

March 2008

# TAKING ACTION to Fight Climate Change







# **TAKING ACTION**to Fight Climate Change

Climate change is a global problem that requires global solutions. Canadians have long known that serious action is required. Previous Governments set ambitious goals for reducing greenhouse gases, yet emissions increased year after year.



Today, our greenhouse gas emissions are more than 25% higher than they were in 1990, putting Canada more than 32% above its Kyoto target. Without immediate action, Canada's greenhouse gas emissions are projected to grow a further 24% by 2020 to reach about 940 megatonnes – 58% above 1990 levels. This is unacceptable. It's time to turn the corner.

Our Government is committed to stopping the increase of Canada's greenhouse gas emissions and drastically reducing them. Last April, we released the high-level framework of our *Turning the Corner* action plan for reducing emissions. Since then we have consulted with provinces, environmental groups and industry to develop the details of our plan, which include

- Forcing industry to reduce its greenhouse gas emissions;
- Setting up a carbon emissions trading market, including a carbon offset system, to provide incentives for Canadians to reduce their greenhouse gas emissions; and
- Establishing a market price for carbon.

This brochure outlines our action plan to put Canada on a responsible path to reduce greenhouse gas emissions and to address the global threat of climate change.

### **Canada Must**



# **Turn the Corner**

The Government of Canada has established a **national target of an absolute 20% reduction in greenhouse gases** from 2006 levels by the year 2020 – a reduction of 330 megatonnes from projected levels.

This is equal to eliminating the combined greenhouse gas emissions from Alberta, Quebec, and Newfoundland and Labrador.



With its *Turning the Corner* plan, the Government of Canada is **taking action** and putting into place, for the first time in Canadian history, one of the toughest regulatory regimes in the world to cut greenhouse gas emissions.

# **Getting Tough**



# on Industry's Emissions

Our Turning the Corner plan requires reductions in emissions of greenhouse gases from big industry. Greenhouse gas emissions from the industrial sector will be reduced by 165 megatonnes from projected levels by 2020, an amount greater than the combined

emissions from the provinces of British Columbia, Saskatchewan, Nova Scotia and Prince Edward Island.

Existing facilities in all industrial sectors will face tough requirements to improve their emissions performance every year. Plants that began operating in 2004 will face even tougher requirements to force them to use cleaner fuels and green technology. New oil sands plants and coal-fired power plants coming into operation in 2012 or later will face the toughest requirements of all.

Growth in the oil sands must occur responsibly. The oil sands are one of Canada's greatest natural resources, and a major engine of our economy, but we have a responsibility to future generations to ensure that they are developed in an environmentally responsible way. Without additional action today, emissions from the oil sands will grow dramatically in the coming years. The Government of Canada will require all oil sands plants to meet a tough new emissions standard. Plants that began operation in 2004 or after will face an even tougher standard based on the use of cleaner fuels. Plants starting operations in 2012 will be required to meet the toughest targets of all which will effectively require putting into place new carbon capture and storage technologies to prevent the release of greenhouse gases into the atmosphere. This requirement will also accelerate the development of additional new clean technologies to reduce greenhouse gas emissions.

At the same time, Canada must reduce emissions from dirty coal-fired electricity generation. Many Canadians are not aware that, in many provinces, much of the electricity they use at home and at work is generated by coal-fired power plants. The Government of Canada believes that it is simply irresponsible to keep building dirty coal-fired power plants. Coal-fired plants will have to meet a tough new emissions standard. We will also bring in regulations that will effectively end the construction of dirty coal-fired plants, starting in 2012. Utilities that want to build coal-fired plants in the future will be required to meet targets based on the use of clean technologies, such as carbon capture and storage.

These tough regulatory requirements will reduce greenhouse gas emissions from the oil sands and electricity sectors by about 90 megatonnes, or 55% of the total expected reductions of 165 megatonnes from industry by 2020. This will be challenging for these sectors but the Government is confident that they will step up to meet the challenge.

Altogether, our Government's industrial regulations will achieve half of the reductions required to meet our national target of a 20% reduction by 2020. These regulations will change how Canada produces and uses energy, and will impose a price on carbon that will rise over time and impact the entire economy. As such, it will provide important new incentives for innovation and new opportunities to develop Canadian green technologies.

# Taking Action on Industrial Greenhouse Gas Emissions



**TOUGH** 

For old facilities in all industrial

sectors: mandatory reductions

starting in 2010 and becoming

tougher every year

### **TOUGHER**

For new plants in key sectors built between 2004 and 2011: tougher mandatory emission standards to drive adoption of cleaner fuels and technologies

### **TOUGHEST**

For oil sands and power plants built in 2012 and later:

- End the construction of dirty coal-fired power plants
- Mandatory requirement that oil sands use carbon capture and storage or other green technology to drastically cut greenhouse gas emissions

Regulations will apply to 16 sectors, including oil sands, oil and gas, power plants, refineries, chemical and fertilizer plants, pipelines, cement, metals, smelters, and pulp and paper.



### **Lower Emissions**

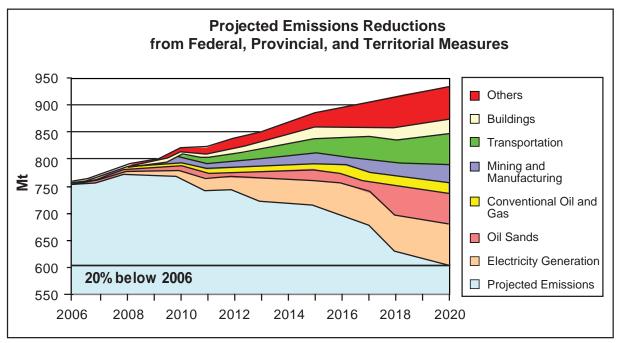


# from Vehicles and Buildings

The Government of Canada is taking further action that will cut greenhouse gas emissions from transportation and buildings. These actions include

- Mandatory renewable fuel content in gasoline, diesel and heating oil;
- For the first time in Canadian history, tough new fuel consumption standards for cars, light trucks and sport utility vehicles;
- New energy efficiency requirements for a wide range of commercial and consumer products, such as dishwashers and commercial boilers; and
- New national performance standards that will ban inefficient incandescent lightbulbs.

Our government has also launched a broad suite of ecoACTION programs that will complement our regulatory initiatives and stimulate the growth of renewable energy and fuels, energy-efficient homes and buildings, fuel-efficient cars and trucks, and increased public transit infrastructure.



Source: Environment Canada.



We believe that federal initiatives in these areas can achieve greenhouse gas emissions reductions of 65 megatonnes from projected levels by 2020 – **equivalent to taking over 16 million cars off the road** or eliminating the combined emissions from New Brunswick, Nova Scotia and Manitoba.

# **Working Together**

# for Clean Electricity

These tough federal regulatory and other actions are expected to result in greenhouse gas reductions of 230 megatonnes from projected levels by 2020. Yet even with tough new federal regulation, and the promises of some provinces to close dirty coal-fired power

plants and increase the use of renewable and nuclear energy, emissions from electricity generation are projected to be 90 megatonnes in 2020 – still the single largest source of greenhouse gases in Canada.

The Government of Canada wants to achieve additional emissions reductions from the electricity sector of 25 megatonnes by 2020, equivalent to closing seven large coal-fired power plants. We are therefore setting up a clean electricity task force to work with the provinces and industry to meet this goal. If required, the Government of Canada is ready to use its regulatory powers to ensure that these cuts are achieved.

# **Working Together**

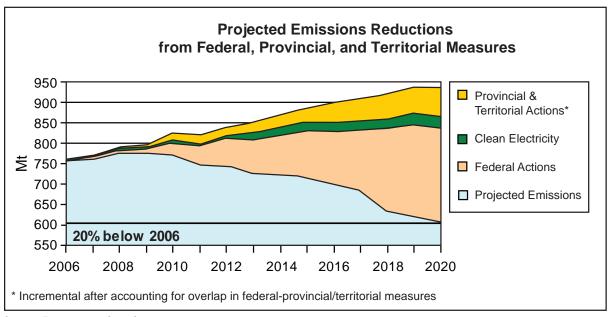
### with the Provinces

Provincial governments have already committed to targets that would require achieving greenhouse gas reductions of as much as 300 megatonnes by 2020. Over 200 provincial initiatives have been developed to date to begin achieving those goals. While some of

those initiatives overlap with federal actions, they are estimated to provide an incremental 40 megatonnes in emissions reductions by 2020. Most provinces have indicated that they are planning to do even more to meet their own targets. The Government of Canada has provided over \$1.5 billion in new funding to the provinces and territories to support their climate change initiatives.

We are convinced that it is realistic and achievable for provinces and territories to take further action in areas where they have important responsibilities, such as building standards, public transit and urban planning. We expect that the provinces will introduce new measures that will result, at minimum, in an additional 35 megatonnes of reductions in greenhouse gas emissions. This will enable Canada not only to meet but potentially surpass its national target of a 20% reduction in emissions from 2006 levels by 2020.





Source: Environment Canada.

### We All Need

### to Do Our Part

Canada will play an active role in negotiations to develop a new international agreement on climate change with contributions from all major emitters, including the United States, China and India. We should be seeking to ensure that global emissions are cut at least in

half by 2050. The Government of Canada has committed to achieving a 60 to 70% reduction in Canada's emissions by 2050.

At home, we will stop the dramatic growth in our greenhouse gas emissions and cut them by 20% in absolute terms between now and 2020. **This will require all of us to do our part** – federal and provincial/territorial governments, municipalities, industry and individual Canadians. Together, we can meet our target. In doing so, as a country, we will

- Put in place large-scale carbon capture and storage and other exciting green technologies;
- Generate 90% of our power from sources that do not emit greenhouse gases;
- Increase electricity from renewable sources like wind and wave power by 20 times;
- Cut greenhouse gas emissions from coal by more than 50%;
- Increase average fuel efficiency in new cars by 20%; and
- Improve Canada's energy efficiency by some 20%.



These and other actions will change the path of Canada's greenhouse gas emissions. **Canada will move from rapid growth to achieve absolute reductions of 20%** from 2006 levels – a reduction of 330 megatonnes from projected levels in 2020.

The challenge to meet these targets by 2020 is great. However, the Government of Canada believes in the commitment, ingenuity and willingness of Canadians to tackle the challenge of climate change while continuing to grow our economy. **Together, we are ready to face the challenge and win**.

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