



Workshop #3: Modeling to Support Policy

Forestry and Agriculture GHG Modeling Forum

Shepardstown, WV, Oct. 12-15, 2004

Moving from Policy Development to Policy Implementation: New Challenges for Modelers and Analysts

The situation has changed markedly for Canada since Workshop #1 in 2001

- From Kyoto until 2002 we worked at developing a national plan – an inclusive national effort
- For analysis -we had to use what was available
- With AP2000 we initiated a process of engagement to get started
 - Agriculture, Forestry – GHGMP, PERRL, shelterbelts, Model Forest
 - Investing in science and analytical capacity – NCGAVS, Forest Inventory, BIOCAP, Model Farm, Policy Models
- National Climate Change Plan (Nov. 2002) was basis of ratification of Kyoto in Dec. 2002 (without benefit of new science and analytical capacity)



With the National CC Plan, elements of a national approach were identified using various tools

- The gap for 2008-2012 was estimated at 240 Mt CO₂equ
 - 60 Mt achieve by action under way (ie. AP2000)
 - 100 Mt achieve by new action
 - 80 Mt yet to be determined
- CGE modeling estimated the cost at about 1% of GDP in 2012 (but great uncertainty on cost of mitigation)
- Some \$C3B will be invested to meet the additional 100 Mt using a number of policy instruments (DSM, energy efficiency, ethanol, new technology etc.)



From the 100 Mt, 55 Mt will be delivered by LFE

- LFE (Large Final Emitters) are responsible for about one-half of Canada's emissions
- Using negotiated emission intensity targets achieve 55 Mt of emission reductions compared to BAU
- To provide LFE with flexibility, develop an offset system that would include agriculture, forestry and maybe land fill gas and other types of projects.
- LFE and offset system nearing design completion
- Currently, about \$C2B of programming being implemented to meet other 45 Mt



Modeling and Analysis remains as important today

- The questioning is becoming more focused and penetrating, and not only coming from the CC community
- To operationalize, many issues need to be resolved – creating a new market is not an easy process
- Stakeholders want greater certainty or guarantees the plan will work
- Stakeholders want to know what is coming next given the Plan and Kyoto are only first steps

