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technical brief

## **Bridging the Divide: The Role of Canada and Major Developing Countries in a Strong Climate Deal**

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### **Introduction**

This year is a critical year for safeguarding the climate. The global community has been negotiating the second phase of the Kyoto Protocol since 2005 (the first ends in 2012) and examining enhanced contributions from developing countries since 2007. A conference in Copenhagen in December of this year is the deadline for completing these negotiations and agreeing upon a framework to fight dangerous climate change in the post-2012 period. It remains to be seen whether the world will move beyond the very modest commitments taken in the first phase of the Kyoto Protocol and agree to a bold and ambitious global regime whose actions match the scale of the problem.

The challenge is daunting, but there are grounds for optimism. Many industrialized countries, such as those in the EU, non-EU European nations, and Australia, have committed to unilateral action on climate change regardless of the outcomes of the negotiations and will adopt more ambitious targets if a global deal is reached. Many developing countries have developed plans to fight climate change and have signaled their willingness to do more with support from wealthier nations. They are also firmly at the negotiating table. These countries are committed to fighting climate change to ensure that the most vulnerable people, communities, and countries on the planet are not overwhelmed by the changes that have already begun, are certain to continue and will accelerate if we fail to act quickly enough.

There are also laggards: those countries that have been slow to act domestically and quick to impede progress internationally. Canada is unfortunately among them, having spent much of the last three years telling its citizens that the responsibility for acting on climate change lies with emerging economies such as China, India, South Africa, Mexico, and Brazil. Canada has little credibility in targeting developing countries, as we have reneged on our own Kyoto Protocol commitments. In the absence of a meaningful federal climate change plan, Canada's global warming pollution continues to rise. Our government continues to resist even the consideration of science-based emission reductions as the basis for the next phase of Kyoto.

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That said, we can still make a positive contribution to the global effort to tackle climate change. However, it cannot start with asking more from other countries. Getting our own house in order and making a greater contribution to the ongoing climate change negotiations has to happen first. Canadians expect and deserve their government to take its full responsibility and participate fully in this global fight.

A strong global deal in Copenhagen is still possible. Countries like China, despite their levels of poverty and development, have been increasingly acting to address their emissions of global warming pollution. They have also shown a real openness to contributing to a strong global regime.

This technical briefing note will lay out the reasons why Canada is a barrier to a strong Copenhagen agreement—much more so than China or other developing countries—and what our government can do to change that. Section I will explain the scientific imperative, showing why we need to act together to fight climate change. Section II will then outline the breadth of the actions that are taking place in the five major developing countries today. The types of actions and commitments that major developing countries will take on in the next global agreement are described in Section III as is the support needed from industrialized countries. Section IV will explore the gap between Canada and the developing world in terms of responsibility for climate change, levels of poverty and development, and wealth, using a few examples to argue that at the present time it is unrealistic and unfair to expect Canada and China to have the same kind of commitments to tackle climate change. Despite this gap, one of Canada's most consistent tactics in the global negotiations is to reproach much poorer countries, and Section V will list some examples. Finally, given Canada's track record and the lack of trust in the global climate change negotiations, Section VI will lay out how Canada can assist in breaking the deadlock and move the global community forward towards a strong global warming accord.

## **I. The Scientific Imperative**

Climate change is a global problem that requires a global solution. Everyone has a part to play and must take on their fair share in reducing emissions. Industrialized countries' contribution includes acting first to rapidly reduce their domestic emissions. The original Kyoto Protocol was the first step in the process, but in a post-2012 world, industrialized country targets must be much stronger. The most ambitious scenario described in the Intergovernmental Panel on Climate Change's (IPCC) 2007 assessment report finds that even a 25-40% reduction below 1990 levels by 2020 for industrialized countries does not ensure that average global warming will not exceed 2 degrees Celsius, a widely used threshold for dangerous climate change. Industrialized countries must therefore reduce emissions in aggregate by more than 40% below 1990 levels by 2020 to avoid dangerous climate change, while providing the atmospheric space for developing countries to develop. Part of industrialized countries' fair share also includes supporting action in developing countries through financing for mitigation and adaptation, clean technologies and capacity building.

However, this does not leave the most advanced developing countries off the hook. An evaluation of the science concluded that reaching the IPCC's most ambitious scenario would also require a substantial deviation from business-as-usual in some developing countries between now and 2020, on the order of 15-30%.<sup>2</sup>

To achieve this, developing countries must commit to taking some action on their own as well as implementing further reduction measures provided they receive technology and financing from developed countries. Major emitters among the developing countries are already taking action domestically, are at the table negotiating constructively, recognize that they must take on their fair share and are willing to go even further with the right support (see section II below). This level of engagement is much, much more than can be said for the Canadian government.

## II. Developing Countries Are Fighting Climate Change

Over one hundred and fifty nations have ratified the Kyoto Protocol, including all the major developing countries. During the Protocol's first commitment period, encompassing the years 2008 to 2012, developing countries do not have any obligations to reduce their greenhouse gas emissions. Industrialized countries were supposed to act first, since they had the capacity to act and were largely responsible for the global warming problem in the first place.

When considering public comments from Canada's government in the media, in official submissions to the United Nations, and in Parliament, one could easily get the impression that China, India, and other rapidly industrializing countries have been completely resistant to discussing their own contributions to tackling climate change. In fact, these countries recognize the climate imperative and are already taking unilateral action to fight climate change in their own countries.

### China

China may have become the world's largest absolute emitter in 2008, but its per capita emissions are still about one fifth of those in the US and Canada.<sup>3</sup> Though China does not have an emissions reduction target under the Kyoto Protocol, it has implemented a number of unilateral measures to reduce emissions and adapt to climate change.

China released its *National Climate Change Plan* in June 2007 and a *White Paper on China's Policies and Actions on Climate Change* in October 2008.<sup>4</sup> These documents outline the measures it has taken and will take to fight climate change. China's plans

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<sup>2</sup> Michel den Elzen and Niklas Höhne, "Emission reduction trade-offs for meeting concentration targets" *Presentation at the In-session workshop on the Fourth Assessment Report of the IPCC at SB28* (June 2008), online: [http://unfccc.int/files/meetings/sb28/application/pdf/sb28\\_ipcc\\_6\\_den\\_elzen.pdf](http://unfccc.int/files/meetings/sb28/application/pdf/sb28_ipcc_6_den_elzen.pdf).

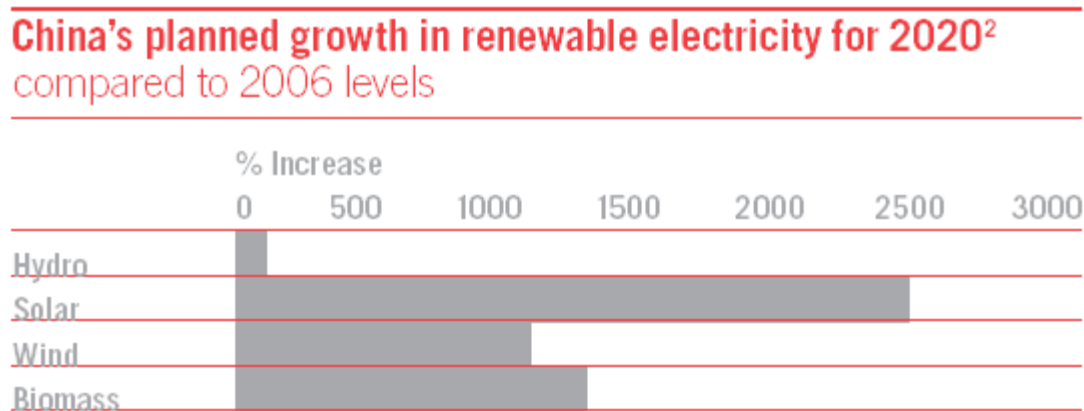
<sup>3</sup> Emma Graham-Harrison and Chris Buckley, "China says greenhouse gases catch up with US" *Reuters* (29 October 2008), online: <http://www.reuters.com/article/environmentNews/idUSTRE49S0GB20081029>.

<sup>4</sup> Chinese State Council Information Office. 2008. *White Paper: China's Policies and Actions for Addressing Climate Change*. [http://www.china.org.cn/government/news/2008-10/29/content\\_16681689.htm](http://www.china.org.cn/government/news/2008-10/29/content_16681689.htm).

include a 20% reduction in national energy intensity by 2010 below the 2006 level.<sup>5</sup> According to the U.S.-based Natural Resources Defense Council, meeting this goal would constitute the single largest emission reduction program by any country. Research suggests that China is roughly on track to meet its target.<sup>6</sup> Reaching this goal has meant closing down some of China's older, much less efficient coal-fired power plants (553 installations were closed in 2007) and now requires that any new plants built use the most efficient technology currently available.<sup>7</sup> China funded a total of 792 industrial energy conservation projects in 2006–07, and is distributing 50 million energy-efficient light bulbs to citizens.<sup>8</sup>

China is also quickly becoming a leader in new renewable energy. In 2005, China enacted a law that gives priority grid access to renewable energy and set wind power production goals for 2010 and 2020. It had to revise the goals upwards when it reached its 2010 wind power goal in 2007.<sup>9</sup> At that time, China committed to essentially doubling the proportion of renewable energy it uses from 8% in 2006 to 15% in 2020.<sup>10</sup> More recently, it more than tripled its 2020 goals for wind power capacity.<sup>11</sup> The expected growth in renewable power production is now quite remarkable across several technologies (Figure 1).

Figure 1:



Source: The Climate Group, *China's Clean Revolution* (London: The Climate Group, 2008) p. 8.

<sup>5</sup> Chinese National Development and Reform Commission, 2005 *11<sup>th</sup> 5 Year Plan for 2006-2010*. [http://www.gov.cn/english/special/115y\\_index.htm](http://www.gov.cn/english/special/115y_index.htm).

<sup>6</sup> World Resources Institute. 2008. "Energy and Climate Policy Action in China" *WRI Fact Sheet* Washington, D.C.

<sup>7</sup> The Climate Group. 2008. *China's Clean Revolution*. London [http://www.theclimategroup.org/assets/resources/Chinas\\_Clean\\_Revolution.pdf](http://www.theclimategroup.org/assets/resources/Chinas_Clean_Revolution.pdf).

<sup>8</sup> Chinese State Council Information Office. *supra*.

<sup>9</sup> WRI, *supra*.

<sup>10</sup> Chinese National Development and Reform Commission. 2007. "Medium and Long-Term Development Plan for Renewable Energy in China." [http://en.chinagate.com.cn/reports/2007-09/13/content\\_8872839.htm](http://en.chinagate.com.cn/reports/2007-09/13/content_8872839.htm)

<sup>11</sup> Rujun Shen and Tom Miles, "China's wind-power boom to outpace nuclear by 2020" *Reuters* (20 April 2009).

China already ranks fifth in the world in terms of installed wind capacity and first in installed solar capacity. It is a leading manufacturer of many low carbon technologies including solar water heaters (where it holds 60% of the market), solar photovoltaics (where it is second only to Japan) and wind turbine manufacturing (where it is anticipated to become the world leader in 2009).<sup>12</sup>

China has also made strides with respect to the fuel efficiency of its vehicles. The Chinese government promotes the sale of smaller-engine vehicles and discourages the production and sale of larger engines through a differential taxation scheme.<sup>13</sup> It also removed a perverse preferential tax rate on SUVs. Since 2005, the Chinese new passenger vehicle market has been subject to mandatory fuel economy standards.<sup>14</sup> Those standards were strengthened in 2008; even before that increase, China's mandatory standards were more stringent than the standards set through Canada's voluntary approach.<sup>15</sup>

All this is not to suggest that China cannot go further in its efforts to fight climate change or that it does not face significant challenges ahead as it aims to decarbonize its economy. Almost 80% of its energy supply comes from cheap coal, of which it has ample reserves.<sup>16</sup> Furthermore the demand for electricity is expected to continue to grow steadily, increasing by 14.4% in 2007 alone.<sup>17</sup> Coal-fired power is still the main way that China is intending to fill that increased demand.

However, China is clearly taking unilateral action to fight climate change already, and has signaled its willingness to do more with the support of industrialized countries in terms of technology, financing and capacity building.<sup>18</sup> Other rapidly emerging countries such as South Africa, Mexico, Brazil, and India are also taking significant action (see below), though these countries' efforts will be covered in less detail.

### **South Africa**

In 2006, South Africa's government commissioned a detailed economic modelling exercise called the Long Term Mitigation Scenario. Based on the results of this process, South Africa adopted a voluntary target of "plateau and decline" for its national emissions. Under the target, emissions will stop growing between 2020 and 2025, hold steady, and then begin declining in absolute terms between 2030 and 2035. This allows South Africa to make a contribution to global emission reductions that aligns with avoiding 2°C of global warming. To reach the target, South Africa plans to strengthen its energy efficiency requirements, fund research and public education, and is studying a

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<sup>12</sup> The Climate Group, *supra*.

<sup>13</sup> An et al., 2007. *Passenger Vehicle Greenhouse Gas and Fuel Economy Standards: A Global Update*. International Council on Clean Technology. Washington.

<sup>14</sup> *Ibid.*

<sup>15</sup> *Ibid.*

<sup>16</sup> The Climate Group, *supra*.

<sup>17</sup> The Climate Group, *supra*.

<sup>18</sup> See Bali Action Plan. <http://unfccc.int/resource/docs/2007/cop13/eng/06a01.pdf#page=3>.

carbon tax. After public consultations, the government plans to announce a policy package to meet its targets by the end of 2010.<sup>19</sup>

### **Mexico**

In 2005, Mexico enacted a law requiring that 8% of its electricity come from renewable sources (excluding large hydro). Mexico's government is funding the installation of 60,000 solar photovoltaic systems and established energy efficiency standards for appliances that were estimated to save 8 Mt CO<sub>2</sub>e in 2006. Mexico released its National Strategy for Climate Change in May 2007. The strategy identified emission reduction opportunities in Mexico's economy that total 107 Mt of CO<sub>2</sub>e annually to 2014.<sup>20</sup> (By way of comparison Canada, due to years of inaction, would need to reduce its emissions by about 200 Mt to meet its Kyoto target.) Mexico's strategy includes reduction opportunities from co-generation at oil sector facilities; energy efficiency programs for industry; the installation of 7,000 MW of renewable energy capacity; and a reforestation program called ProArbol, which would reforest an average of 400,000 hectares/year from 2007 to 2012.<sup>21</sup> This strategy is currently being used to develop a national climate plan, and the government is considering including a cap-and-trade system in the plan.<sup>22</sup>

### **Brazil**

Over the last decade, Brazil has increasingly stepped up its goals and policies to address energy and climate change. Much of Brazil's early work focused on energy efficiency in the electricity sector, in buildings and in transportation.<sup>23</sup> More recently, it has set a 2020 target to have 15% of primary energy production be filled with new renewable energy sources. Several incentive programs have boosted the supply of ethanol from sugar cane, a production method that involves much lower greenhouse gas emissions than burning conventional gasoline or corn-based ethanol, and made Brazil a world leader in the area. The Center for Clean Air Policy estimates that the Brazilian government's policies and programs adopted since 2000 will result in a 14% drop in business-as-usual emission levels by 2020.<sup>24</sup>

In December 2008, the most important climate change policy to date was announced by the Brazilian government. Between 2004 and 2008, Brazil's rate of deforestation was cut by more than half.<sup>25</sup> Through a combination of carrot and stick policies, the Brazilian government has committed to cutting the deforestation rate by more than half again by 2017. Since emissions from the cutting and burning of the Amazon rainforest make up

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<sup>19</sup> South African Department of Environment and Tourism. 2009. "Government's Vision, Strategic Direction, and Framework for Climate Policy." Presentation to the National Climate Change Summit. Gauteng, South Africa. March 3-6.

<sup>20</sup> Center for Clean Air Policy. 2007. *Greenhouse Gas Mitigation in China, Brazil, and Mexico: Recent Effort and Implications*. Washington, D.C. p. 3-10 and 14-17.

<sup>21</sup> *Ibid.*

<sup>22</sup> Volcovici, Valerie. 2009. "Mexico considers a domestic cap and trade." *Point Carbon*. March 16.

<sup>23</sup> Höhne et al. 2008. *Proposals for contributions of emerging economies to the climate regime under the UNFCCC post 2012*. ECOFYS. p. 67.

<sup>24</sup> Center for Clean Air Policy. *supra*.

<sup>25</sup> Partlow, Joshua. 2008. "Brazil's decision on deforestation draws praise." *Washington Post*. Dec. 6<sup>th</sup>. P. A09.

the vast majority of Brazil's greenhouse gas emissions, action in this area has the greatest potential to reduce its contribution to global warming.

### **India**

In June 2008, India released a climate change plan that significantly expanded the scale and breadth of its policies and activities to save energy and decrease the country's impact on global warming.<sup>26</sup> The plan was separated into eight "national missions" and included goals to:

- Significantly expand the use of solar energy, including the production of solar electricity and the use of solar energy to heat water and buildings in residential, commercial and industrial applications;
- By 2012, produce energy savings of 10,000MW of electricity or the equivalent of about 15 mid-sized power plants through mandating efficiency improvements in industry, funding demand-side management programs, and giving incentives for the purchase of more energy efficient appliances;
- Protect natural forests and expand forest cover; and
- Improve the sustainability of urban environments through expanded building codes, strengthened auto efficiency regulations, public transit incentives, and better waste and water management.

The plan built upon existing programs such as the retirement of inefficient coal-fired power plants, regulated targets for the purchase of renewable energy by utilities, and mandatory energy conservation programs for large energy-consuming industries.

### **III. Developing Countries and the Next Global Agreement**

In Bali in December 2007, developing countries made it clear that they were willing to take enhanced action to curb their GHG emissions in a "measurable, reportable, and verifiable manner."<sup>27</sup> These actions would be "nationally appropriate," meaning that they would vary depending on each developing country's situation. In other words, developing countries with relatively higher development levels and greater wealth would be expected to do more, while less developed countries would have fewer, if any, emission reduction expectations placed upon them. An important part of that agreement, however, was that this action would be "supported and enabled" by industrialized countries through the transfer of clean technologies, financing, and capacity building.

The 1992 U.N. Framework Convention on Climate Change enshrined the principle of common but differentiated responsibilities and respective capabilities (CBDR) (Art. 3.1). "Common but differentiated responsibility" evolved from the notion of the common heritage of humanity while applying the general principles of equity in international law.<sup>28</sup> The principle recognizes historical differences in the contributions of developed

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<sup>26</sup> Government of India. 2008. *National Action Plan on Climate Change*. Prime Minister's Council.

<sup>27</sup> Bali Action Plan, *supra*

<sup>28</sup> Centre for International Sustainable Development Law. 2002. *The Principle of Common But Differentiated Responsibilities: Origins and Scope*. A Legal Brief prepared for the World Summit on Sustainable Development.

and developing States to global environmental problems, and differences in their respective capacity—economic and technical—to tackle these problems.

In the context of climate change, applying the principle of CBDR means that it would be unfair and unrealistic to require developing countries to take on the same absolute, economy-wide emission reduction targets that developed countries have under the Kyoto Protocol, since developing countries still face many challenges in addition to climate change, including poverty reduction and meeting the basic needs of their populations. They do not have the same capacity to act as industrialized countries, nor are they historically responsible for much of the present climate problem. Furthermore, while their absolute emissions may be high in some cases, their per capita emissions remain significantly smaller than the levels seen in developed countries. (These issues will be addressed in greater depth in Section IV).

Times have changed since 1992 and many developing countries are rapidly industrializing. However, this cannot be a justification for doing away with the CBDR principle. For those countries whose level of development is now equal to some industrialized countries with Kyoto targets, it *is* time to take on binding targets. These include, amongst others, South Korea, Singapore, and Saudi Arabia but they *do not* include those for whom binding targets are often demanded: China, Mexico, Brazil, India, and South Africa.<sup>29</sup>

For other developing countries, “enhanced action” would be commensurate with their level of development, mitigation potential and capacity to act. Expected actions can generally be broken down into three categories: action taken on their own (unilateral action); further action that is supported by technology, financing and capacity building support from industrialized countries (supported action) and the use of the carbon market to finance additional action (market mechanisms). Unilateral action will frequently lead to net positive economic outcomes (i.e. saving money), which are sometimes called “no regrets” action. Some investments in energy efficiency fall into this category, since their initial cost is recovered over time through energy savings.

The challenge of the second category of activities (supported action) is how to make those actions “measurable, reportable and verifiable” and how to ensure that support from industrialized countries is “measurable, reportable and verifiable.” This is an ongoing discussion that has yet to be resolved.

Finally, there are actions that take place through carbon market mechanisms. In the first round of the Kyoto Protocol, the Clean Development Mechanism (CDM) was the main market-based instrument that allowed rich countries to invest in emission-reducing

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<sup>29</sup> The full group of countries whose PPP adjusted GDP per capita exceeds \$20 000 per year, which could be applied as one indicator for NICs, include Bahamas, Bahrain, Brunei, Kuwait, Oman, Qatar, Saudi Arabia, Seychelles, Singapore, South Korea, Trinidad & Tobago, United Arab Emirates. Island nations may be excluded from this group on the basis that their efforts should be focused on the considerable adaptation challenges of rising sea levels. Source: International Monetary Fund. 2008. “World Economic Outlook Database-April 2008.” <http://www.imf.org/external/pubs/ft/weo/2008/01/weodata/index.aspx>.



projects in poor countries. The CDM has some significant deficiencies and limitations. It is likely that for all but the least developed countries the CDM will be replaced with some kind of sectoral crediting or sectoral trading mechanism, ideally one that is more robust than the present CDM. Of course, exactly how this contribution will be expressed in the final agreement remains unclear at this stage of the negotiations.

Support by industrialized countries for developing country action has its roots in the Convention principles and obligations (Art. 3.1 & 4.7). Industrialized countries have an obligation to support the action of developing countries, in addition to and separate from deep emission reductions at home, since rich countries have already used up much of the atmospheric space that would otherwise be available for developing countries as they attempt to eradicate poverty and develop sustainably. Activities funded through the carbon market may be used by industrialized countries to count towards compliance with their emission reduction obligations. It is imperative, however, that strict rules are developed to avoid double counting those emission reductions—that they are not *also* counted as actions supported by industrialized countries but undertaken by developing countries.

It remains to be seen what the final Copenhagen agreement will look like with respect to both the actions from developing countries and financial and technological support from industrialized countries. However, it is clear that developing countries understand that they will need to take action and are willingly stepping up with proposals on what they can do. For example, the South African environment minister has said, “Increasingly, developing countries such as ourselves will be expected, and should be expected, to take our fair share of responsibility and demonstrate our plans to contribute to the global response, albeit in a differentiated way that recognizes our growth imperative and our small contribution thus far to the current crisis.”<sup>30</sup> In a recent submission to the negotiating process, Brazil also acknowledged this: “Brazil has made it clear that it will continue to fight climate change, through national actions, to the full extent of its capacity. However, Brazil is ready to do more, if international positive incentives are established.”<sup>31</sup>

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<sup>30</sup> Marthinus van Schalkwyk, South African Minister of Environmental Affairs and Tourism. 2007. “SA will take responsibility on greenhouse gas emissions: US must get off climate change ‘road to nowhere’” *The Cape Times*. November 9. <http://www.capetimes.co.za/index.php?fArticleId=4120047> .

<sup>31</sup> Submission by Brazil to the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) at para. 8, 30 September 2008. [http://unfccc.int/files/kyoto\\_protocol/application/pdf/brazilbap300908.pdf](http://unfccc.int/files/kyoto_protocol/application/pdf/brazilbap300908.pdf) .

#### IV. Canada’s Common but Differentiated Responsibility and Respective Capacity

Canada does not have a lot of credibility on the international stage when it comes to our climate change record. Many Canadians and international observers are aware that Canada has simply given up on meeting our legal obligations to reduce global warming gases under the Kyoto Protocol. Canada’s present target, if met, would allow us to reach the Kyoto target more than a decade late.

##### Our Responsibility

As part of their common but differentiated responsibility, industrialized countries, way back in 1992, agreed to “take the lead in combating climate change and the adverse impacts thereof.”<sup>32</sup> There was a very good reason for industrialized countries to take the lead. First of all, the developed world bears most of the responsibility for the problem. The vast majority of the human-produced greenhouse gases in the atmosphere were emitted during the industrialization of rich, western countries (Table 1). So Canada’s historical contribution to the problem of climate change, measured in terms of cumulative greenhouse gas is about the same as India’s, a nation of over a billion people. It is about one quarter of China’s.

Table 1: Cumulative GHG Emissions 1850-2005

Country	% of Global GHG emissions
1. USA	29.3%
2. EU-27	26.9%
<b>3. China</b>	8.3%
<b>9. India</b>	2.3%
10. Canada	2.2%
<b>14. South Africa</b>	1.1%
<b>16. Mexico</b>	1.0%
<b>22. Brazil</b>	0.8%

Source: Climate Analysis Indicators Tool (CAIT) Version 5.0 (Washington, D.C.: World Resources Institute, 2008).

##### Our Capacity

Canada, like other industrialized nations, also has many more resources to tackle the problem of global warming, with per capita levels of wealth that are much higher than those from major developing countries (Table 2). Mexico, the richest of the +5 countries, has per capita income that is one-third of Canada’s.

<sup>32</sup> U.N. Framework Convention on Climate Change. 1992. Article 3.1. See <http://unfccc.int/resource/docs/convkp/conveng.pdf>

Table 2: GDP per capita on a purchasing power parity (2008)

Country	Per capita GDP (\$US/person)
6. USA	\$46,541
14. Canada	\$39,194
20. United Kingdom	\$36,315
22. Germany	\$35,392
<b>62. Mexico</b>	\$13,532
<b>78. South Africa</b>	\$10,718
<b>79. Brazil</b>	\$10,649
<b>99 China</b>	\$6,508
<b>127. India</b>	\$3,128

Source: International Monetary Fund. 2008. World Economic Outlook Database-April 2008. <http://www.imf.org/external/pubs/ft/weo/2008/01/weodata/index.aspx>.

Even after tremendous economic growth in some advanced developing countries in recent years, these countries still face many challenges in addition to climate change, including poverty reduction and meeting the basic needs of their populations. These are reflected in their relative rankings of the Human Development Index (Table 3).

Table 3: Human Development Index (HDI) Rankings

HDI ranking, 2007
4. Canada
12. USA
16. UK
22. Germany
<b>52. Mexico</b>
<b>70. Brazil</b>
<b>81. China</b>
<b>121. South Africa</b>
<b>126. India</b>

Source: United Nations Development Program. 2008. *Human Development Report 2007-2008*.

Furthermore, while absolute emissions may be high in China and other developing countries, their per capita emissions are significantly smaller (Table 4). This highlights the distortion that occurs when one looks only at a country's overall emissions and not its per capita emissions or per capita wealth. China may be the largest GHG polluter on the planet, with an emerging middle class, but it still has hundreds of millions living in poverty who each contribute very little to global warming. Its ability to reduce emissions while dramatically increasing energy services to its population is therefore hampered.

Table 4: Per Capita GHG Emissions for 2000

Country	Per capita emissions (tons CO2 per person)
7. USA	24.3
8. Canada	22.8
39. EU-27	10.2
<b>50. South Africa</b>	8.7
<b>73. Mexico</b>	5.9
<b>79. Brazil</b>	5.4
<b>98. China</b>	3.8
<b>155. India</b>	1.6

Source: Climate Analysis Indicators Tool (CAIT) Version 5.0 (Washington, D.C.: World Resources Institute, 2008).

To summarize, Canada has walked away from its legal obligation to reduce GHG emissions under both the Framework Convention on Climate Change and the Kyoto Protocol. We have not yet provided the funding we promised for mitigation in developing countries. And in the U.N. negotiations, the federal government has stalled progress towards more ambitious action, both in terms of deeper emission reductions at home and by not providing meaningful commitments for funding climate change action abroad.

## V. Throwing Stones from the Canadian Glass House

As lamentable as Canada's record has been on climate change, it has not stopped our government from faulting developing countries for not doing more. In September 2007, at a U.N. General Assembly, Prime Minister Harper blurred the lines between industrialized countries and developing countries by insisting that an agreement on climate change should "engage all major emitters." What this meant became clear when, two months later at a Commonwealth summit in Uganda, the Prime Minister blocked a climate change agreement among 53 nations that called on industrialized countries to accept binding GHG targets. "Canada's view is we need binding targets on all nations," the Prime Minister explained.<sup>33</sup>

The view that Canada and much poorer developing countries should have the same types of global warming commitments is one the Canadian government has clung to ever since. Then-environment minister John Baird published an op-ed during the Bali conference in December 2007 that stated that all major emitters should accept binding absolute emission reduction targets and again specifically lumped together developing countries (China and India) with highly developed, rich countries (the U.S.) as culprits.<sup>34</sup> In the House of Commons in February of this year, the Prime Minister stated: "We must insist, in international talks, that all large countries adopt targets."<sup>35</sup>

<sup>33</sup> *Ottawa Citizen*. 2007. "Harper gov't blocks binding commitment on climate." November 24.

<sup>34</sup> John Baird. 2007. « Un effort planétaire. » *La Presse*. December 6, p. A25.

<sup>35</sup> Right Honourable Stephen Harper. 2009. From *Hansard*. February 12.

As recently as April 2009, in its official submission to the United Nations, Canada took the stated actions that would be taken by different groups of countries (industrialized and developing) that had been agreed to in the Bali Action Plan<sup>36</sup> and combined them under “all parties.”<sup>37</sup> Removing the distinction between developed and developing countries is completely unacceptable to developing countries and can only mean to be a tactic to slow negotiations and further erode trust.

In terms of domestic policy, the federal government still does not have a full climate change plan, something that China, India and many other developing countries have produced. The target that the government has set for Canada for 2020 not only falls well short of what a science-based analysis would reveal is necessary, but its proposed policies have been deemed by several credible analyses to fall well short of what would be required to meet even the weak target.<sup>38</sup> Meanwhile, “a clear enunciation of Canadian policies that will deal with all major sources of greenhouse gas emissions” could be as far as six months away, according to Environment Minister Jim Prentice.<sup>39</sup> It is not clear if these will be the long-awaited draft regulations addressing GHG emissions from industrial polluters.

## **VI. Canada Contributing to a Strong Copenhagen Agreement?**

Canada has not played a helpful role in the climate change negotiations over the past few years. Part of this is caused by the government’s decision to renege on its responsibilities under the Framework Convention and the Kyoto Protocol. But Canada has also been reluctant to put forward any meaningful commitments for the next phase of the Protocol and has hampered progress in the negotiations by wanting to revisit well established conventions (using 1990 as the base year to calculate reductions is a good example) in an attempt to wipe away the growth in Canada’s emissions since 1990. And finally, Canada’s insistence on developing countries taking on hard caps has contributed to erosion in the trust that should exist between developing and industrialized countries. Thankfully, Canada has been so isolated on this last point that the impact of these deliberate provocations has been softened.

It is not too late for Canada to play a constructive role in the Copenhagen process, but the Government must act quickly and constructively. First, it must publicly accept its own moral responsibility to address the problem of climate change. That means acknowledging our legal obligations under Kyoto and accepting any penalties for failing to fulfill them.

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<sup>36</sup> See 1.b (i) and 1.b(ii) of the Bali Action Plan for developed and developing countries respectively.

<sup>37</sup> Government of Canada. 2009. “Inputs to the Negotiating Text for Consideration at the Sixth session of the AWG-LCA: Submission by Canada.”

<sup>38</sup> See for example, Mark Jaccard and Nic Rivers. 2007. *Estimating the Effect of the Canadian Government’s 2006-2007 Greenhouse Gas Policies*. C.D. Howe Institute; and Mark Lewis. 2007. *Global Emissions Trading. A propensity for intensity: the Canadian carbon conundrum*. Deutsche Bank.

<sup>39</sup> Kim Moore. 2009. “Canada will state GHG policies before Copenhagen: minister.” *Point Carbon*. April 29.

Second, it must dramatically deepen the GHG emission reduction targets it is willing to adopt in the next phase of Kyoto. Based on a 1990 baseline, the European Union has committed to a target of 30% below 1990 by 2020 if others take comparable action. Australia has just updated its targets and would accept a 25% target<sup>40</sup> in the context of a strong Copenhagen agreement. The U.S. has domestic legislation that will allow it to reach a target of 17-23% below the 1990 level by 2020 when international emission reductions are included.<sup>41</sup> These commitments are still insufficient compared to what the best climate science says is required, but Canada's 3% target (relative to 1990) is so out of touch with these that it undermines the discussions even with our closest allies in the Western world. Furthermore, the level of ambition shown by all industrialized countries, including Canada, will also determine to what extent developing countries will be willing to make commitments to action on climate change.

Finally, Canada needs to show that it understands that it has a legal and moral responsibility to provide substantial funding for climate change action in developing countries. Adequate, sustainable, and predictable financial support is required for both adaptation and mitigation for the developing world. *This is a deal breaker.* Without this commitment, we will not have a strong and truly global climate change deal by the end of 2009, since it is a prerequisite for further commitments from developing countries. Of course, this does not negate the need for emerging economies to take action. In fact, this will enable it by directly supporting this action financially, and building trust with developing country governments. The Government of Canada has so far failed to engage with the many proposals for financial instruments that other countries have put forward.

One way to build that trust in the next two months to propel the negotiations forward is for industrialized countries to commit to a finance package that can be used as a down payment for a larger, legally binding, financial commitment in Copenhagen. For example, a compelling proposal is for Canada and its G8 partners to commit to providing the \$2 billion required to implement the National Adaptation Programmes of Action. These adaptation plans were tabled by the least developed countries—the poorest and most vulnerable countries on the planet—and their implementation is essential if these countries are to begin protecting themselves from the devastating impacts that have already begun.

The fear amongst those who understand the science and have followed the international negotiations is that Canada will play the role of spoiler and either scuttle a good deal or weaken it in fundamental ways. The hope of Canadians is that this is not our government's intention.

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<sup>40</sup> Below a 2000 baseline, which, for Australia, is virtually identical to 1990 levels.

<sup>41</sup> John Larsen and Robert Heilmayr. 2009. *Emission Reductions under the American Clean Energy and Security Act of 2009*. World Resources Institute. May 19<sup>th</sup>.