

2030 ERP: ECONOMY-WIDE

Economy-wide strategies to reduce emissions, like carbon pricing, clean fuels, and reducing methane emissions, will enable Canada to reduce emissions in the most flexible and cost-effective way. They will also provide policy certainty to businesses and Canadians, allowing everyone to make more informed decisions as Canada's economy decarbonizes.



What We've Already Done

- ✓ Put a price on carbon pollution starting at \$20 per tonne in 2019 and rising to \$170 in 2030; includes a regulatory charge on fossil fuels and performance-based emissions trading system for industries (Output-Based Pricing System (OBPS)); proceeds are returned to the province or territory where collected.
- ✓ Published proposed Clean Fuel Regulations, worked with key stakeholders on the Hydrogen Strategy for Canada and made investments to grow the clean fuels market through the Energy Innovation Program and the \$1.5 billion Clean Fuels Fund.
- ✓ Launched the \$2 billion Low-Carbon Economy Fund and the \$200 million Climate Action and Awareness Fund.
- ✓ Joined the Global Methane Pledge to reduce methane emissions by at least 30% below 2020 levels by 2030.

Key New Actions

To meet Canada's 2030 emissions reduction target and reach net zero by 2050, the Government of Canada will focus on the following key areas:



The Government of Canada will expand the Low Carbon Economy Fund through a **\$2.2 billion recapitalization**. The funding aims, to leverage further climate actions from provinces and territories, municipalities, universities, colleges, schools, hospitals, businesses, not-for-profit organizations, and Indigenous communities and organizations. The Low Carbon Economy Fund will include a new **Indigenous Leadership Fund** to support clean energy and energy efficiency projects led by First Nations, Inuit and Métis communities and organizations.



To enhance long-term certainty, the Government of Canada will **explore measures that help guarantee the price of carbon pollution**. This includes, for example, investment approaches like carbon contracts for differences, which enshrine future price levels in contracts between the government and low-carbon project investors, thereby de-risking private sector low-carbon investments. This also includes exploring legislative approaches to support a durable price on carbon pollution.



The Government of Canada will propose to invest \$29.6 million to **advance Indigenous Climate Leadership**.



The Government will accelerate regional growth opportunities and energy systems transformation through a **\$25 million investment in Regional Strategic Initiatives** that will drive economic prosperity and the creation of sustainable jobs in a net-zero economy.



The Government of Canada will release a **plan to reduce methane emissions** across the broader economy.

