

CLIMATE CHANGE: WHERE WE STAND

By Dave Findlay

There is growing consensus in the scientific community that the world needs to take action on greenhouse gases. DuPont Canada believes that governments and all sectors of society and the economy must indeed address global climate change. We are working with governments and all stakeholders to ensure an orderly long-term global response that is environmentally and economically sound, and set within an achievable time frame. The response should focus on the full range of gases, integrate across the family of nations, support a vigorous inter-connected global economy, and consistently encourage and reward those entities committed to early actions.

The Canadian government has ratified the Kyoto Protocol, and is now developing an implementation plan. We are aware that the shape of the potential plan may affect our business. It is our belief, however, that any government implementation plan should recognize reductions in greenhouse gas emissions that have already occurred.

We are concerned that until the federal government sets out rules for an emissions trading system, there is no guarantee that voluntary early actions will be recognized, and that trades con-

ducted now will be counted under the Kyoto Protocol when it comes into effect in 2008. We are anxious to see some baseline protection as a part of the government's plans.

DuPont Canada has made great strides in reducing our energy use and cutting nitrous oxide emissions in particular, and we continue to improve the efficiency of the adipic acid facility at our Maitland site, reducing emissions even further. Overall, we have cut our emissions to 80 per cent below 1990 target levels. (The Canadian target was just six per cent.)

Our goals for the coming decade aim to further those reductions, to continue to enhance our energy efficiency, and to use more renewable energy. For example, we have committed to source 10 per cent of the energy we use in 2010 from cost-competitive renewable resources.

One way to reduce greenhouse gas emissions across industries is through emissions trading, which is based on a market to trade emission reduction credits as a commodity among businesses, utilities and other entities. Credits earned for reducing greenhouse emissions can be banked for future use or sold as needed. Credit trading provides a stimulus to industry to reduce emissions, and offers

companies like DuPont Canada the opportunity to accelerate greenhouse gas reductions by investing proceeds from credits into further research and development.

As a science-based company, we know we can also respond to the pressure to reduce greenhouse gases by doing innovative work in alternative energy sources, such as fuel cells. Within the global DuPont company, DuPont Canada has become a recognized centre of fuel-cell expertise, and we have been given the mandate for a business in conductive flowfield plates for fuel cells, as part of E.I. duPont's overall fuel cells business.

Our commitment and strategy to address greenhouse gas emissions are anchored in our corporate mission of sustainable growth — creating shareholder and societal value while reducing our environmental footprint throughout our value chains. That footprint will continue to shrink through continuing reductions in greenhouse gas emissions. DuPont Canada has helped Canadian society in starting the transition to meeting our national Kyoto targets, and we have created value for our shareholders through our work on emissions trading.

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