



Economics and Environmental Policy Research Network

Research Symposium

March 1st - 2nd, 2018

Session Notes for ECCC Keynote: Environment and Climate Change Canada's Policy and Research Priorities

1. Context of Discussion

There are three significant environmental priorities in the current government's mandate:

1. Climate change:

Stemming from the Paris agreement, climate change priorities are being emphasized from the federal level, all the way through to provinces and individual municipalities. The Pan-Canadian Framework is one important piece of this. The Mid-Century Strategy was less heralded but is just as important as the Pan-Canadian Framework. It informs our outlook to 2050, using scenarios to examine the long-term changes needed to reach our eventual goals.

2. Environmental assessment:

New legislation was announced recently that updates the existing process of environmental assessment to impact assessment. One of the areas described by this new legislation is a much stronger focus on looking at cumulative effects. Additionally, it provides a framework for transitioning beyond the spacebased and thematic-based approach widely used today.

3. Protecting and conserving nature:

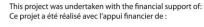
The 2018 federal budget announced \$1.3 billion over 5 years for conservation, protecting land, freshwater and wildlife. This includes working towards 17% protected areas in Canada. This priority encompasses indigenous rights and reconciliation.

In addition to these three mandate areas, there is also a significant focus on building international leadership in areas like the coal phase-out (by 2030) and reducing emissions. A further focus is on the upcoming G7, where much emphasis will be placed on oceans and plastic pollution. Finally, another focus area is on strengthening coastal resilience in light of climate impacts, encompassing adaptation and the development of more resilient infrastructure.

Research Questions Identified

The following specific research questions/ideas were identified as being of high priority for ECCC:

Pricing of other currently non-priced shared resources/externalities: In Canada, we have already placed significant emphasis on the pricing of carbon. However, we are lagging behind other countries









on pricing of other shared resources/externalities like water, road pricing etc. Each of these specific areas has its own suite of research questions. For instance, looking at road pricing, we need to get a better understanding of how public transit investments does or does not result in GHG reductions due to modal shifts.

- **How do different climate policies interact?** For instance, how do carbon pricing and fuel standards in California impact each other?
- How do we better incorporate valuation of ecological goods and services into our decision making processes? How do we build the nature agenda into decision making?
- How to structure effective regional assessment, multi-stakeholder models that capture cumulative effects? How to incorporate these into good decision making around specific projects?
- Circular economy and resource efficiency: In Canada, we have been thinking about this for about a decade now. However, we have much work to do in this focus area, with Canada's focus on plastics and zero waste just an aspiration goal at present. What can we learn from systems and good practices in Europe that can help us improve recycling rates and resource efficiency here in Canada? How do we structure appropriate incentives to achieve lower resource usage?