

# **Statement to the House of Commons Standing Committee on the Environment and Sustainable Development**

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January 28, 2008



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Published by the International Institute for Sustainable Development

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Mr. Chairman,

Allow me to thank you and the other members of this committee for the opportunity to speak on the recent climate change summit at Bali and its implications for Canada's role in the negotiations over the next two years.

First of all, was Bali a success? If I may bring in a baseball analogy here, while the final agreement reached at Bali was far from a 'home run', neither was it a strike out. I guess I would categorize it as a 'bunt single'. The world is 'on base' in addressing climate change—but barely—and we are now entering into the last innings of this critical global challenge.

What did it achieve? Well, let's not overlook some of the extremely useful decisions reached on avoided deforestation, some progress on technology transfer, and an important agreement on the operation of the innovative Adaptation Fund. On the post-2012 issue, decisions were reached that established a 'road map' for countries to hopefully reach a decision on new targets by late 2009 in Copenhagen, but a clearer guide, particularly for major developing economies, would have been preferable.

That said, it is also increasingly evident that major developing countries are beginning to stake out their interests and views more clearly than anything we have seen before in the formal negotiations. India, for example, remains steadfast in insisting that any additional commitments should not be expected from them in this stage of negotiations. On the other end of the spectrum, South Africa's ruling party, the ANC, has just released a statement recommending that the government set a target for the reduction of greenhouse gas emissions. I would have to say that, for now, India appears to be increasingly isolated. Mexico and Brazil are showing welcome flexibility on this matter, but the real surprise is China. I think everyone would agree that China played a very constructive role throughout the two-week conference. Did it promise to take on additional targets? No, not yet, but it certainly

indicated that it was ready to talk about its role and responsibilities in that regard for the next round of negotiations. And while the atmosphere will continue to have to wait patiently before it sees any real changes, the fact that China has agreed to be at the table is no small accomplishment.

I would suggest that the other significant accomplishment at Bali was the initiative by the Indonesian government in hosting two parallel Ministerial meetings for Finance and Trade Ministers. The message is clear: successfully addressing climate change will carry significant implications for global investment, for world trade and for strong domestic actions. There are no magic bullets out there—an integrated economic response, led by strong public policy fiscal signals, is absolutely incumbent.

What Bali didn't achieve, unfortunately, was an agreement around what should be the global target in reaching the United Nations Framework Convention on Climate Change's ultimate objective of avoiding dangerous human interference with the climate system. I well recognize that achieving such a goal would have been an enormous accomplishment, but I am also increasingly of the view that the global community must set its sites on such an objective if we are to make ANY headway in the negotiations over the next two years. Besides drawing up terms of reference for developed and developing country mitigation efforts for the post-2012 period, probably the most contentious issue in the negotiations was the reference to the Intergovernmental Panel on Climate Change's statements around how much reduction would be required by developed countries if we were to avoid a scenario of the global temperature rising beyond two degrees centigrade. The IPCC did not, I must emphasize, make any recommendations—that is NOT its mandate. It simply accurately reflected what the research on this issue suggested: that to avoid a two-degree rise, Organisation for Economic Co-operation and Development (OECD) countries would need to reduce their emissions by between 25 and 40 per cent from 1990 levels by 2020. But the IPCC also reports that this would require a

significant deviation from “business-as-usual” projections for major developing economies by the same date.

The real question is why two degrees? Could we not, if not thrive, at least cope in a world 3.5 degrees warmer—which, even though it still would call for significant reductions over the next few decades, gives us considerably more ‘room’ to make the enormous transitions that are required in the global energy juggernaut and in our land use practices? The problem is the other ‘side’ of the IPCC finding, dealing with the issue of climate change impacts. The Synthesis Report of the IPCC, approved in November of last year, concludes that even under a two-degree scenario we are going to see some very real changes to the global ecosystem, for example, 20–30 per cent of the world’s species are projected to be at risk. But a 3.5-degree scenario has become almost apocalyptic: fully 40–70 per cent—let me repeat: *70 per cent*—of the world’s species could be at risk of extinction.

If there ever is a case of being stuck between a rock and a hard place, this is it, especially for Canada. On one hand, we stand to be one of the countries most impacted by climate change—with potentially disastrous consequences for our Northern citizens—and yet we have one of the most ‘carbon intractable’ economies in place among OECD countries.

The way ahead for Canada? First of all, I was heartened by the comments of the Prime Minister in his Christmas-time interview with the CBC. He recognizes that the scientific evidence is compelling, that climate change will carry costs and responsibilities for Canada and that we must show leadership, while also clearly calling for a global response that includes all of the world’s major economies.

Second, not only should we accelerate the implementation of the current plan, but follow up on the recommendations of the NRTEE’s latest report on the need for significant carbon pricing by

elaborating, NOW, how Canada will be able to meet its interim target of 20 per cent reductions by 2020. The government should also offer options that would see further reductions by 2020, more in line with where the science now compels us. One of the more interesting and useful recommendations to come out of the NRTEE report was that the government must develop policies in this area that will incorporate adaptive management practices that will minimize and mitigate unanticipated adverse outcomes. To my mind, that means that Canadian public government institutions, particularly at the federal and provincial levels, are going to have to become much more responsive to increasingly urgent calls for ever more reductions from Canada and on a global scale.

Third, the government should support a two-degree centigrade global target, understanding that this would require developed countries to reduce emissions by 25–40 per cent range by 2020, while also making it clear that commensurate actions by major developing economies would be required—at the very least beginning to take on limitation targets starting in 2020.

Fourth, I don't think we can underestimate the extent to which Canada's perceived legitimacy in the post-2012 negotiations is undermined by our failure to clarify how we plan to maintain our status as a Kyoto Party while not meeting our mitigation commitments under the Protocol. Will Canada submit to the non-compliance provisions set in the Kyoto Protocol? If yes, we should say so. If no, then, frankly, we should show respect for the international process and announce the government's intent to withdraw from the Kyoto Protocol.

Fifth, future Canadian delegations will need much stronger representations from other departments besides Environment in the future—particularly, CIDA, DFAIT, Finance, NRCan and Agriculture. The Bali Action Plan is, more than ever, a package deal that goes far beyond the remit of traditional environmental solutions. It means addressing issues of development, technology, investment and

adaptation. We heard from John Manley last week in regards to the mistake of loading all public accountability on Afghanistan on the shoulders of Defence. The same could be said of how the climate change file is currently being managed—the response to this real and current threat, whether domestic or international, whether in the field of mitigation or adaptation, should not be overloaded on the shoulders of the Environment Minister or his department. We need clear and accountable direction from the centre to all relevant departments to ensure that they are all ‘on side’, but they should also all be expected to deliver and be accountable for what is expected of them.

Finally this issue calls out for an active consultation process in place with all relevant stakeholders. Will the government, on occasion, be criticized for its positions? Of course, but that should not stand in the way of the government understanding the role that all stakeholders can play in helping us move the nation forward, nor in absolving the government from making the final decisions it needs to make. But we must have a dialogue in play over the next two years, preferably one in which all stakeholders can meet and work together with the government as it embarks on a very critical negotiation path over the next two years.

We, as a country, have a lot to offer. It is high time we realized that potential, Mr. Chairman.

Thank you.