



Citizens' Climate Lobby Canada Lobby Climatique des Citoyens

January 2019 Guest: Amanda Ripley, journalist



Amanda Ripley is a reporter who practices “solutions journalism” that digs below oversimplified narratives to get to the deeper truths about people and society. In the process, she has come across a way to address conflict that results in a more satisfying outcome: Complicate the narrative. As we engage in the difficult conversations needed to arrive at solutions to preserve a livable world, Amanda offers the tools to disrupt the intractable conflict that impedes our progress. Amanda has written for The Atlantic, Time magazine, Slate and the Wall Street Journal and is the author of *The Smartest Kids in the World: And How They Got That Way*.

CCL Canada January 2019 actions at a glance:

1. Using the accompanying planning sheets, set your 2019 goals and plans for relationship building with your local Parliamentarians, media and community.
2. **CCL Ontario Actions:** Join the [CCL Ontario Group](#) in CCL Community AND help us plan for a March 2019 event at Queens Park. Ask for the Ontario government to support carbon pricing for by January 28 <https://ero.ontario.ca/notice/013-4208>
3. **Online Warriors:** take Government of Canada Budget survey here. Not much on climate though: <https://www.budget.gc.ca/2019/prebudget-prebudgetaire/index-en.html>
4. Please note the Laser Talks this month focus on carbon pricing and competitiveness.
5. **Special Request:** If CCLers want to conduct a regional lobbying events in 2019 under the umbrella of CCL it needs to be insured and we need to know at least two months in advance.

| | Date and Time | Call Options |
|---|--|--|
| Fridays For Future Climate Strike Coordination call | Monday, January 7, 2019 5 pm PT / 8 pm optional call for CCL youth striking from school | Uberconference Line 1-888-570-6238 or log in online for free |
| Canada: All CCLers welcome. We check in with each other, share field reports, and go over monthly actions. | Option 1: Thurs, Jan 10, 2019 at 6 pm PT/ 9 pm ET Option 2: Fri, Jan 11, 2019 Cancelled – FFF Strike Option 3: Mon, Jan 15, 2019 at 6 pm PT/ 9 pm ET Just pick 1 to attend. Sign this doodler to RSVP. | Uberconference Line (1-888-570-6238) or log in online for free . |
| International: January 2019 Guest: Amanda Ripley, journalist (See above) | Sat, Jan 12, 2018 at 10 am PT/ 1 pm ET | Zoom Room 2017201717 or call +1 877.369.0926, meeting code: 2017 2017 17 |
| Canada Education Call: | TBA | Zoom Room 3920795005 or call +1 877.369.0926, meeting code: 3920 7950 05 |

ACTION 1: Set your 2019 Goals and Plans

Why: Social science research continues to highlight there are several key factors that help support anyone's interest in getting more involved with an organization they care about: setting specific and measurable short-term and “stretch” goals, having a support system to help you achieve them, and celebrating our accomplishments together. This is the 9th year CCL Canadians have received these instructions in January to plan for the year.

Materials: 2019 Planning Sheets (attached in the email with these actions sheets) for everyone, pencils, pens and perhaps even markers, Post It Notes and/or flip chart paper. As 2019 begins, let's take a moment to celebrate the successes and set our sights on the goals we wish to accomplish in the coming year.

- Have members share personal, group or national CCL accomplishments since 2010. If you are unaware of how far we have come check Appendix I and Appendix II.
- Building on those successes, take a few minutes for members to look over the 2019 planning sheets and decide group goals for the coming year.
- Using the group planning sheets, set goals your group would like to accomplish in 2019.
- Assign someone to be the recording secretary and keep track of the key ideas and then email everyone afterwards your group's plans. Alternatively, you can put it in a google doc and share it.
- Agree on a timeline, perhaps quarterly, to review your group's goals and the progress toward achieving those goals.

NOTE: A very important task in the sheets is to register at OpenParliament.ca to receive updates when your MP speaks in Parliament. All politics is local. Your social capital in your riding is immeasurable. We are betting the ranch on you and your groups in your ridings holding the ground we have gained and hopefully advancing it in 2019.

LASER TALKS: CARBON PRICING & COMPETITIVENESS

Why CCL Advocates for Border Carbon Adjustments

Imagine Canada 10 years from now with a much higher and comprehensive carbon price. Without complementary measures, industries, such as cement and steel, [among others](#), may be at risk of leaving Canada. Business and industries have a high carbon footprint and/or rely heavily on exports are identified as **emissions-intensive and trade-exposed EITE** businesses.

When carbon pollution just moves to another part of the world, that movement is called “**offshoring**” or more specifically, “**carbon leakage**”.

As the [Ecofiscal Commission](#) reports, if **EITE** business decide to move to another country with a lower carbon price, Canada would lose economic activity, and the impact of our climate policy would be significantly reduced.

So as our carbon price rises, there is a risk of job loss, weakening of our climate policies and general pushback on carbon pricing from the **EITE** sector of our economy.

This is where there is a role **Border Carbon Adjustments (BCAs)**. If, for example, Canadian steel, is having trouble competing in the American market because of our higher carbon price, steel exporters would receive a rebate when they export to the US. [Fossil fuel exports would not receive these rebates](#); BCAs would apply only to carbon intensive goods.

Carbon intensive goods coming into our country from countries without a carbon price would not receive a free

ride. They would be [subject to our carbon fee](#) via an equivalent tariff. That would incentivize other countries to adopt an equivalent price on carbon and keep the revenues in their country.

According to the [Carbon Tax Centre](#), BCAs allow us to move ahead with carbon pricing without waiting for our trading partners to catch up.

Are BCAs legal under free trade agreements? [Maria Panezi](#), with the Centre for International Governance Innovation spoke on this issue at CCL Canada's 2016 Conference. Panezi believes BCAs can be designed to be compatible with the main World Trade Organization agreement – the General Agreement on Tarrifs and Trade (GATT). [Ecofiscal](#) cautions that BCAs could be held up in the courts even if properly designed.

CCL Canada's position is that BCAs should be included in the federal carbon price plan to level the playing field for domestic industries with international jurisdictions without a similar carbon price. This is a perfect time for the Canadian government to study BCAs – while our carbon price is still relatively low. And, that is why we submitted a request to the US-Canada Regulatory Cooperation Council in 2018 for BCAs to be studied.

Our Submission to US-Canada Regulatory Cooperation Council

From November 25, 2017, to January 8, 2018, the Government of Canada invited stakeholders to share their views on how to address regulatory differences between the US and Canada through the Regulatory Cooperation Council. In particular, Canadians were invited to comment on issues to be considered for future cooperation, including proposals to align existing regulatory systems, streamlining of unnecessary or duplicative procedures, and areas that will be impacted by new technologies, which are not yet regulated.

Our [submission](#) indicated that priority should be given to determining whether comprehensive and comparable carbon pricing in Canada and the U.S. can protect genuinely vulnerable firms or sectors while eliminating the need for support measures, some of which may already be in place, that increase the costs GHG reductions to the economy.

Read our full submission here:

https://opencanada.blob.core.windows.net/opengovprod/resources/9678bff5-6820-459b-8406-da4d34d29921/citizens-climate-lobby_rcc-submission.txt?sr=b&sp=r&sig=OXQJMIQK6yixDMWKI754hIYf92W3r8jIUtYsHb/3WM%3D&sv=2015-07-08&se=2018-12-27T21%3A44%3A21Z

Why Output-Based Carbon Pricing is a Logical First Step

Since 2010, CCL has advocated for Border Carbon Adjustments (BCA) to help with competitiveness issues and carbon leakage when Canada imposes a carbon pricing policy. However Canada opted for output-based carbon pricing for emissions-intensive trade-exposed industries in the Greenhouse Gas Pollution Pricing Act

- BCAs are tariffs thus perceived as protectionist and thus a rallying cry of a trade war
- Diplomatically speaking you would give your trading partners a couple years notice at least that they were coming
- BCAs are complicated to set-up and take time to pass through the World Trade approvals
- BCAs are thus a huge expenditure of political capital
- BCAs are not really necessary at carbon prices below \$40. For example, British Columbia's carbon tax is at that price without BCAs.
- BCAs require a fully functioning carbon price which we don't have yet. Let's get the price first and not put the cart before the horse.

Output-based Pricing Systems

Only federal governments can enact border carbon adjustments (BCAs) and only if they have a fully functioning federal carbon price. Additionally, BCAs take time to set-up. Thus, while establishing a national carbon price Canadian companies have to maintain competitiveness and reduce carbon leakage without BCAs.

Canada has opted to use Output-based Pricing Systems (OBPSs) from 2019-2022 to get around this conundrum. OBPSs provide reduced carbon-pricing while encouraging leadership to regulated sectors and

facilities to maintain competitiveness and minimize the risk of [carbon leakage](#) due to production moving to jurisdictions without carbon pricing. OBPSs matter most for sectors that are Emission-Intensive and Trade-Exposed (EITE). That is, they produce relatively large amounts of GHG emissions per unit of output, and they compete in highly traded markets, and competitiveness pressures.

OBPSs lowers emissions by making EITE sectors cleaner instead of smaller and offers industry a way to price carbon and reduce emissions in EITE sectors while the [rest of the world](#) catches up on carbon pricing. The intent of the OBPSs are to encourage meaningful GHG reductions by:

- Comparing facilities against their cohort of peers to encourage leaders.
- Sending a price signal to influence future investments.

It's best to think of output-based pricing in two steps. In the first step, companies pay the full carbon price on their GHG emissions. In the second step, the government returns some of the revenues to them as a subsidy. The overall result is that a high-emitting facility will pay a higher net carbon tax, and a low-emitting facility will pay a lower one.

CCL recommends that OBPSs should be temporary and ultimately replaced with border carbon adjustments.

REFERENCES

<http://www.pembina.org/blog/output-based>

<https://www.alberta.ca/assets/documents/ci-oba-presentation-dec-2017.pdf>

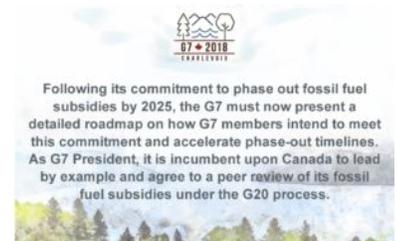
<https://ecofiscal.ca/2017/05/24/explaining-output-based-allocations-obas/>

<https://www.canada.ca/en/services/environment/weather/climatechange/technical-paper-federal-carbon-pricing-backstop.html>

APPENDIX I - ICYMI: A wrap up of 2018

G20 Peer Review of Fossil Fuel Subsidies

In February 2018, in collaboration with organizations within Climate Action Network Canada, our volunteers were given [impeccable](#) talking points and [instructions](#) in their monthly actions sheets. Then they sent over 700 letters to Parliament asking for the government to commit to peer-review of fossil fuel subsidies under the G20. In June, the government of Canada formally committed to the G-20 peer-review process.



Canada Enacts First Carbon Fee and Dividend Policy

On October 23, 2018, the government of Canada [enacted](#) the first carbon fee and dividend policy on the planet. While lobbying on Parliament Hill the week before, Senator Grant Mitchell, said to our national director, *“You are one of the most successful lobbying groups I have worked with because you are about to get what you lobbied for,”* and he graciously let us quote him.



Will Ireland Be Next?

On November 21, Eamon Ryan, Leader of the Green Party / Comhaontas Glás, [debated fee and dividend](#) in the Irish legislature. “Every cent raised would be returned equally to each citizen in a direct payment.” Sound familiar? The best part is when Leo Varadkar, the Irish Prime Minister, agreed with him and talked about Canada’s policy. Kudos and gratitude to Graham and the gang at CCL Ireland for bringing the talking points and literature about carbon fee and dividend to Ireland.



Or the USA?

In late November and then in early December bipartisan carbon fee and dividend bills were introduced in both the US House of Representatives ([H.R. 7173](#)) and US Senate ([S. 3791](#)), respectively. Have no doubt that [our CCL friends](#) south of the



border often [cite](#) Canada when empowering fellow US citizens to embrace carbon fee and dividend. As of December 24, the Energy Innovation and Carbon Dividend is [sponsored](#) by 5 Republicans and 5 Democrats in the House of Representatives and Senators Flake (R-AZ) and Coons (D-DE) in the Senate.

Fridays For Future Comes to the Western Hemisphere

On November 2, 2018, CCL Sudbury member Sophia Mathur conducted possibly the first the first [Friday For Future Climate Strike](#) in the Western Hemisphere in solidarity with [Greta Thunberg](#) in Sweden who has been striking from school since August.

On Friday, December 7, 2018 youth in [Victoria](#), [Vancouver](#), [Winnipeg](#), [Sudbury](#), [Kingston](#), [Kitchener](#), [Ottawa](#), and [Fredericton](#) conducted [Fridays For Future](#) strikes.

Their actions made the [CBC National](#) on Friday, December 7, 2018, and Greta Thunberg tweeted her appreciation. CCL Canadians facilitated these actions and [was the group behind the website](#) that was created to support youth strikers.



As Greta Thunberg said in her speech at COP24 on behalf of [Climate Justice](#), “We have run out of excuses and we are running out of time. We have come here to let you know that change is coming, whether you like it or not. The real power belongs to the people. Thank you.”

Canadian youth are gearing up to strike again in 2019. Follow their developments [here](#)

APPENDIX II - History of Canada's Climate Action

Canada currently has [highly insufficient climate commitments](#). And, we have the highest [GHG footprint per capita](#) in the G20.

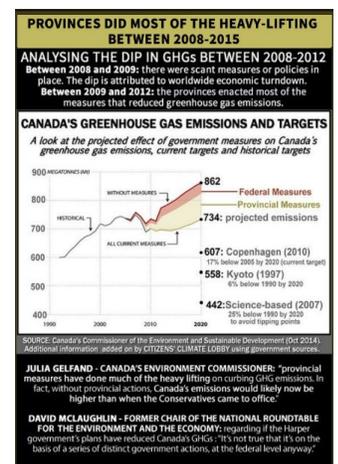
Literally, in 2015, Canada finally began the hard work of developing a national plan to a low carbon future that includes so much more than carbon pricing. It is called the [Pan-Canadian Framework on Clean Growth and Climate Change](#). And in the process of developing this plan was intensive public input. You would have to be asleep under a rock to have missed opportunities to give feedback.

PM Trudeau's government inherited the woefully inadequate GHG targets from the previous government and under PM Harper the provinces did most of the [heavy lifting](#) in reducing greenhouse gases between 2008 and 2015 (see the image to right).

As well, between 2008 and 2013 at the yearly UN climate negotiations, Canada was the most obstructive country. It was so bad that in 2013, Canada was awarded [a Lifetime Unachievement Award](#) from Climate Action Network International.

Canadians live in one of the [richest countries](#) the world has ever known. The climate crisis is [really urgent](#), yet Canada and including especially [Ontario](#) are not doing their part to solve this crisis.

Previously, only [Pembroke MP Cheryl Gallant](#) was against the world along with President Donald Trump in opposing the Paris climate commitments. Now [Conservative Party of Canada](#) will no longer commit to meeting even our woefully inadequate Paris climate commitments. [Feel free to share this image on Facebook](#).



Thankfully, other countries around the world are moving forward. If Canada loses our carbon pricing policies and the clear market signals they are sending, Canada will lose out on the [\\$26 trillion opportunity](#) that awaits for jurisdictions with the right climate policies.

Carbon pricing is such an obvious solution that the [Canadian Chamber of Commerce](#) endorsed carbon pricing on December 15, 2018. Note, [Moody's](#) downgraded Ontario's credit rating recently.

Canada is now a world leader on carbon pricing

Did you know that Honourable Catherine McKenna is a graduate of the London School of Economics and is currently the [High-Level Co-Chair](#) to the Carbon Pricing Leadership Coalition too? This is a very good thing for Canada because we are being positioned to grab onto the [\\$26 trillion clean tech](#) opportunities that will be available between now and 2030.

On December 12, 2019, in a Nature editorial, Canada's carbon pricing policy was [praised](#) as a way of making carbon pricing more palatable to the taxpayer.

Frankly, civil society within CCL International, G7, G20, IPCC, COPs and We Don't Have Time has its eyes on Canada's carbon pricing policy.

Gratitude - Action is where hope resides

We are an action-oriented organization, not a think-tank. Humans have had 30 years of pep-talks and a deluge of climate facts. The time for talk and facts is long over. Bold and consistent actions by our volunteers over the last eight years have produced incredible results. Thank you, everyone, for daring greatly and being on the journey with us from me to we!