



Submission to the House of Commons Standing Committee on Finance:
Priorities for the 2020 Federal Budget

Ducks Unlimited Canada

August 2, 2019

Recommendations

1) Invest in Natural Infrastructure as a Climate Solution

- \$290 million over three years to establish a new “Natural Infrastructure Fund” that would specifically support match-funding nature-based mitigation solutions.

2) Invest in Conservation on Working Landscapes

- \$250 million in new matching federal funds over five years to restore and enhance lost or degraded wetland and upland habitats and secure the ecological services that they provide.
- \$250 million over five years to establish a national on-farm land management and stewardship program that provides financial incentives for producers to maintain natural habitats and restore lost or degraded ones, including wetlands, on their lands under a long-term tenure of securement.

3) Invest in Science and Data to Support Evidence-based Habitat Conservation

- \$2 million over three years to undertake an audit and inventory of existing geospatial datasets among governments.
- \$125 million over four years to update national geospatial ecosystem and landscape feature data.
- \$4 million per year over four years to develop a national ‘Census of the Environment’, and an additional \$5 million per year (ongoing) for future data acquisition and analysis.

About Ducks Unlimited Canada

Ducks Unlimited Canada (DUC) has been Canada's leading wetland conservation organization since our founding in 1938. Working with governments, industry, other non-profit organizations and landowners, our mission is to conserve and manage wetlands and associated habitats for the benefit of waterfowl, other wildlife, the environment and people. Through the delivery of sound science and on-the-ground habitat conservation projects over the last 80 years, and as a proud partner of the North American Waterfowl Management Plan, North American Bird Conservation Initiative and Habitat Species Joint Ventures, DUC has conserved nearly 6.4 million acres of habitat across the Canadian landscape.

Why Habitat Conservation is Important for Canadians and Addressing the Climate Emergency

The implications of climate change are well-documented, widespread and are threatening the well-being of Canadians and the productivity and prosperity of our country. Although the Government of Canada has taken steps – for example through signing the Paris Agreement on Climate Change, drafting the Pan-Canadian Framework on Climate Change and Clean Growth and implementing, policies, laws and regulations to reduce emissions – there is an urgent need to do more.

Healthy and functioning ecosystems deliver core ecological services that are critical to both mitigating climate change and enabling communities to adapt. Wetlands, grasslands, forests and other habitats are essential natural assets that sequester and store large amounts of carbon, protect communities from severe weather events such as flooding, droughts and rising sea levels, and provide critical habitat that supports biodiversity and several species at risk, among other ecosystem services.

Conserving the availability and health of our natural assets is critical to Canada's fight against climate change, clean growth and competitiveness, and in turn, our future prosperity. As one of five countries that holds 70% of intact wilderness left on the planet, Canada also has a global responsibility to be a global habitat conservation leader¹.

Existing federal habitat conservation programs enable governments and non-government partners to collaborate to deliver economical on-the-ground habitat conservation. While the conservations gains made through these programs are important, they are not at a scale that can reverse the downward trajectory of habitat loss and the associated decline of ecosystem services in Canada.

Investing in habitat conservation is urgent. Canada cannot afford to lose any more of its natural assets, nor can we continue to make marginal investments in their restoration and stewardship. Investing in habitat conservation is a cost-effective, strategic and efficient means to maximize the impacts that nature has in addressing climate change, while simultaneously generating additional co-benefits.

Recommendation 1: Invest in Natural Infrastructure as a Climate Solution

As the impacts of climate change accelerate, extreme weather events are becoming more severe and frequent. This is generating substantial and increasing costs to governments, insurers, and ultimately all Canadians, particularly in the form of disaster mitigation infrastructure.

¹ Watson, J.E.M., and Allan, J.R. 2018. Protect the last of the wild. Nature: <https://www.nature.com/magazine-assets/d41586-018-07183-6/d41586-018-07183-6.pdf>

Since the federal Disaster Financial Assistance Arrangements program was established in 1970, the federal government has paid out more than \$5 billion to help provinces and territories cover the costs of both disaster response and returning infrastructure and properties to pre-disaster condition – more than \$1.6 billion of which was paid out in the last three years².

However, the focus has mainly been on implementing conventional disaster mitigation infrastructure solutions (e.g., dams, diversion channels) which are costly, time-consuming and greenhouse gas intensive. Fortunately, there is increasing research and recognition that conservation and the restoration of natural infrastructure features (e.g., wetlands) can provide equivalent or improved infrastructure services to protect communities from severe weather events (e.g., stormwater management, flood protection).

Supporting and enhancing the landscape's natural ability to provide climate resilience is often a more cost-effective solution, and one that provides numerous environmental and social co-benefits. For example, natural infrastructure solutions also improve biodiversity, sequester carbon, and provide wildlife habitat, recreation and aesthetic benefits.

Scaling-up natural infrastructure and realizing its potential as a climate change and disaster risk reduction solution requires the full consideration of ecosystem service values provided by natural solutions and funding opportunities that encourage governments and partners work together to advance natural infrastructure projects.

Although recent federal investments in green infrastructure recognize nature-based solutions as part of green infrastructure, the eligibility requirements for these programs contain impediments that are limiting uptake. For example, under the new Disaster Management and Adaptation Fund (DMAF), there is a \$20M minimum threshold to access federal green infrastructure funding, which makes many smaller-scale projects with a natural infrastructure element effectively ineligible. And while DMAF allows land acquisition under specific circumstances, conservation easements and benefit arrangements are ineligible, creating additional limitations for conservation organizations. Furthermore, funds under the Investing in Canada Infrastructure Plan only support capital infrastructure projects, excluding funds for ongoing operating costs. This means the essential maintenance of natural systems as part of natural infrastructure projects are excluded.

Additional barriers stem from the higher innovation risks that often come with nature-based solutions in comparison to conventional infrastructure, and the governance challenges associated with split responsibilities between various departments for implementing and maintaining nature-based solutions that tend to inhibit their prioritization.

The resulting reality is that conventional infrastructure climate solutions continue to be advanced over natural solutions and, in turn, we continue to lose and degrade our natural infrastructure assets.

A dedicated natural infrastructure fund would support and incentivize governments to work with private and non-profit partners to undertake natural infrastructure projects. These would serve as pilot projects that demonstrate their feasibility and the value of climate mitigation and resilience services they provide.

² Government of Canada: Disaster Financial Assistance Arrangements (DFAA)
<https://www.publicsafety.gc.ca/cnt/mrgnc-mngmnt/rcvr-dsstr/dsstr-fnncl-ssstnc-rnngmnts/index-en.aspx>

DUC recommends that the Government of Canada invest \$290 million over three years to establish a new natural infrastructure fund that would specifically fund nature-based climate adaptation and mitigation solutions.

Recommendation 2: Invest in Conservation on Working Landscapes

Some of Canada's most ecologically valuable habitats, particularly wetlands and uplands, exist on working landscapes. Working landscapes make up over 80% of Canada's land base, and many are privately owned. Frequently they are home to a disproportionate number of threatened or endangered species due to being in areas highly pressurized by human activity.

Although often overlooked, habitats on working landscapes provide essential climate mitigation and adaptation services, including carbon sequestration and storage. However, conservation of these critical habitats often competes with other economically important land-uses. This is particularly the case on agricultural landscapes, where farmers are increasingly challenged to produce more using fewer inputs, while also protecting habitats and biodiversity. In some areas on the prairies, 90% of Canada's wetlands have already been lost to other land-uses, and with them, their essential climate mitigation and adaptation benefits.

Existing federal programs aimed at private land conservation – particularly the North American Waterfowl Management Plan and the Natural Areas Conservation Program's successor, the Natural Heritage Conservation Program – have been effective at helping to address these tensions on working landscapes. These programs should be retained and enhanced.

However, there are substantial gaps in the current suite of federal programs that have created recurring challenges for governments and conservation organizations alike, including: achieving the landscape-scale of conservation and restoration needed to address the intensifying climate and biodiversity crises (particularly for wetlands), and ensuring that secured lands are effectively managed and stewarded for the long-term so that they can continue to provide biodiversity and climate benefits. To address these challenges, DUC recommends the following investments:

- 1) \$250 million in matching federal funds over five years to restore and enhance lost or degraded wetland and upland habitats and secure the ecological services that they provide.** Under this initiative, partners such as conservation groups would match federal funds and work with eligible landowners to restore lost and degraded wetlands on their properties in areas that have experienced high historical habitat loss.

- 2) \$250 million over five years to establish a national on-farm land management and stewardship program that incentivizes producers to maintain restored or intact habitats, including wetlands on their lands for the long-term.**

Although these investments would not solve the ongoing crises of wetland and other habitat loss in Canada, they would be a significant step to not only stop habitat loss but move towards net habitat gains. Net habitat gains are critical to restoring the essential capability of our natural habitats to adapt to climate change and provide climate resilience for Canadians.

Recommendation 3: Invest in Science and Data to Inform Habitat Conservation

In the current challenging economic climate, all levels of government are striving to use limited resources more efficiently to address multiple priorities. To maximize the value of investments, DUC believes that policy and program decisions, particularly regarding habitat conservation, need to be made based on reliable, accurate and timely data.

Robust and up to date geospatial data is essential for identifying and monitoring the state of ecosystems across the Canadian landscape and, in turn, enabling good land-use and management decisions. For example, a completed Canadian Wetland Inventory would provide a strong baseline of information that would allow for identifying and prioritizing the conservation of specific wetlands with a high climate mitigation value, such as high carbon sequestration and storage potential.

While there have been efforts to advance Canada's Federal Geospatial Platform, the foundational base layers of geospatial data in Canada are often outdated, incomplete, inaccessible to the public, and when publicly available, tend to be spread across multiple government departments and platforms.

DUC recommends two federal investments to address these gaps: 1) \$2 million over 3 years to undertake an audit and inventory of existing geospatial datasets ; and 2) \$125 million over four years to update foundational geographic and landscape feature data to complete national habitat inventories, including completing the Canadian Wetland Inventory, creating a critical fish habitat inventory, grasslands inventory, and national groundwater mapping.

In addition to geospatial data, effectively managing Canada's natural heritage requires full accounting of environmental assets, including baseline accounting of environmental assets and regular status and trends reporting. Establishing a national 'Census of the Environment' would align Canada with the internationally accepted System of Environmental-Economic Accounting (SEEA) framework, inform decisions about efficient resource use and sustainable economic development, and provide a measure of the benefits Canada gains from its ecosystem services – benefits that are overlooked until the quality of the service degrades.

DUC recommends a federal investment of \$4 million per year over four years to advance the development of a robust and full accounting of Canada's environmental assets, including building a central registry and architecture for a national 'Census of the Environment', and an additional \$5 million per year (ongoing) for future data acquisition and analysis

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