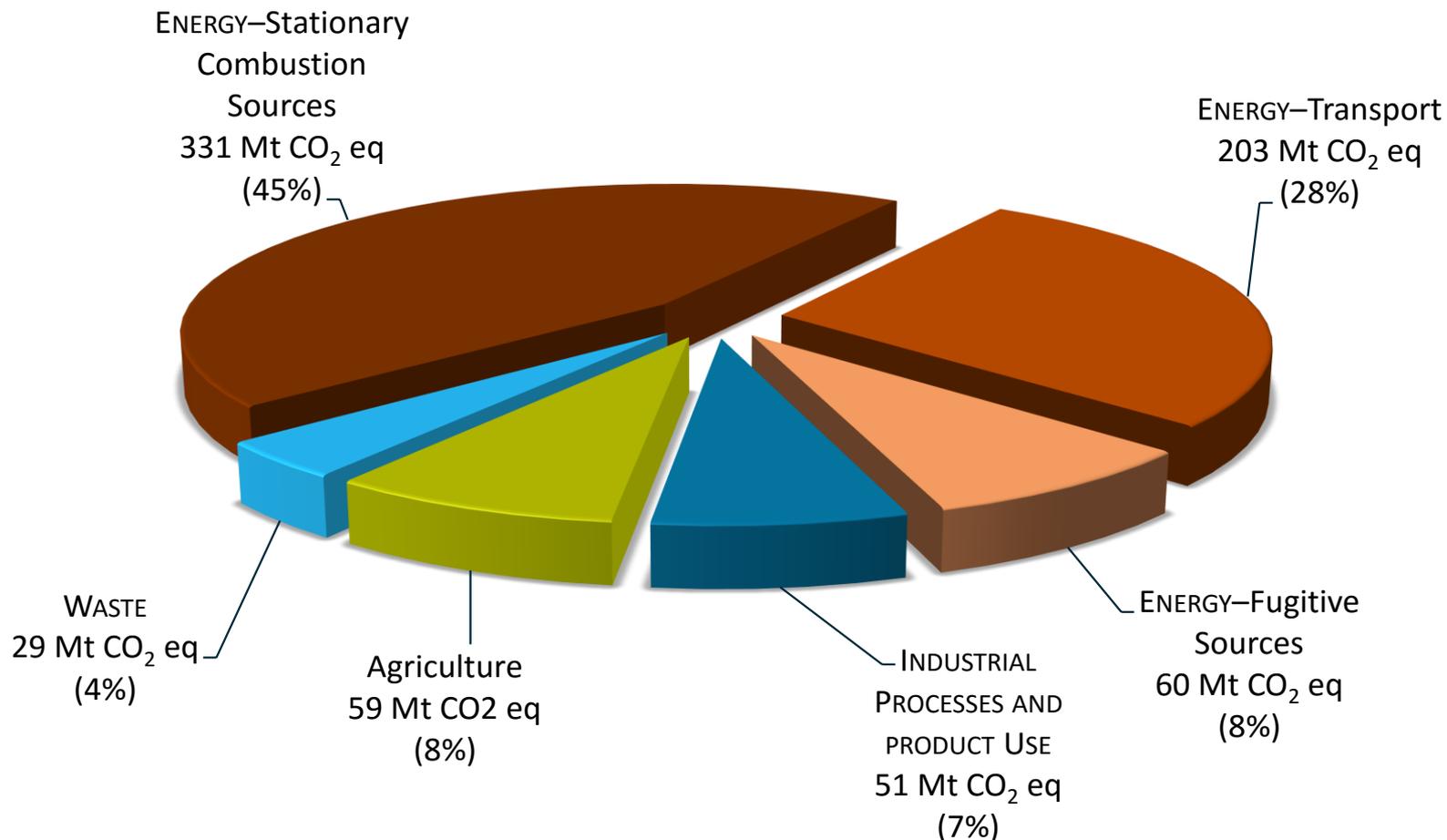
**Thank you!**

# Annex

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# GHG Emissions in Canada



Data Source: Environment and Climate Change Canada data from the published 1990-2014 GHG inventory, April 15, 2016.

