Intelligence MEMOS



From: Lennie Kaplan

To: Climate Policy Watchers

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Re: RESTORING CREDIBILITY TO CANADA'S CLIMATE CHANGE POLICIES AND TARGETS.

There are three things to watch for this fall as the federal government reviews and renews its climate change policies and targets.

Under the <u>Canadian Net-Zero Emissions Accountability Act</u>, Environment and Climate Change Canada must prepare a progress report, by the end of 2025, that contains an assessment of Ottawa's 2030 greenhouse gas emissions target and whether it should be changed.

Canada's <u>Commissioner of the Environment and Sustainable Development</u> is scheduled to release a report on the government's implementation of climate change mitigation measures under the act.

And, Prime Minister Mark Carney has announced that the federal government will release a new climate change competitiveness strategy.

These three appear to herald a new approach to climate change policy that emphasizes realistic policy solutions, evidence-based emissions targets, and scrapping of contentious and flawed current policies, such as the proposed oil and gas emissions cap (OGEC).

Serious and urgent repair work needs to be conducted on current Canada's climate change policies and emissions targets to restore credibility, both nationally and internationally.

Using detailed data from the <u>Canada Energy Dashboard</u>, updated to January 2025, Canada will now miss its 2030 emissions target by between 82 and 120 million tonnes under a reference case scenario. Even under a more optimistic <u>scenario</u>, <u>Canada will still miss by between 58 and 96 million tonnes</u>. And Canada's 2035 <u>targets</u> also appear out of reach. Under a reference case scenario, Canada will miss those by between 77 and 115 million tonnes. And even under a more optimistic scenario, Canada will still miss by between 39 and 77 million tonnes.

Backed by the respected <u>Navius Research gTech-IESD model</u>, the Canada Energy Dashboard enables users to explore the emissions impacts of federal and provincial climate policies, both implemented and pending, and how the cost and availability of specific technologies, such as renewables, carbon capture and storage (CCS) and direct air capture (DAC), could influence emission levels between now and 2050.

The emission gaps cited above are based on modeling of current and pending federal and provincial climate change policies, with reference case cost assumptions and optimistic case cost assumptions for emission reduction technologies such as CCS, renewables, and hydrogen, and the availability and non-availability of DAC and small modular nuclear reactors.

This fall is a critical time for Canada's climate change policies and emissions targets. It is time for the federal government to work collaboratively with provincial governments, private sector experts, and Canadians to develop an integrated climate change policy framework that serves to grow Canada's economy, while protecting the environment.

Developing coherent federal and provincial climate change policies and regulations that drive more <u>aggressive adoption</u> of emissions reduction technologies like CCS, will be critical for Canada to meet realistically established emission targets.

Lennie Kaplan is a former senior manager in the fiscal and economic policy division of Alberta's Ministry of Treasury Board and Finance, and was Executive Director to the MacKinnon Report on Alberta's Finances.

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