

Climate change

The Kyoto Protocol commits industrialized countries to reducing their collective emissions of six greenhouse gases to 5.2 per cent below 1990 levels by the years 2008 to 2012. The target levels vary for each nation, taking into account their different circumstances. Canada's target is a reduction of six per cent, as is Japan's. The European Union target is eight per cent emission reduction, while the U.S. must lower emissions by seven per cent. Russia agreed to stabilize emissions at 1990 levels. Against "business as usual" projections for 2010, Canada's target represents a 21 per cent lowering of overall greenhouse gas emissions.

In Canada, all levels of government and the private sector will work together over the next two years to develop an implementation strategy. Emissions reduction presents both challenges and opportunities, and will result in changes in the Canadian economy. No one region or sector will be asked to bear an unreasonable burden. The impact of the changes will depend on the means chosen to achieve the reductions. Energy savings, health benefits and new technologies are among the positive results Canadians can expect. A federal climate-change secretariat has been established to develop domestic implementation plans and the federal government will spend an additional \$50 million a year on emission-reduction programs over the next three years, to build momentum toward effective action on greenhouse gases.

An agreement to establish an emissions trading regime is one of the key results of the Kyoto negotiations. Emissions trading will allow countries with emission reductions either above or below their target to buy and sell credits for their extra, or missed, reductions.

Canada negotiated strenuously at Kyoto to obtain the flexibility needed to meet its reduction commitment in a cost-effective way. It believes that market-based international emissions trading achieves this. Flexibility is also achieved through provisions granting nations credits for projects implemented jointly, and by allowing industrial countries to obtain credits when they finance emission-reduction projects in developing countries.

Recognition was also achieved at Kyoto for the positive role played by forests in absorbing and storing greenhouse gases. Canada will continue to seek similar recognition for agricultural soils.

As the G-8 discusses these issues, environmental authorities are preparing for a new session of the Conference of the Parties to the UN Framework Convention on Climate Change to be held in Buenos Aires in November 1998. A series of preparatory meetings aims to establish rules and procedure dealing with