

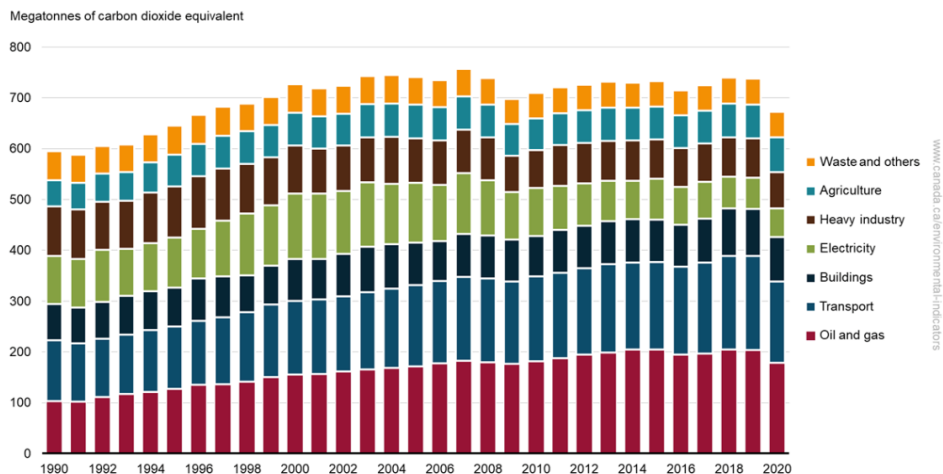


Circular economy 2-pager, 19th December 2022

National policy landscape

Following the introduction of the **Pan-Canadian Framework on Clean Growth and Climate Change** (2016) and **Strengthened Climate Plan** (2020), the Canadian federal government has set the goal to significantly reduce Canada's environmental impact and become climate neutral by 2050. Relevant environmental goals include: requiring all plastic packaging to have a 30% recycled content by 2025, phasing out coal-fired electricity by 2030, and running all government operations at net-zero emissions by 2050. Key in the national sustainability strategy is the ambition to make the country a global leader in clean energy and technology. These represent two key sectors for Canada's economic wealth and offer great potential for circular development. The federal government is thus investing heavily to increase national energy efficiency, especially in industry, transport and buildings. With the goal of abating waste, Canada has also introduced policies and initiatives to tackle plastics pollution and food waste by recovering value across these supply chains. Furthermore, the **Strategy on Zero Plastic Waste and Action Plan** (2018) promotes a circular economy for plastics, whilst organic waste is targeted as a major source of methane emissions and economic loss via the **Food Waste Reduction Challenge**.

Greenhouse gas emissions by economic sector, Canada, 1990 to 2020



Clean energy in Canada

Energy represents 10% of Canada's national GDP, but its use and production account for over 80% of the country's carbon emissions. The room for improvement in the clean energy sector is huge, although the energy system is already one of the cleanest in the world. For example, 83% of electricity produced comes from non-emitting resources, including solar, wind, nuclear and hydropower. Canada is also a major renewable energy producer. In 2020, the country ranked 9th and 22nd globally for

its installed wind and solar energy capacities respectively. In recent years, the federal government has kickstarted significant investments to further decarbonise the sector. Relevant programmes include loans and funds for energy retrofits of private homes, financial support to energy-efficient new buildings and energy-saving improvements in municipal buildings, all with a focus on low-carbon and circular materials and clean technologies.

FACTS & FIGURES

ECONOMIC INDICATORS

- Population (2021): 38,3 million
- Nominal GDP & Ranking (2021): \$2,02 billion - #9
- Imports from the NL (2021): \$4,38 billion
- Economic growth (2020): 5.3%
- Purchasing Power (2021): \$1.253
- Ease of doing business rank (2020): #23
- Corruption perception index (2021): 74/180
- Unemployment rate (2022): 5,1%
- Currency: Canadian Dollar
- Time difference NL: -6 hours (Amsterdam - Ottawa)

CE INDICATORS

- Global innovation index (2021): #16
- Plastics Recycling Rate (2019): 12%
- Share of Electricity Production from non-emitting resources: 83%

Selected priority areas

Circular Construction

Buildings and infrastructure are major drivers of Canada's economy, generating over \$140 billions of the country's GDP (2020). However, the sector is responsible for 1/3 of all solid waste, other than being extremely energy- and resource-intensive. In the last two decades, several standards and certifications for a greener built environment were thus adopted, with a focus on buildings durability and design for reuse. National efforts include prioritizing low-carbon and renewable building materials and in particular timber, since Canada is a major producer of wood. Recycled plastics are also being deployed in the production of furniture, decking, fences and interior textiles. Local expertise in prefab buildings and modular construction is also increasing, together with the demand for recovered materials. The development of circularity in the sector varies greatly by province and region, with British Columbia, Quebec and Ontario currently leading innovation. **Circular Economy Leadership Canada** is also driving several circular projects, such as the development of a roadmap and action plan for the Canadian built environment sector. The Dutch Embassy also initiated the 'Dutch Canadian Circular Alliance', a bilateral platform facilitating exchange of knowledge and best practices in circular construction.

Plastics & Solid Waste Management

With the **Strategy on Zero Plastic Waste**, the goal of decreasing waste by 50% by 2040 was introduced. Efforts to divert products and materials from landfills are primarily aimed at promoting reuse, repair and refurbishment activities. In particular, goods such as clothing, furniture, electronics and household appliances are at the core of the nation-wide value-retention promotion programs. As these processes are estimated to be worth \$56 billions annually, Canada is preparing a targeted national strategy to support the growth in this sector. Similarly, thrown away plastics are forecasted to become an \$11 billion industry by 2030. To boost the circular transition in this key sector, **the Canada Plastics Pact Roadmap** was launched in collaboration with multiple value chain stakeholders from the public and private sectors. Dutch businesses active in enhancing plastics recyclability, innovating (food) packaging design and materials, and improving the quality and reusability of recycled plastics can thus find good grounds for expansion in Canada.

Agriculture & Food Waste Management

Canada is a world exporter of agrifood products, with 1/8 local jobs being related to the food system. The agriculture industry is responsible for a considerable amount of the country's emissions and environmental impact and has already started to invest in cleaner and more sustainable innovations to also improve its resilience to climate change. National initiatives and targets include a more efficient and safer use of fertilizers, and considerable investments into climate-smart agriculture technologies, i.e. through the **Canadian Agricultural Partnership**. Attention is also paid to diversifying farmers' revenue streams by e.g. harvesting feedstock for biofuels productions, using crop residues or manure for the biobased products sector, or employing agricultural waste in bioenergy production for local supply. In this area, innovative business models such as entrepreneurial co-operatives can play a pivotal role in the transition. The federal government has already undertaken a 5-year plan to invest over \$26 millions in initiatives that help reduce food waste. Scaling biowaste-to-energy business models thus appears as a promising way to tackle food waste, while simultaneously reducing emissions from electricity generation.

Links & Reports

- [Circular Economy and the Built Environment Sector in Canada](#)
- [A Circular Economy for Plastics in Canada](#)
- [Turning Point: The Expert Panel on the Circular Economy in Canada](#)
- [Metro Vancouver's Construction and Demolition \(C&D\) Waste Reduction and Recycling Toolkit](#)
- [Canada Plastics Pact Roadmap](#)
- [Biofuels in Canada 2022](#)
- [Waste Prevention: The Environmental and Economic Benefits for Canada](#)

Business networks & knowledge institutes

- [Canada Green Building Council](#)
- [Canada Circular Hotspot](#)
- [Québec Circulaire](#)
- [National Zero Waste Council \(NZWC\)](#)
- [Circular Economy Leadership Canada](#)
- [Environment & Climate Change Canada \(ECCC\)](#)

Embassies & related organisations

- [Embassy of The Kingdom of the Netherlands in Ottawa](#)
- [Consulate General of the Kingdom of The Netherlands in Toronto](#)
- [Consulate General of the Kingdom of The Netherlands in Vancouver](#)
- [Dutch Canadian Circular Alliance \(DCCA\)](#)