

Intelligence MEMOS



From: Monica Gattinger

To: Canadians Concerned About Energy and Climate Change

Date: March 22, 2022

Re: **THE WAR IN UKRAINE AND GLOBAL ENERGY SECURITY: WILL IT UNITE OR DIVIDE CANADIANS?**

Russia's Ukraine invasion has propelled energy security to the top of political agendas the world over.

The global focus on security dovetails with heightened global concern about climate change. Energy security and climate are interacting in unprecedented ways and emerging debates suggest they could create further divisions over energy and climate in Canada.

How should Europe reduce its dependence on Russian oil and gas? Viewed through a traditional security lens, the answer is clear: by replacing imports from Russia with resources from other countries. But in the context of climate change, some say Europe should replace Russian oil and gas with other energy sources and move off fossil fuels entirely.

The reality of course, is somewhere in between.

Europe relies on Russia for 40 percent of its natural gas supply and the European Commission's [REPowerEU](#) plan aims to eliminate Russian imports by 2030 by replacing it with gas from other countries and by reducing dependence on gas. On March 11, EU leaders doubled down on the 2030 date and said they plan to [eliminate](#) Russian oil and gas imports by 2027.

What is clear is that Europe's taking a two-pronged approach that attends to both energy security and climate imperatives.

Back here at home, our energy conversation looks unfortunately all too predictable. Canada continues to be uniquely capable of taking energy and climate issues that could unite the country and using them instead to divide it. While Canadian producers and Alberta Premier Jason Kenney have laid out [how](#) Canadian oil and gas can bolster Europe's energy security, others [say](#) these ideas are opportunistic and wrong-headed.

Ottawa, for its part, has struggled openly with its position. The environment minister is [saying](#) Canadian oil and gas is not the answer for Europe. The natural resources minister is [saying](#) it could be.

Which is it?

Since then, Ottawa seems to be saying it can provide [short-term support](#) on oil, but its long-term focus will be on renewables and hydrogen. Coming on the heels of the federal government's rejection of [GNL Quebec's LNG project](#) and its repeated delays making a decision on the [Bay du Nord oil project off the East Coast](#), one wonders what kind of backlash this will create.

Is there a way to change course?

Maybe.

First, energy security and climate action should not be framed as incompatible. The country needs policy approaches that integrate energy and climate in the short and long terms. This is about 'and' not 'or.' Europe's two-pronged approach underscores this. So does the [IEA's net zero by 2050 report](#), which makes clear that oil and gas will continue to be part of global energy systems in 2050.

Second, it needs to be made clear how Canadian contributions to global energy security can support progress towards domestic and global net zero emissions. How carbon competitive is Canadian LNG (very)? What is the current and future emissions intensity of Canadian oil? How can advances in emissions reductions technologies like carbon capture, utilization and storage help reduce emissions in other hard to abate sectors? How could oil and gas exports that reduce emissions elsewhere be credited to Canada? Answers to these questions need to be robust and credible.

Third, Canada should think strategically about how to position itself. It's unclear how quickly Canada could supply oil and gas directly to Europe, but selling more into Asian and US markets helps free up supplies elsewhere that could be sent to Europe. Doing so in a way that helps reduce global emissions would be key. Crucially, this is not just about short-term production increases but medium- and long-term opportunities for oil and gas in global markets. It's also opportunities for nuclear, for hydrogen, for technology transfer and for scientific collaboration. And it's a chance to reinvigorate Canada-US oil, gas and energy security relations, all big gaps in the [Roadmap for a Renewed US-Canada Partnership](#).

This all arrives as the federal government works on finalizing its new climate plan, its approach to capping and cutting emissions from oil and gas, its strategy for carbon capture, utilization and storage, and the federal budget. It's not too late for Canadian contributions to domestic and global energy security to be integrated into these plans. To do that, collaboration among government departments, levels of government, industry, innovators, Indigenous communities and civil society will be pivotal. We need a tent, not more silos.

Perhaps most importantly, Canada should be seen as part of the energy solution for Europe, not sitting on the sidelines mired in domestic conflict and confusion.

Monica Gattinger is Founding Chair of Positive Energy at the University of Ottawa and Director of uOttawa's Institute for Science, Society and Policy.

To send a comment or leave feedback, email us at blog@cdhowe.org.

The views expressed here are those of the authors. The C.D. Howe Institute does not take corporate positions on policy matters.

Trusted Policy Intelligence / Conseils de politiques dignes de confiance