

May 17, 2021

To: The Standing Committee on Environment and Sustainable Development

Re: ENVI committee Brief – C-12

Introduction

On the occasion of the April 22nd, 2021 Climate Summit, Prime Minister Trudeau described climate change in the following terms (bold added):

“Climate change is the greatest long-term threat that we face as a global community, but it is also **our greatest economic opportunity**. By taking bold climate action, we will create new jobs for the future, strengthen our economy, and grow the middle class, while also ensuring clean air and water for our kids and grandkids.”¹

Bill C-12, *An Act respecting transparency and accountability in Canada’s efforts to achieve net-zero greenhouse gas emissions by the year 2050*, is a cornerstone of the government’s approach to addressing climate change. It lays out a framework to establish and track Canada’s approach to net-zero and it is very clear on the targets, planning, and other measures that are focused on greenhouse gas reduction. However, it is silent on how net-zero will translate into an economic opportunity for Canada and contains no targets, metrics or accountability for the economic outcomes the Prime Minister highlighted in his statement: “jobs for the future,” “strengthen(ed) economy” or a “growing middle class.”

Canada’s upstream oil and natural gas industry views climate change as a serious and real issue. It is one that will require collaboration, innovation and investment to meet the global challenge to reduce GHG emissions while also meeting growing demand for affordable and reliable energy. As is often said, the environment and the economy must go “hand in hand” as Canada approaches its pathway to net-zero. Attracting capital, creating certainty for investment and supporting research and innovation will be vital elements of having both prosperity and environmental performance. The conditions for healthy businesses that can innovate, invest and employ people, require as much attention and focus as the conditions to achieve net-zero emissions in Canada.

The Canadian Association of Petroleum Producers (CAPP) and its members are committed to working with government(s) to meet emissions reduction objectives and the ambition of the Paris Agreement, to which Canada is a signatory, as a global framework for addressing the risk of climate change. This includes working together to define net-zero and the most efficient and cost-effective manner to achieve it with the least impact to society.

In this spirit, we have reviewed Bill C-12, in detail and have developed recommendations that connect Canada’s climate change ambition with its economic and job creation ambitions. Without clearly connecting both outcomes in legislation, Canada’s approach to net-zero will have a significant blind spot and we could miss the opportunity to achieve our environmental and economic goals. Our recommendations are outlined in detail in Annex 1 along with proposed solutions and the associated amendments.

¹ Government of Canada, “Prime Minister Trudeau announces increased climate ambition,” April 22, 2021 <https://pm.gc.ca/en/news/news-releases/2021/04/22/prime-minister-trudeau-announces-increased-climate-ambition>

Issue Summary

Bill C-12 mandates interim emission reduction targets on a pathway to net-zero because such targets identify milestones towards the overall objective. Given the close connection between climate policy and the energy that drives all activity in Canada's economy, it is critical that Bill C-12 also mandate economic performance targets to be achieved alongside its net-zero target. Such targets would enhance transparency and provide the government with clear metrics on which to base accountability for environmental, social and economic outcomes. It would assist decision makers in determining an appropriate balance of positive and negative national and regional economic effects in the context of Canada's net-zero strategies.

Bill C-12 should define how federal net-zero strategies will interact with provincial jurisdiction and actions to address climate change. Amendments should make clear how provincial and federal targets, plans and implementation will be integrated to avoid duplicative or counter-productive policy approaches. Measures that target the same emissions, credit systems that are incompatible and other challenges in climate policy design, negatively impact Canada's business environment and the ability of industries to thrive as well as invest in emissions reducing technologies.

Bill C-12 should be amended to give the Governor in Council responsibility for the establishment and monitoring of net-zero targets and plans and their associated economic performance metrics. Given their potential effects on the whole of Canada's economy and society, exclusive responsibility for net-zero plans, supportive policies and implementation with one Minister is not appropriate.

The advisory body must have a balanced membership if it setting such broad, economy-wide targets and plans. It should also be accountable to multiple government departments. Its mandate and expertise requirements should be expanded to include advice with respect to pathways – regulatory, policy and technological – as well as expected economic costs and benefits.

The Bill should articulate the role that economic sectors, and other stakeholders will play in the development of plans and in achieving targets. In order for the legislation to support achievement of net-zero greenhouse gas emissions by the year 2050, a competitive economic environment and other mechanisms (e.g. robust carbon credit framework) will be critical to attracting investment and enabling development of innovative emission reduction opportunities. Bill C-12 should be amended to require inclusion of relevant economic sectors and expertise in the development of Canada's net-zero pathways.

Conclusion

We hope these proposed amendments to Bill C-12 will enable Parliament to address these important oversights in the design of the legislation. An improved Bill C-12 can lay the groundwork for the stable and globally competitive business environment that is necessary to enhance investment, create jobs and promote the innovation necessary for Canada to meet the goals of Bill C-12. It will also enable the upstream oil and gas industry to further reduce emissions and contribute to the achievement of Canada's Nationally Determined Contribution (NDCs) and those of our energy trading partners.

By working together, industry and government can accelerate innovation and develop technology that reduces emissions while delivering responsibly produced energy to meet growing global energy demand.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Shannon Joseph P. Eng.', is positioned above the printed name.

Shannon Joseph P.Eng., M.A.Sc.
Vice President, Government Relations & Indigenous Affairs

Bill C-12- An Act respecting transparency and accountability in Canada's efforts to achieve net-zero greenhouse gas emissions by the year 2050			
The government of Canada recently introduced Bill C-12, CAPP has reviewed the document and has drafted a number of proposed amendments to improve the bill. CAPP identified five key theme areas within the bill and has broken out below suggested amendments by theme area. Please note that <u>underline</u> denotes new language being added and a strike through denotes language to be removed.			
Theme Area: 1. Accountability for Economic Performance Concern: While Bill C-12 clearly notes in the preamble, "Whereas the Government of Canada recognizes that its plan to achieve net-zero emissions by 2050 should contribute to making Canada's economy more resilient, inclusive and competitive," it does not include any accountability for results under the net-zero strategy related to investment, GDP, jobs, or affordability in either the plan or the targets. A net-zero plan, particularly one with "sector strategies" is an economic plan and therefore economic targets should be explicitly included and monitored. Proposed Solution: Ensure the Act includes economic targets as well as accountability for economic performance in developing and accessing Canada's approach to net-zero, including emission reduction targets and plans. Economic analysis and accountability will ensure that emissions reduction pathways are grounded in economic realities and create sufficient economic benefits as Canada pursues its net-zero target.			
Section	Current Wording	Reasons for Amendment	Proposed Amendment
Preamble	Whereas the Government of Canada has committed to developing a plan to set Canada on a path to achieve a prosperous net-zero-emissions future by 2050, supported by public participation and expert advice;	Issue: Economic Impacts Language inclusion is to expressly make economic considerations part of the framework by stating that the "plan to achieve net-zero emissions by 2050 should "should improve the primary economic drivers that contribute to Canadian quality of life."	Include language to preamble as follows: Whereas the Government of Canada has committed to developing a <u>responsible and balanced</u> plan to set Canada on a path to achieve a prosperous net-zero-emissions future by 2050, supported by public participation and expert advice;
Preamble	Whereas the Government of Canada recognizes that its plan to achieve net-zero emissions by 2050 should contribute to making Canada's economy more resilient, inclusive and competitive.	Issue: Economic Impacts Language inclusion is to expressly make economic considerations part of the framework by stating that the "plan to achieve net-zero emissions by 2050 should "should improve the primary economic drivers that contribute to Canadian quality of life."	Include language to preamble as follows: Whereas the Government of Canada recognizes that its plan to achieve net-zero emissions by 2050 should contribute to making Canada's economy more resilient, inclusive and competitive and <u>should improve the primary economic drivers that contribute to Canadian quality of life;</u>
Section 8	When setting a greenhouse gas emissions target, the Minister must take into account the best scientific information available as well as Canada's international commitments with respect to climate change.	Issue: Setting Emission Targets Section 8 has limited view on what should be accounted for when setting the emission targets. It is limited to scientific information and Canada's international commitments. Any setting of emission targets must include best available technology economically achievable tests and the bill should look to include to measure economic impacts.	When setting a greenhouse gas emissions target, the Minister Governor in Council must <u>(a) take into account the best scientific information available as well as, the best available technology economically achievable, the potential positive or negative economic effects in Canada and</u> Canada's international commitments with respect to climate change

Section 8	When setting a greenhouse gas emissions target, the Minister must take into account the best scientific information available as well as Canada’s international commitments with respect to climate change.	<p>Issue: Setting corresponding economic targets</p> <p>Purpose of this amendment is to have included in Bill C-12 a set of economic targets that will to evaluate on the economic impact of net zero on the Canadian economy.</p> <p>Related amendments including reference to economic targets are required in sections 9(1), 11, 12, 13, 16, 17, 24(1)</p>	When setting a greenhouse gas emissions target, the Minister Governor in Council must <u>(b) establish corresponding economic targets, nationally and regionally, measured as</u> <u>i. the annualized percentage rate of increase in the real gross domestic product,</u> <u>ii. private sector investment as a share of real gross domestic product, and</u> <u>iii. Employment rate</u> <u>for the time period ending with the relevant milestone year or to 2050, as the case may be.</u>
Section 10(1)	10 (1) An emissions reduction plan must contain (a) the greenhouse gas emissions target for the year to which the plan relates; (b) a description of the key emissions reduction measures the Government of Canada intends to take to achieve the greenhouse gas emissions target; (c) a description of any relevant sectoral strategies; and (d) a description of emissions reduction strategies for federal government operations.	<p>Issue: (Emissions reduction plan — contents)</p> <p>This amendment is to include economic metrics into the emission reduction plan being created by government.</p>	<p>10(1)An emissions reduction plan must contain <u>(a)</u>the greenhouse gas emissions target for the year to which the plan relates; <u>(b)</u>the corresponding economic targets for each of the years to which the plan relates; <u>(c)</u>a description of the key emissions reduction measures the Government of Canada intends to take to achieve the greenhouse gas emissions target; <u>(d)</u>a description of the anticipated positive or negative economic effects of the emissions reduction measures described in subsection <u>(e)</u>a description of any relevant sectoral strategies, including an analysis of potential positive or negative economic effects on the relevant sectors; <u>(f)</u>a description of any measures taken by provincial and territorial governments and their interaction with federal measures; <u>(g)</u>a description of the anticipated positive or negative economic effects by province or territory, which should be developed in consultation with the provinces and territories, and <u>(h)</u>a description of emissions reduction strategies for federal government operations.</p>
Section 10(2)	An emissions reduction plan must explain how the greenhouse gas emissions target set out in the plan and the key measures and the strategies that the plan describes will contribute to Canada achieving net-zero emissions by 2050	<p>Issue: (Emissions reduction plan — Explanation)</p> <p>The purpose of this amendment is to require that an emissions reduction plan must explain how the greenhouse gas emissions target set out in the plan and the key measures and the strategies that the plan describes will contribute to making Canada’s economy more resilient, inclusive and competitive.</p>	An emissions reduction plan must explain how the greenhouse gas emissions target set out in the plan and the key measures and the strategies that the plan describes will contribute to Canada achieving net-zero emissions by 2050 <u>and how they will contribute to making Canada’s economy more resilient, inclusive and competitive.</u>
Section 14(2)	A progress report must contain (a) an update on the progress that has been made towards achieving the greenhouse gas emissions target; (b) an update on the implementation of the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan; and	The purpose is to require that such reports contain “an update on the progress that has been made towards achieving economic targets” and “an economic analysis of the costs and benefits of the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan.”	<p>A progress report must contain <u>(a)</u>an update on the progress that has been made towards achieving the greenhouse gas emissions target; <u>(b)</u>an update on the progress that has been made towards achieving the economic targets; <u>(c)</u>an update on the implementation of the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan; <u>(d)</u>an update on the best available technology economically achievable and their impact on the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan; <u>(e)</u>an economic analysis of the costs and benefits of the federal measures, sectoral strategies</p>

	(c) any other information that the Minister considers appropriate, including information on any additional measures that could be taken to increase the probability of achieving the plan’s greenhouse gas emissions target.		and federal government operations strategies described in the relevant emissions reduction plan and (f) any other information that the Minister considers appropriate, including information on any additional measures that could be taken to increase the probability of achieving the plan’s greenhouse gas emissions target.
Section 15(2)	Contents of report (2) An assessment report must contain (a) a summary of Canada’s official greenhouse gas emissions inventory for the relevant year; (b) a statement on whether Canada has achieved its national greenhouse gas emissions target for that year; (c) an assessment of how the federal measures, sectoral strategies, and federal government operations strategies described in the relevant emissions reduction plan contributed to Canada’s efforts to achieve the national greenhouse gas emissions target for that year; (d) any information relating to adjustments that could be made to subsequent emissions reduction plans in order to increase the probability of meeting subsequent national greenhouse gas emissions targets; and (e) any other information that the Minister considers appropriate.	Issue: (An assessment – Content of report) Include economic metrics in the assessment report.	(2) An assessment report must contain (a) a summary of Canada’s official greenhouse gas emissions inventory for the relevant year; (b) a statement on whether Canada has achieved its national greenhouse gas emissions target for that year; (c) <u>a summary of Canada’s economic growth for the relevant year;</u> (d) <u>a statement on whether Canada has achieved its economic targets for that year;</u> (e) an assessment of how the federal measures, sectoral strategies, and federal government operations strategies described in the relevant emissions reduction plan contributed to Canada’s efforts to achieve the national greenhouse gas emissions target for that year; (f) <u>an assessment of the best available technology economically achievable and their impact on the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan;</u> (g) <u>an economic analysis of the costs and benefits of the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan;</u> (h) any information relating to adjustments that could be made to subsequent emissions reduction plans in order to increase the probability of meeting subsequent national greenhouse gas emissions targets; and (i) any other information that the Minister considers appropriate
Section 22(2)	(2) The Minister must publicly respond to the advice that the advisory body includes in its annual report with respect to measures and sectoral strategies that the Government of Canada could implement to achieve the greenhouse gas emissions target.	Issue: (Minister’s response) Purpose of this amendment is to require that the Minister’s response to the Advisory Committee’s annual report must address “measures and sectoral strategies that the Government of Canada could implement to achieve the economic targets” and the “potential positive or negative economic effects of proposed measures and sectoral strategies.”	The Minister must publicly respond to the advice that the advisory body includes in its annual report with respect to measures and sectoral strategies that the Government of Canada could implement to achieve the greenhouse gas emissions target, <u>measures and sectoral strategies that the Government of Canada could implement to achieve the economic targets, and with respect to potential positive or negative economic effects of proposed measures and sectoral strategies.</u>

Theme Area: 2. Provincial/Territorial Role
Concern: Despite clear overlap and the need for provincial/territorial participation in the achievement of Canada’s approach to net-zero, the provinces and territories are effectively absent from Bill C-12. Provinces and territories have their own emission reduction plans based on unique local needs and opportunities. Provinces have a clear jurisdiction in natural resources, local industry and environment. Federal sectoral targets or strategies could restrict a province’s ability to pursue the most effective climate strategies for their populations
Proposed Solution: Ensure the Act includes economic targets as well as accountability for economic performance in developing and accessing Canada’s approach to net-zero, including emission reduction targets and plans. Economic analysis and accountability will ensure that emissions reduction pathways are grounded in economic realities and create sufficient economic benefits as Canada pursues its net-zero target.

Section	Current Wording	Reasons for Amendment	Proposed Amendment	Assessment
Preamble	New section to be added	Issue: Provincial/Territorial Role Additional sections to be suggested for inclusion that reference need to work collaboratively with provinces and territories.	ADD <ul style="list-style-type: none"> “<u>Whereas the Government of Canada acknowledges and respects the measures taken by provincial and territorial governments within their own jurisdiction to address anthropogenic emissions of greenhouse gases into the atmosphere;</u>” “<u>Whereas the Government of Canada is committed to strengthening its collaboration with provincial and territorial governments with respect to measures for mitigating climate change.</u>” 	
Preamble	Whereas climate change is a global problem that requires immediate action by all governments in Canada as well as by industry, non-governmental organizations and individual Canadians;	Issue: coordinated action by all governments in Canada Highlight the need for “coordinated action by all governments in Canada	Whereas climate change is a global problem that requires immediate and coordinated action by all governments in Canada as well as by industry, non-governmental organizations and individual Canadians;	
Section 10(1)	10 (1) An emissions reduction plan must contain (a) the greenhouse gas emissions target for the year to which the plan relates; (b) a description of the key emissions reduction measures the Government of Canada intends to take to achieve the greenhouse gas emissions target; (c) a description of any relevant sectoral strategies; and (d) a description of emissions reduction strategies for federal government operations.	Issue: provincial and territorial measures To add clause requirements that require the Emissions reduction plan – contents to include: <ul style="list-style-type: none"> “a description of any measures taken by provincial and territorial governments and their interaction with federal measures”; “a description of the anticipated positive or negative economic effects by province or territory, which should be developed in consultation with the provinces and territories, and” 	10(1) An emissions reduction plan must contain (a) the greenhouse gas emissions target for the year to which the plan relates; (b) <u>the corresponding economic targets for each of the years to which the plan relates;</u> (c) a description of the key emissions reduction measures the Government of Canada intends to take to achieve the greenhouse gas emissions target; (d) <u>a description of the anticipated positive or negative economic effects of the emissions reduction measures described in subsection (c);</u> (e) <u>a description of any relevant sectoral strategies, including an analysis of potential positive or negative economic effects on the relevant sectors;</u> (f) <u>a description of any measures taken by provincial and territorial governments and their interaction with federal measures;</u> (g) <u>a description of the anticipated positive or negative economic effects by province or territory, which should be developed in consultation with the provinces and territories, and</u> (h) a description of emissions reduction strategies for federal government operations.	

Theme Area: 3. Discretionary Power of Minister
Concern: Under Bill C-12, a large amount of power is given to a designated Minister – the Minister of Environment and Climate Change. One Minister will be given the power to change many policies and increase targets with no formal requirements for engagement with others. The Act gives complete discretion to the Minister to amend the targets without consultation, but requires the Minister to consult with other Ministers when the plans are amended. The Governor in Council (i.e. federal Cabinet) is more appropriately placed to establish plans and targets and to provide appropriate direction for adjustment of plans informed by the effects of implementation on the broader society.
Proposed Solution: Make the Governor in Council, and not a single Minister, accountable to establish emission reduction targets and plans in Bill C-12. The Governor in Council is best placed to assess the environmental and economic costs and benefits of plans and their implementation, as well as any needed amendments to them.

Section	Current Wording	Reasons for Amendment	Proposed Amendment	Assessment
Section 1	Definitions: Minister means the Minister of the Environment or, if another federal minister is designated under section 5, that minister.	Issue: Discretionary Power of Minister Purpose of this amendment is to remove the “default” setting that the Minister would be the Minister of the Environment. The proposed amendment would leave it open to the Governor in Council to designate any Minister as the responsible minister.	<u>Minister means such member of the Queen's Privy Council for Canada as is designated by the Governor in Council as</u> the Minister of for the Environment or, if another federal minister is designated purposes of this Act under section 5, that minister.	
Sections 7 and 8	The Minister must set a national greenhouse gas emissions target for each milestone year with a view to achieving the target set out in section 6	Issue: (Targets — milestone years / Setting emissions target) This amendments are to make the Governor in Council responsible, on the recommendation of the Minister, to set a national greenhouse gas emissions target for each milestone year. This recommendation was included in section 7 and 8 where they only had that the minister could perform certain actions.	Issue: (Targets — milestone years / Setting emissions target) <i>Sections 7 (1), (2), (4) and section 8 all included the following addition:</i> The <u>Governor in Council on the recommendation of the</u> Minister must....	
Section 9	The Minister must establish a greenhouse gas emissions reduction plan for achieving the target set by section 6 and each target set under section 7.	Issue: Emissions reduction plan Purpose is to make the Governor in Council responsible, on the recommendation of the Minister, to establish a greenhouse gas emissions reduction plan.	The <u>Governor in Council on the recommendation of the</u> Minister must establish a greenhouse gas emissions reduction plan for achieving the target set by section 6 and , each <u>emissions</u> target set under section 7 <u>and each economic target set under section 8(b).</u>	
Section 11	The Minister may amend an emissions target set under section 7 or an emissions reduction plan in a manner that is consistent with the purpose of this Act.	Issue: Amendments to Plan This amendment to make the Governor in Council responsible, on the recommendation of the Minister, for amendments to a target or plan.	The <u>Governor in Council on the recommendation of the</u> Minister may amend an emissions target set under section 7, <u>the economic targets set under section 8(b)</u> or an emissions reduction plan <u>established under section 9</u> in a manner that is consistent with the purpose of this Act.	
Section 12	When establishing or amending an emissions reduction plan, the Minister must do so in consultation with the other federal ministers having duties and functions relating to the measures that may be taken to achieve that target.	Issue: “Other Ministers” Purpose of this amendment is to ensure that other Ministers, notably the Minister of Finance, have input into the formulation of a Ministerial recommendation for the (i) a greenhouse gas emissions target and (ii) an emissions reduction plan; both of which include corresponding economic targets and plan elements.	When <u>preparing a recommendation for setting,</u> establishing or amending <u>an emissions target,</u> <u>an economic target</u> or an emissions reduction plan, the Minister must do so in consultation with the <u>Minister of Finance and</u> other federal ministers having duties and functions relating to the measures that may be taken to achieve that target	

Theme Area: 4. Role and Composition of the Net-Zero Advisory Body
Concern: The legislation calls for the creation of an outside advisory body of up to 15 members, which would provide advice to the minister on measures and "sectoral strategies" for achieving net-zero. By law, the Minister would be obliged to consult with groups before setting targets. The advisory body must have a balance of membership if it is setting such broad, economy-wide targets and plans. It should also be accountable to multiple government departments.
Proposed Solution: Advisory Body to report to the Governor in Council on all its deliverables and not a single designated Minister. Its mandate and expertise requirements should be expanded to include advice with respect to pathways – regulatory, policy and technological – as well as expected economic costs and benefits.

Section	Current Wording	Reasons for Amendment	Proposed Amendment
Section 20(1)	There is established an advisory body whose mandate is to provide the Minister with advice with respect to achieving net-zero emissions by 2050, including advice respecting measures and sectoral strategies that the Government of Canada could implement to achieve a greenhouse gas emissions target, and any matter referred to it by the Minister, and to conduct engagement activities related to achieving net-zero emissions.	Issue: Advisory Body – Establishment and Mandate CAPP is suggesting the following amendments to the advisory board: <ul style="list-style-type: none">• make the Advisory Committee answerable to the Governor in Council (rather than the Minister); and• expand the mandate of the Advisory Committee to include “advice respecting measures and sectoral strategies that the Government of Canada could implement to achieve the economic targets,” “advice with respect to any regulatory and policy measures required to meet the sectoral strategies,” “advice with respect to best available technology economically achievable to address greenhouse gas emissions” and “advice with respect to potential positive or negative economic effects of proposed measures and sectoral strategies.”	There is established an advisory body whose mandate is to provide the Minister Governor in Council with advice with respect to achieving net-zero emissions by 2050, including advice respecting measures and sectoral strategies that the Government of Canada could implement to achieve a greenhouse gas emissions target, <u>advice respecting measures and sectoral strategies that the Government of Canada could implement to achieve the economic targets, advice with respect to any regulatory and policy measures required to meet the sectoral strategies, advice with respect to best available technology economically achievable to address greenhouse gas emissions, advice with respect to potential positive or negative economic effects of proposed measures and sectoral strategies</u> and any matter referred to it by the Minister Governor in Council , and to conduct engagement activities related to achieving net-zero emissions.
Section 20(2)	The Minister may determine and amend the terms of reference of the advisory body.	Issue: Advisory Body – Advisory Body - Terms of reference Purpose of the amendment is to give the Governor in Council (rather than the Minister) the power to determine and amend the terms of reference of the advisory body.	The Minister Governor in Council may determine and amend the terms of reference of the advisory body.
Section 22(1)	The advisory body must submit an annual report to the Minister with respect to its advice and activities.	Issue: Advisory Body – Report This amendment is to require that the advisory body must submit its annual report to the Governor in Council (rather than the Minister).	The advisory body must submit an annual report to the Minister Governor in Council with respect to its advice and activities.

Theme Area: 5. Sectoral Strategies

Concern: The legislation includes multiple references to “sectoral strategies”. The meaning and intent of these sectoral strategies are unclear but there are multiple references throughout the Bill C-12, including a role for the Advisory Body in providing advice on sectoral strategies. It seems to suggest that specific and targeted measures will be proposed for specific sectors. Impacted industries and stakeholders should be included in the conversation around sectoral strategies in order to leverage their expertise and support better outcomes.

Proposed Solution: Ensure that representatives of any sector affected by net-zero plans are provided sufficient opportunity to engage and provide feedback on the setting or amendment of national GHG emission targets or plan.

Section	Current Wording	Reasons for Amendment	Proposed Amendment	Assessment
Section 10(1)	1) An emissions reduction plan must contain (a) the greenhouse gas emissions target for the year to which the plan relates; (b) a description of the key emissions reduction measures the Government of Canada intends to take to achieve the greenhouse gas emissions target; (c) a description of any relevant sectoral strategies; and (d) a description of emissions reduction strategies for federal government operations.	Issue: Emissions reduction plan — contents This amendment is to require that such plans must include “an analysis of potential positive or negative economic effects on the relevant sectors.”	Issue: Emissions reduction plan — contents 10(1) An emissions reduction plan must contain (a) the greenhouse gas emissions target for the year to which the plan relates; (b) <u>the corresponding economic targets for each of the years to which the plan relates;</u> (c) a description of the key emissions reduction measures the Government of Canada intends to take to achieve the greenhouse gas emissions target; (d) <u>a description of the anticipated positive or negative economic effects of the emissions reduction measures described in subsection (c);</u> (e) <u>a description of any relevant sectoral strategies, including an analysis of potential positive or negative economic effects on the relevant sectors;</u> (f) <u>a description of any measures taken by provincial and territorial governments and their interaction with federal measures;</u> (g) <u>a description of the anticipated positive or negative economic effects by province or territory, which should be developed in consultation with the provinces and territories, and</u> (h) a description of emissions reduction strategies for federal government operations.	
Section 13	When setting or amending a national greenhouse gas emissions target or establishing or amending an emissions reduction plan, the Minister must, in the manner the Minister considers it appropriate, provide the governments of the provinces, Indigenous peoples of Canada, the advisory body established under section 20 and interested persons, including any expert the Minister considers appropriate to consult, with the opportunity to make submissions.	Issue: Public participation Purpose of the amendment is to require that “representatives of any sector considered by any sectoral strategies” are provided the opportunity to make submissions directly to the Minister when formulating a recommendation for setting or amending a national greenhouse gas emissions target or establishing or amending an emissions reduction plan.	When <u>preparing a recommendation</u> for setting or amending a national greenhouse gas emissions target, <u>an economic target</u> or establishing or amending an emissions reduction plan, the Minister must, in the manner the Minister considers it appropriate, provide the governments of the provinces, Indigenous peoples of Canada, the advisory body established under section 20, <u>representatives of any sector considered by any sectoral strategies</u> and interested persons, including any expert the Minister considers appropriate to consult, with the opportunity to make submissions.	
Section 14(2)	A progress report must contain	Issue: Progress report - Content of report	14(2) A progress report must contain (a) an update on the progress that has been made towards achieving the greenhouse gas	

	<p>(a) an update on the progress that has been made towards achieving the greenhouse gas emissions target;</p> <p>(b) an update on the implementation of the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan; and</p> <p>(c) any other information that the Minister considers appropriate, including information on any additional measures that could be taken to increase the probability of achieving the plan’s greenhouse gas emissions target.</p>	<p>The purpose of this amendment is to require that such reports contains:</p> <ul style="list-style-type: none">○ “an update on the best available technology economically achievable and their impact on the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan;” and○ an economic analysis of the costs and benefits of the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan.	<p>emissions target;</p> <p>(b)an update on the <u>progress that has been made towards achieving the economic targets;</u></p> <p>(c)an update on the implementation <u>of the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan;</u></p> <p>(d)<u>an update on the best available technology economically achievable and their impact on the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan;</u></p> <p>(e)<u>an economic analysis of the costs and benefits</u> of the federal measures, sectoral strategies and federal government operations strategies described in the relevant emissions reduction plan and</p> <p>(f)any other information that the Minister considers appropriate, including information on any additional measures that could be taken to increase the probability of achieving the plan’s greenhouse gas emissions target.</p>
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