

## Canada approves controversial Bay du Nord offshore oil project

April 7 2022, by Michel Comte



An illustration of the planned Bay du Nord Floating Production Storage and Offloading (FPSO) vessel.

Canada's environment minister approved Wednesday a controversial offshore oil project expected to see 300 million barrels of oil extracted over 30 years—and to set back efforts to curb climate change.

In a statement, Steven Guilbeault said Norwegian firm Equinor's



proposed development of oil discoveries in the Flemish Pass Basin, some 500 kilometers (310 miles) east of St. Johns, Newfoundland, passed an environmental assessment.

That four-year review, the minister said, determined that the Bay du Nord project "is not likely to cause significant adverse environmental effects when mitigation measures are taken into account."

"The project is therefore allowed to proceed with strict measures to protect the environment," he said.

Canada is the world's fourth largest oil producer.

The Bay du Nord project, which split Prime Minister Justin Trudeau's Liberals and was widely seen as a test of the government's resolve in tackling <u>climate</u> change and curtailing oil output, is expected to generate an estimated Can\$3.5 billion in government revenue.

For Newfoundland province, which has the highest unemployment rate in the country, it also represents a much needed economic boost.

Ottawa set 137 binding conditions on the project, including incorporating reduced greenhouse gas emissions in its design, protecting fish habitat and air quality—which Guilbeault said represent "some of the strongest environmental conditions ever" applied in Canada.

But <u>environmental groups</u> immediately panned the decision, citing UN warnings to stop tapping new oil sources or risk irreversible and catastrophic climate impacts.

"Approving Bay du Nord is another leap towards an unlivable future," Environmental Defence's Julia Levin said in a statement. "The decision is tantamount to denying that <u>climate change</u> is real and threatens our



very existence."

## 'Burning the planet'

Greenpeace Canada climate campaigner Patrick Bonin said <u>fossil fuels</u> need to be phased out as quickly as possible, and that the approval of Bay du Nord "only worsens the climate crisis and the global reliance on fossil fuels that are burning the planet."

Even the New Democratic Party, a small leftist faction that recently agreed to prop up Trudeau's minority government, accused the Liberals of caving to "their corporate buddies from the oil and gas sector instead of listening to <u>climate scientists</u>."

"Under the Liberals we have the worst record of any G7 country when it comes to <u>emissions reductions</u>, and we are the only country who has increased emissions every single year," the NDP said in a statement.

"With the approval of the Bay du Nord project, it's difficult to imagine this record will improve," it said.

The decision on the project had twice been delayed, after the Trudeau government last year enhanced its Paris Agreement target to reduce <u>carbon emissions</u> by 40-45 percent from 2005 levels by 2030.

Guilbeault, a former eco-warrior picked by Trudeau to guide Canada's <u>climate policy</u>, said the floating oil rig's emissions are expected to produce five times less emissions than the average Canadian oil project and incorporate new technologies.

He said it fits within Ottawa's climate strategy and "is an example of how Canada can chart a path forward on producing energy at the lowest possible emissions intensity while looking to a net-zero future."



In an interview with public broadcaster CBC, Guilbeault touted the stringent emissions controls imposed on Bay du Nord while adding: "The world still needs oil."

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