

## Canada needs to speed up efforts to green its energy and transport sectors

reaffirmed commitment to fighting climate change has set ACanada on a greener course, but the country needs to quickly implement planned measures to reduce the carbon intensity of its energy industry, particularly in oil sands, and green its transport sector in order to progress toward its 2030 emissions goals, according to a new OECD [Organisation for Economic Co-operation and Development] report.

The OECD's third "Environmental Performance Review" of Canada says that although Canada has reached a stage where it can grow its economy without driving up energy use, air pollution, and emissions, it remains the second most carbon-intensive OECD country (after Estonia) and the fourth largest emitter of greenhouse gases. Rising emissions from transport and oil production mean that overall, Canada's emissions have declined by just 1.5% since 2000 compared with an average decrease of 4.7% across the OECD area.

While Canada's electricity production is very low-carbon, with 82% coming from non-emitting sources like hydro or nuclear, the overall energy supply is not, with 74% coming from fossil fuels. The oil and gas industry-much of it in the province of Alberta and feeding both national needs and a large export market—accounts for a quarter of Canada's total emissions, and the transport sector another quarter.

While emissions from electricity, heavy industry, buildings, waste, and agriculture have fallen or stabilized, emissions from oil, gas, and transport have risen significantly since 1990. Oil production from oil sands emits roughly four times as much greenhouse gas per barrel as conventional crude produced in North America. Alberta's oil sands were behind much of the nearly 20% rise in emissions from oil and gas extraction in Canada over 2011-2014.

In terms of progress on climate action, Canada has almost halved fossil fuel support since 2004. The announced phase-out of coal-fired power generation by 2030 and the planned establishment of a federal clean fuel standard should reduce CO<sub>2</sub> emissions from energy use. This shift is gaining international momentum with the newly launched Powering Past Coal initiative led by Canada and the UK.

Canada is also becoming a pioneer of carbon capture and storage and has made good progress on carbon pricing, with carbon taxes or cap-and-trade systems in place in the four most populous provinces and a plan under the 2016 Pan-Canadian Framework on Clean Growth and Climate Change to introduce carbon prices

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