

Policy Applications of the SEEA in Canada

Environmental Impact Analysis of International Trade



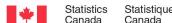
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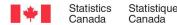






The Canada-EU Comprehensive Trade Agreement (CETA): environmental assessment

- Physical Flow Accounts helped meet legislated requirement for the environmental assessment of trade agreements
- Trade department used the account to show that the net impact of increased bilateral trade with the EU on Canada's environment would be minor based on projected changes in GHG emissions, energy use and water use.





The Canada-EU Comprehensive Trade Agreement (CETA): results

Summary of Environmental Impacts of the Canada-EU Comprehensive Economic and Trade Agreement (CETA)						
	Scale Effect	Composition Effect	Total CETA-Induced Effect		Technique Effect	Total Effect, 2014
GHG Emissions (kilotonnes of CO₂ eq)	3,681	-1,375	2,306	0.38%	-393	1,913
Energy Use (terajoules)	51,820	-20,835	30,985	0.36%	-677	30,308
Water Use ('000 m ³)	212,401	174,817	387,218	1.10%	N/A	387,218

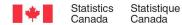
http://www.international.gc.ca/trade-agreements-accords-commerciaux/agracc/eu-ue/initialea-ceta-aecg-eeinitiale.aspx?lang=eng





The Canada-EU Comprehensive Trade Agreement (CETA): role of SEEA accounts

- Timing: PFA were incorporated into this review from the start.
- Specific use: PFA were combined with an inputoutput based multi-regional CGE model.
- Factors of success: Classification matched the input-output tables used in the model.
- Barrier: Biennial frequency of the water use data and manufacturing classification used for the water data.





Reference documents

Environmental Assessments are guided by the <u>Cabinet</u> <u>Directive on the Environmental Assessment of Policy, Plan,</u> <u>and Program Proposals</u> (updated in 2010) and the 2001 <u>Framework for Conducting Environmental Assessments of Trade Negotiations.</u>