



# Moving Forward on Climate Change

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## A Plan for Honouring our Kyoto Commitment

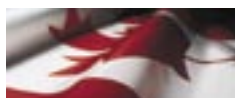
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2005



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## A comprehensive environmental vision

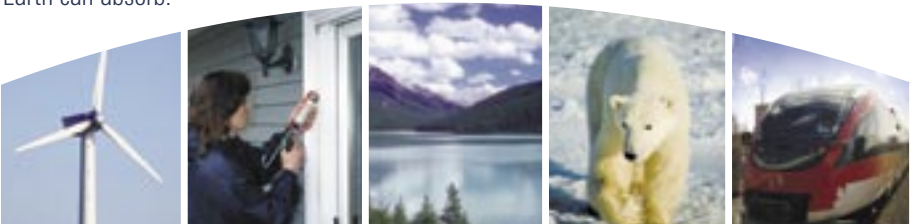
***Project Green** is a set of policies and programs aimed at supporting a **sustainable environment** and a more **competitive economy**. Along with climate change, it will address a range of environmental issues, including biodiversity, water, contaminated sites and clean air. Project Green's groundwork was established by the October 2004 Speech from the Throne and Budget 2005. **Moving Forward on Climate Change: A Plan for Honouring our Kyoto Commitment**, is Project Green's first instalment and the subject of this brochure.*

## The problem: our changing climate

Our planet's **temperature is rising** and this is **cause for deep concern**.

Over 2000 **leading scientists** contributed to the United Nations' Intergovernmental Panel on Climate Change. Their prediction: by 2100, Earth's average temperature will climb between 1.5 and 6 degrees Celsius, rising twice as fast in the Arctic. At first glance, this seems like a small increase, but it has immense **consequences**. Altering climate patterns will cause more frequent and severe **extreme weather** events, imperiling the northern Aboriginal way of life and **threatening the health and safety of Canadians and people around the globe**. Such incidents can also inflict huge **economic costs**, especially to sectors dependent on a stable natural environment like farming, fishing and forestry. Recent events including the Prairie drought, BC's forest fires, Hurricane Juan and the 1998 ice storm have shown Canadians firsthand the **crippling effects** of extreme weather.

The Panel of scientists also concluded: "**most of the warming observed over the last 50 years is attributable to human activities**" – in particular burning fossil fuels. This releases **greenhouse gases** (carbon dioxide, methane, nitrous oxide, ozone and vapour) along with **smog-causing pollutants** into the global atmosphere at a rate faster than the Earth can absorb.



***Project Green is a set of policies and programs aimed at supporting a sustainable environment and a more competitive economy.***





## The solution: linking environment and economy

While Canada is already seeing some of the impacts of climate change on its own territory, this is a global problem, and it requires **global action**. That is why Canada is a strong supporter of the **Kyoto Protocol**, which Canada and 140 other countries have ratified in order to reduce global greenhouse gas emissions. Canada's commitment: to **reduce** its greenhouse gas emissions to 6 percent below 1990 levels.

Climate change poses a challenge for Canada and the world, **but Canadians are rising to that challenge**. All of us — industry, governments, communities and individuals — **must** do our fair share.

With this challenge comes **opportunity**: to enhance our **health** through cleaner air and to strengthen our **competitiveness** by transforming our economy to make it more efficient and more sustainable. Doing so means drawing on the **ingenuity and innovation** of Canadians.

***Moving Forward on Climate Change: A Plan for Honouring our Kyoto Commitment*** is the Government of Canada's **comprehensive plan** to enable us to fight climate change. It provides the tools and **incentives** to secure a healthy environment and a strong, growing economy — at the same time.

***This Plan is a balanced approach with fair reduction targets to ensure a cleaner environment and economic growth.***

## Moving Forward with a renewed approach

This Plan makes sense for Canadians. It builds on **positive first steps** resulting from previous efforts in Action Plan 2000, and the *2002 Climate Change Plan for Canada*. The Government launched initiatives like the One-Tonne Challenge and EnerGuide retrofit programs to encourage **energy efficiency** actions by Canadian homeowners and commercial building operators to **reduce energy consumption**. Canada has also made major investments supporting Canadian **innovation** in cleaner fossil fuels, **ethanol** and hydrogen **fuel cells**.

The *2002 Climate Change Plan for Canada* stated that **our approach would evolve over time, as we learn from our efforts**, realize new possibilities and develop and put

**Working together, Canadians and their government**



into use new technologies. Now we are building on Canada's first steps with a new and significantly different approach – one **linking economic prosperity with environmental progress**.

**Budget 2005 laid a solid foundation** for the new approach, introducing new market mechanisms, tax measures and **incentives** for private sector **innovation** and consumer **action**. Upon this foundation, ***Moving Forward on Climate Change*** will:

- promote investments in science and technology so Canada can become a **"first mover"** in developing and using **renewable energy** and other **green technologies**;
- safeguarding Canadians' health and quality of life through **cleaner air and greener communities**;
- build **lasting partnerships** with provinces, territories and municipalities;
- collaborate with industry and set **effective, fair reduction targets**; and
- ensure **continuous improvement and value for money** by reviewing programs annually, verifying our investments' results and shifting existing funds to strengthen what works.

## Tapping the market's potential

The new **Climate Fund rewards creativity and innovation** by funding projects that reduce greenhouse gas and smog-causing emissions. It will purchase the value of large scale emission reductions from businesses, governments, organizations and citizens - examples include farmers who adopt low-till practices and property developers who include renewable energy elements in building new sub-divisions.

The Fund also benefits Canada by supporting projects internationally. It will help showcase Canadian green technology at work around the world, and support our international development assistance objectives. **Emissions know no borders** whether they be greenhouse gases, smog-causing pollutants or hazardous substances like mercury.

**Exporting our green technologies** and supporting efforts to reduce emissions in other countries will **benefit Canada's economy, the global environment and the health of Canadians** and people around the world.

In addition, **tax and production incentives** worth over \$2 billion are directed to increasing Canadian development and use of renewable power technologies over the next 15 years, including **wind, solar, hydrogen and ethanol**.

**ents can create the dynamic economy and healthy environ**



## Harnessing Canadians' commitment

Canadians' efforts are a key factor in fighting climate change and honouring our Kyoto commitment. New incentives and information will **help consumers make greener choices**, specifically through:

- raising awareness through the **One-Tonne Challenge**, of simple, energy efficient actions to save the environment and save money for consumers;
- strengthening the successful **EnerGuide** home retrofit program; and
- consulting Canadians to gauge the effectiveness of **possible new consumer incentives**, including those on ultra-fuel-efficient vehicles.

## Industry – a balanced approach

Industry is the main source of both Canada's competitiveness and its emissions. This Plan is **a balanced approach** with **fair reduction targets** to ensure **a cleaner environment and economic growth**.

**Large industrial emitters** – The almost 700 companies that produce about half of Canada's emissions – including companies in the oil and gas, mining and manufacturing and thermal electricity sectors – will have challenging emissions reduction targets. They will also have the flexibility to meet their targets in a number of ways, including:

- **making energy efficiency upgrades** to their operations and technologies;
- investing in projects that **reduce emissions** in Canada and in developing countries and other emerging markets in order to showcase Canadian technology or **strengthen Canada's trade or development ties**;
- participating in an emissions trading market that allows companies to buy credits from large industrial emitters who have exceeded their set targets;
- contributing to the **new Greenhouse Gas Technology Investment Fund** that will develop and commercialize Canadian technologies to enable **substantial emission reductions** over the long term.

The Government of Canada will consult with Canadians on proposed rules to govern these activities and **ensure compliance**. The *Canadian Environmental Protection Act, 1999* is the Government's preferred regulatory tool.

**The Automotive industry** - Automakers have signed an agreement with the Government of Canada to **reduce greenhouse gas emissions from passenger vehicles** sold in Canada,

**ment we want for current and future generations.**



by introducing new technologies that make the vehicles produced more environmentally friendly and safer. Examples include:

- **fuel saving** technologies;
- advanced diesel **technology**; and
- **hybrid** powertrains and cylinder deactivation technology.

The agreement sets out specific targets for industry, and the Government will monitor progress and use its regulatory tools if necessary to ensure the agreement's objectives are reached.

## Building enduring partnerships

Recognizing that provinces, territories and municipalities play **a crucial role** in meeting Canada's challenge, the Government will:

- reach new agreements and improve existing ones with each province and territory, determining **strategic investments** for emissions reduction and economic growth;
- use a new **Partnership Fund** to finance major technology and infrastructure investments, including clean coal, a **carbon dioxide capture and storage** pipeline and extending the reach of clean, **hydroelectric power**; and
- invest in **green municipal infrastructure**, including better public transit.

## Leading by example

As a major employer with immense purchasing power, the Government of Canada will get its own house in order, and act as a catalyst for change by committing to:

- **cut emissions** from its facilities and activities by one third;
- draw 20 percent of its **electricity from renewable sources** by 2010;
- ensure new office buildings meet the **highest environmental standards**; and
- replace its vehicles more quickly, and with **fuel-efficient alternatives** including hybrids.

*In November 2005, the Montreal Conference on Climate will bring the world to Canada to begin discussions among nations on how to tackle climate change beyond 2012.*



## Striving for continuous improvement and progress

Although the Kyoto Protocol covers a period up to 2012, this won't mark the end of Canada's climate change **commitment**. In November 2005, the **Montreal Conference on Climate** will bring the world to Canada to begin discussions among nations on how to tackle climate change **beyond 2012**.

Our response to climate change will significantly influence **Canada's long-term competitiveness, Canadians' health and safety** and that of generations to come. The Government of Canada will introduce additional measures as resources permit and as we learn from our investments and experience.

Simply put, climate change is a challenge for Canada and the world. Meeting the challenge provides opportunities to **promote Canada's environmental know-how and technology**, by making our industrial sectors more **competitive and clean**, and making our society more **energy and resource efficient**.

Our success will result in **cleaner** air, **greener** communities, **healthier** Canadians and a **more competitive** Canada.



### For more information

[www.climatechange.gc.ca](http://www.climatechange.gc.ca)

To learn more about taking action on climate change, or for a copy of ***Moving Forward on Climate Change: A Plan for Honouring our Kyoto Commitment***, contact:



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