

VANCOUVER DECLARATION ON CLEAN GROWTH AND CLIMATE CHANGE

March 3, 2016

Canada stands at the threshold of building our clean growth economy. This transition will create a strong and diverse economy, create new jobs and improve our quality of life, as innovations in steam power, electricity and computing have done before. We will grow our economy while reducing emissions. We will capitalize on the opportunity of a low-carbon and climate-resilient economy to create good-paying and long-term jobs. We will do this in partnership with Indigenous peoples based on recognition of rights, respect and cooperation.

We will build on the leadership shown and actions taken by the provinces and territories, as exemplified by the 2015 Quebec Declaration and Canadian Energy Strategy, by working together and including federal action. We will build on the momentum of the Paris Agreement by developing a concrete plan to achieve Canada's international commitments through a pan-Canadian framework for clean growth and climate change. Together, we will leverage technology and innovation to seize the opportunity for Canada to contribute global solutions and become a leader in the global clean growth economy.

To that end, First Ministers agree to the following:

1. Increase the Level of Ambition

Recognizing the Paris Agreement which calls for significant reductions in global greenhouse gas (GHG) emissions to limit global warming to less than 2°C and to pursue efforts to limit it to 1.5°C above preindustrial levels;

Recognizing that the level of ambition set by the Paris Agreement will require global emissions to approach zero by the second half of the century and that all governments, Indigenous peoples, as well as civil society, business and individual Canadians, should be mobilized in order to face this challenge, bringing their respective strengths and capabilities to enable Canada to maximize the economic growth and middle class job opportunities of a cleaner, more resilient future;

First Ministers **commit to**:

- **Implement** GHG mitigation policies in support of meeting or exceeding Canada's 2030 target of a 30% reduction below 2005 levels of emissions, including specific provincial and territorial targets and objectives;
- **Increase** the level of ambition of environmental policies over time in order to drive greater GHG emissions reductions, consistent with the Paris Agreement;
- **Better coordinate** GHG emissions reporting systems among jurisdictions to accurately and transparently assess the progress and the impact of our climate actions towards our respective and collective targets.

2. Promote Clean Economic Growth to Create Jobs

Recognizing that the cost of inaction is greater than the cost of action with regard to GHG emissions mitigation and adaptation to the impacts of climate change;

Recognizing that clean growth which supports the transition to a climate-resilient and low carbon economy by 2050 is necessary to ensure the future prosperity of Canada and Canadians;

Recognizing the diversity of provincial and territorial economies, and the need for fair and flexible approaches to ensure international competitiveness and a business environment that enables firms to capitalize on opportunities related to the transition to a low carbon economy in each jurisdiction;

Recognizing the economic importance of Canada's energy and resource sectors, and their sustainable development as Canada transitions to a low carbon economy;

Recognizing that growing our economy and achieving our GHG emissions targets will require an integrated, economy-wide approach that includes all sectors, creates jobs and promotes innovation;

Recognizing that investing in clean technology solutions, especially in areas such as renewable energy, energy efficiency and cleaner energy production and use, holds great promise for sustainable economic development and long-term job creation;

First Ministers **commit to**:

- **Ensure** deep reductions in GHG emissions and a competitive economy, provide certainty to business, and contribute global solutions to a global issue;
- **Foster and encourage** investment in clean technology solutions for Canada and the world that hold great promise for economic growth and long-term job creation;
- **Implement** measures grounded in the view that clean growth and climate change policies are of net economic, environmental and social benefit to Canadians.

3. Deliver Mitigation Actions

Recognizing that a collaborative approach between provincial, territorial and federal governments is important to reduce GHG emissions and enable sustainable economic growth;

Recognizing the important role all governments have in the global effort to reduce

GHG emissions, and that a number of provinces and territories have already joined or are exploring entry into regional and international efforts to reduce GHG emissions;

Recognizing that development of new technologies and deployment of existing technologies and innovations in areas such as cleaner energy production and use, renewable and alternative energy, energy efficiency and innovative financial instruments will create new and competitive economic opportunities, domestically and abroad, that can facilitate the transition to a more resilient, low carbon economy;

Recognizing that carbon pricing mechanisms are being used by governments in Canada and globally to address climate change and drive the transition to a low carbon economy;

Recognizing that provinces and territories have been early leaders in the fight against climate change and have taken proactive steps, such as adopting carbon pricing mechanisms, placing caps on emissions, involvement in international partnerships with other states and regions, closing coal plants, carbon capture and storage projects, renewable energy production (including hydroelectric developments) and targets, and investments in energy efficiency;

Recognizing that the federal government has committed to ensuring that the provinces and territories have the flexibility to design their own policies to meet emission reductions targets, including their own carbon pricing mechanisms, supported by federal investments in infrastructure, specific emission reduction opportunities and clean technologies;

First Ministers **commit to:**

- **Transition** to a low carbon economy by adopting a broad range of domestic measures, including carbon pricing mechanisms, adapted to each province's and territory's specific circumstances, in particular the realities of Canada's Indigenous peoples and Arctic and sub-Arctic regions. The transition also requires that Canada engage internationally;
- **Foster** investments in clean technologies to reduce the GHG emissions associated with the production and consumption of energy, including renewable and alternative energy, energy efficiency and storage, and other technologies which may include carbon capture and storage;
- **Encourage** the sharing of information, expertise and best practices in order to foster a business environment that favours investments in innovative clean technologies related to climate change;
- **Work together** to enhance carbon sinks, including in agriculture and forestry, taking into account international best practices and accounting standards, to recognize their contribution to mitigating GHG emissions, and toward the establishment of a pan-Canadian offset protocols framework and verified carbon credits that can be traded internationally.

4. Increase Action on Adaptation and Climate Resilience

Recognizing that Canada has already experienced severe impacts of climate change, including forest fires, droughts, flooding, coastal erosion, thawing permafrost, invasive species, and the spread of diseases previously foreign to Canada;

Recognizing that the health and security of populations, as well as the economy, infrastructure, cultural heritage and ecosystems are being impacted by climate change, and that climate risks and inaction have significant implications for the economic and social development prospects of provinces, territories, Indigenous peoples and Canada as a whole;

Recognizing that Canada's northern and coastal regions are particularly vulnerable and disproportionately affected by the impacts of climate change;

Recognizing the importance of traditional ecological knowledge in regard to understanding climate impacts and adaptation measures;

Recognizing that comprehensive adaptation efforts must complement ambitious mitigation measures to address unavoidable climate change impacts;

First Ministers **commit to**:

- **Implement** strong, complementary adaptation policies within our respective jurisdictions to address climate risks facing our populations, infrastructures, economies and ecosystems, in particular in Canada's northern regions.
- **Support** climate resilient and green infrastructure, including disaster mitigation;
- **Strengthen** the collaboration between our governments and Indigenous peoples to support local adaptation efforts.

5. Enhance Cooperation

Recognizing that in the Paris Agreement, Parties agreed that they should, when taking action to address climate change, recognize and respect the rights of Indigenous peoples;

Recognizing that, in April 2015, Premiers concluded the Québec Summit on Climate Change with the Declaration of the Premiers of Canada by which they have agreed to act together in the fight against climate change;

Recognizing the leadership of the provinces and territories in developing the Canadian Energy Strategy, which was released in July 2015 and charts a path for shaping the sustainable development of Canada's energy future;

Recognizing the importance of provincial and territorial actions to enable the achievement of clean growth and climate change objectives and targets;

Recognizing the commitment of the federal government to work with the provinces and territories in order to complement and support their actions without duplicating them, including by promoting innovation and enabling clean growth across all sectors;

Recognizing that Canada cooperates with the United States and Mexico on energy and the environment, including through a recently signed Memorandum of Understanding on Climate Change and Energy Collaboration;

Recognizing the importance of public education, participation and access to information to increase climate change awareness and literacy;

First Ministers **commit to**:

- **Strengthen** the collaboration between our governments and Indigenous peoples on mitigation and adaptation actions, based on recognition of rights, respect, cooperation and partnership;
- **Strengthen** pan-Canadian intergovernmental cooperation and coordination on clean growth and climate change, including through mechanisms such as the Canadian Council of Ministers of the Environment, Ministers of Finance, Ministers of Innovation and Economic Development, and Energy Ministers, in collaboration with Indigenous peoples;
- **Implement** a collaborative, science-based approach to inform Canada's future targets that will increase in stringency as required by the Paris Agreement;
- **Enable** the participation of provinces and territories in cooperative activities related to their jurisdictions with the United States and Mexico on energy and climate change mitigation and adaptation;
- **Facilitate** cooperation to strengthen public communication and participation on climate change, improve public climate literacy, promote the actions taken by governments to reduce GHG emissions, and support international engagement.

Taking Action

- In order to achieve these commitments, First Ministers agree to work together to develop a pan-Canadian framework on clean growth and climate change, and implement it by early 2017. It will build on measures that the provinces and territories have taken, be supported by broad engagement with Indigenous peoples and all Canadians, and be informed by science and evidence. It will inform the development and submission of Canada's Nationally Determined Contribution and its long-term low greenhouse gas emission development

strategy under the Paris Agreement as Canada's plan to achieve our international commitments. Specific actions include:

(1) Early actions by the Government of Canada:

- a. Supporting climate change mitigation and adaptation through investments in green infrastructure, public transit infrastructure and energy efficient social infrastructure;
- b. Investing in GHG emission reductions by working together on how best to lever federal investments in the Low Carbon Economy Fund to realize incremental reductions;
- c. Fulfilling Canada's commitment to Mission Innovation, made in Paris in December 2015, by doubling government investment in clean energy research and development over the next five years, and spurring private sector investment in clean technology;
- d. Advancing the electrification of vehicle transportation, in collaboration with provinces and territories;
- e. Fostering dialogue and development of regional plans for clean electricity transmission; and
- f. Investing in clean energy solutions to help get Indigenous, remote and northern communities off diesel.

(2) Working together to build on provincial and territorial actions by identifying measures that governments could take to reduce emissions and grow the economy in the longer term:

- a. First Ministers direct that reports be developed by working groups to identify options for action in four areas: clean technology, innovation and jobs; carbon pricing mechanisms; specific mitigation opportunities; and adaptation and climate resilience. Each working group will assess impacts on economic and environmental outcomes. The reports will be provided to the ministerial tables charged with overseeing their work, as outlined below, by September 2016. Ministers will review these reports and provide their recommendations to First Ministers by October 2016, and make the working group reports public.
- b. Working groups will be established in these four areas to prepare the reports. The working groups will be led by federal and provincial or territorial co-chairs, and will be composed of members from federal, provincial and territorial governments. Each of the groups will include Indigenous peoples in their work. The working groups will be encouraged to commission expert analysis and reports as necessary to support their work, and engage stakeholders.

- c. The **Working Group on Clean Technology, Innovation and Jobs** will provide a report with options on how to stimulate economic growth, create jobs, and drive innovation across all sectors to transition to a low-carbon economy, leveraging regional strengths. This working group will consider a range of policy tools to bring new and emerging technology and innovations to market, sustain a competitive economy, reduce GHG emissions, encourage growth and investment, and increase exports of clean technologies, services and expertise. Their work will be overseen by Ministers of Innovation and Economic Development, who will receive their report.
- d. The **Working Group on Carbon Pricing Mechanisms** will provide a report with options on the role of carbon pricing mechanisms in meeting Canada's emissions reduction targets, including different design options taking into consideration existing and planned provincial and territorial systems. It will consider various elements of carbon pricing policy, including coverage, comparability and stringency, as well as market transactions related to mitigation technologies and international trends in carbon pricing and markets. It will consider the effectiveness of various carbon pricing mechanisms to contribute to the certainty of emission reductions and their efficiency at achieving this objective at the lowest possible cost, and take account of particular challenges, such as those facing northern and remote communities. It will also address issues that are particularly important to industry and investors, such as predictability, and approaches to address interprovincial and international competitiveness, including carbon leakage. Their work will be jointly overseen by Ministers of Finance and the Canadian Council of Ministers of the Environment, who will both receive their report.
- e. The **Working Group on Specific Mitigation Opportunities** will provide a report with options on how to promote clean growth and achieve a range of ambitious reductions in key sectors, including large industrial emitters, transportation, electricity generation and transmission, built environment, agriculture and forestry, and government operations as well as individual energy conservation actions. The working group will also look at approaches to internationally transferred mitigation outcomes, in the context of the Paris Agreement. The working group, supported by technical sub-groups, will consider various emissions reduction opportunities, taking into consideration existing and planned policies. Their work will be overseen by the Canadian Council of Ministers of the Environment, who will receive their report.
- f. The **Working Group on Adaptation and Climate Resilience** will provide a report with options on a comprehensive approach to adapt to the impacts of climate change, support affected communities and

build greater climate resilience. This working group will identify specific priorities in support of approaches to climate change adaptation, including disaster mitigation and conservation, and will consider a range of policy tools to foster research, innovation and investments in resilient infrastructure; integrate information, expertise and best practices from Indigenous peoples; and support the development of jurisdictional policies. This work will be overseen by the Canadian Council of Ministers of the Environment, who will receive their report.

(3) Working together on Energy Efficiency and Clean Energy Technology and Innovation:

- a. Federal, provincial and territorial Energy Ministers will collaborate on specific actions being undertaken through the Canadian Energy Strategy, including energy conservation and efficiency, clean energy technology and innovation and delivering energy to people and global markets, in order to contribute to the pan-Canadian framework on clean growth and climate change.
- b. The Government of Canada will advance the harmonization of energy efficiency standards and development of innovative approaches across Canada and with North American partners.

(4) Engage Indigenous peoples in the development of the pan-Canadian framework on clean growth and climate change

- a. The working group process will be complemented by a broader engagement process with Indigenous peoples.

(5) Engage the public in the development of the pan-Canadian framework on clean growth and climate change

- a. The public, including youth, will be engaged using online tools in particular to solicit input and to increase climate change awareness and literacy.

(6) First Ministers will meet in fall 2016 to finalize the pan-Canadian framework on clean growth and climate change, and review progress on the Canadian Energy Strategy.