

April 2, 2019

Sustainable Development Office
200 Sacré-Coeur Boulevard, 7th Floor
Gatineau, Quebec, K1A 0H3

Sent by email: ec.bdd-sdo.ec@canada.ca

Dear Sir/Madam:

Re: Draft Federal Sustainable Development Strategy for Canada 2019 to 2022

Chartered Professional Accountants of Canada (CPA Canada) appreciates the opportunity to contribute to public consultations on the draft Federal Sustainable Development Strategy (FSDS).

CPA Canada applauds the Government of Canada's commitment to both the 2030 Agenda for Sustainable Development and the Paris Agreement. In that spirit of globalism, to truly ensure that Canada develops sustainably, we must be able to look beyond the parameters of federal jurisdiction and consider the country more holistically. From that vantage point, we wish to make an observation that, while it may fall somewhat outside the scope of the FSDS, must nonetheless be addressed in order to achieve the strategy's ultimate objective.

About CPA Canada

CPA Canada is one of the largest national accounting organizations in the world, representing more than 210,000 members. CPA Canada conducts research into current and emerging business issues and supports the setting of accounting, auditing and assurance standards for business, not-for-profit organizations and government. CPA Canada also issues guidance and thought leadership on a variety of technical matters, publishes professional literature and develops education and professional certification programs.

CPA Canada has been researching and writing on the business issues related to climate change for over 20 years, focusing on issues of governance, accounting, auditing and corporate disclosures. A significant area of focus in recent years has been climate change adaptation as we seek to better understand the impacts of climate change, raise awareness among our members and business audiences, and help businesses and other entities to adapt and become more resilient.

A vision for a sustainable Canada

The draft FSDS defines sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs. That means achieving low-carbon, environmentally responsible economic growth, maintaining and restoring our ecosystems, and ensuring Canadians can flourish in clean and healthy environments.”



We might add that all this must be accomplished while also preserving strong and vibrant communities, and creating meaningful jobs for Canadians. A key element of sustainable development is recognizing that climate change is already impacting our environment and adapting to those and future climate related impacts must be core to our approach to a sustainable development strategy.

The draft FSDS describes a Canada that has a federal system of government and carefully considers sustainable development from the perspective of each area of federal responsibility. But there is also another Canada – a vast piece of geography, inhabited by 36 million Canadians in countless communities large and small, and blessed with rich, diverse ecosystems that help to sustain us. In this view of Canada, political borders are artificial constructs that weather events and natural disasters fail to recognize. Similarly, Canadians who have been impacted by our changing climate and significant weather events are less concerned with which order of government is responsible for what, than they are about how they restore their lives and regain lost opportunities, while preparing themselves for future resilience.

For Canada to develop sustainably, other levels of government, private sector businesses, civil society – all of us – must give the same thought and consideration to sustainable development that the federal government demonstrates with this draft FSDS.

A national plan to address climate change adaptation

As mentioned above, readying Canada to adapt to the effects of a changing climate is not solely the responsibility of the federal government. In fact, it is not just a matter of shared federal-provincial-territorial responsibility either. Municipalities bear an oversized responsibility for climate change adaptation and the private sector, which faces considerable climate-related impacts, requires a better understanding of the issue and risks so it can assume its share of responsibility.

This need for public and private sector collaboration on adaptation was emphasized by leaders from both the public and private sector at a forum hosted in January by Natural Resources Canada, CPA Canada, and the Insurance Bureau of Canada. The forum's directional statement included, in part:

“As Canadian public and private sector leaders, we recognize climate change poses significant physical risks to our economy and society. We also recognize that dealing with these physical risks will make companies and communities more resilient and, in fact, can provide a competitive advantage. We therefore acknowledge the importance of adaptation to extreme weather events and to the slow onset impacts of climate change.”

In order for each player to do its part in adapting to climate change, federal leadership is required. The federal government has the resources to provide scientific climate information and data to Canadians; the ability to increase awareness of the risks, opportunities and need for preparedness; and, as the senior level of government, is in a unique position to engage other levels of government and all relevant stakeholders in the planning process.



The way to do this is by developing a national adaptation plan (NAP)¹. A NAP should be a flexible and forward-looking plan for identifying and managing climate-related risks at a country-wide level. It is not an exercise in central planning, but rather enables all actors – governments, municipalities, First Nations, private sector businesses and civil society – to assume their responsibilities and act in a coordinated way.

As it was expressed by British climate policy experts: “Most climate change adaptation is undertaken by private sector actors – households, firms and civil society. ... The role of the state is to provide an enabling framework that encourages and supports such decentralized climate change adaptation.”²

In developing a NAP, Canada can refer to guidelines developed by the United Nations Framework Convention on Climate Change (UNFCCC)³ and learn from a number of European countries that have NAPs in place or are well advanced in developing them. Some, such as Britain and France, are already into the second generation of their plans.

Article 7 of the Paris Agreement requires signatory states to engage in climate change adaptation planning and reporting. Beginning the process to develop a NAP for Canada would address this commitment and would rapidly increase Canada’s adaptation readiness.

Conclusion

Climate Action is the Sustainable Development Goal that requires perhaps the greatest urgency of action in Canada. As we have argued here, true long-term solutions require a coordinated approach by both the public and private sectors. The other 16 SDGs would also benefit from such an approach. We are pleased to note the government is currently holding public consultations on the 2030 Agenda for Sustainable Development and acknowledged that achieving the SDGs “requires a whole-of-society effort.”⁴

In this submission on the draft FSDS, we have commented very little on the strategy itself. Its thirteen areas of focus are, for the most part, outside our profession’s areas of expertise. However, we hope we have made a convincing case that sustainable development must be considered in a broader context

¹ According to the UNFCCC, the objectives of the NAP process are: “(a) To reduce vulnerability to the impacts of climate change, by building adaptive capacity and resilience; (b) To facilitate the integration of climate change adaptation, in a coherent manner, into relevant new and existing policies, programmes and activities, in particular development planning processes and strategies, within all relevant sectors and at different levels, as appropriate (decision 5/CP.17, paragraph 1).”

² Fankhauser, Sam, Nicola Ranger, Jonathan Colmer, Susannah Fisher, Swenja Surminski, David Stainforth and Andrew Williamson, *An Independent National Adaptation Programme for England*, Grantham Research Institute on Climate Change and the Environment and the Centre for Climate Change Economics and Policy, March 2013.

³ United Nations Framework Convention on Climate Change, *The National Adaptation Plan Process: A brief overview*, LDC Expert Group, United Nations Climate Change Secretariat, December, 2012.

⁴ <https://www.canada.ca/en/employment-social-development/news/2019/03/government-of-canada-launches-consultations-on-the-national-strategy-for-sustainable-development.html>



than the confines of federal jurisdiction and that the NAP process would help to better prepare Canada and all of us who inhabit it for the inevitable impacts of a changing climate.

Should you have any questions about these recommendations, please contact myself (gbeal@cpacanada.ca) or James Richardson, Manager, Government Relations (jrichardson@cpacanada.ca).

Yours truly,

A handwritten signature in black ink, appearing to read "Gordon Beal". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Gordon Beal, CPA, CA, M.Ed.
Vice President, Research, Guidance and Support
Chartered Professional Accountants of Canada

cc: Hilary Geller, Assistant Deputy Minister, Strategic Policy Branch, ECCC
Rita Cerutti, Director General, Sustainability Directorate, ECCC