

# Canada's Carbon Management Strategy

**Why Invest in Carbon Management in Canada:** Canada has established itself as a leader and early mover in the global carbon management sector and is home to many of the world's operating, commercial-scale projects, and a wealth of expertise.

Canada offers a unique mix of advantages for investors that make it an ideal location for investments in carbon management, which includes point-source carbon dioxide capture, and technology-based atmospheric CO<sub>2</sub> removal – along with activities to use or permanently store it.

## Canada's Advantages

**Expertise:** Decades of early leadership have resulted in 8 commercial-scale capture projects, CO<sub>2</sub> pipeline networks, and CO<sub>2</sub> storage projects; significant project growth across value chain, with Canada ranking 2<sup>nd</sup> globally in terms of number of projects planned or in development.

**Innovation:** High-performing innovation ecosystem, renowned technology providers, and an outsized global share of CCUS technology patents.

**Geology:** Significant geologic potential for carbon storage; and the transportation and storage infrastructure to support new projects.

**Policy:** Stable and competitive policy environment, robust regulations, federal and provincial measures with supports across the value chain.

**Canada's Vision for Carbon Management** Carbon management technologies are deployed to help achieve Canada's climate objectives, underpinned by the development of a world class, multi-billion-dollar carbon management sector in Canada that supports inclusive, high-value employment and a more sustainable economy.

Canada's [Carbon Management Strategy](#) reaffirms our commitment to continue advancing a world-class sector as part of its suite of climate actions to support a prosperous, net-zero future.

## Five Pathways Where Carbon Management is Needed to Support a Net-Zero Economy



Decarbonizing heavy industry, including oil & gas



Low-carbon dispatchable power



Carbon Dioxide Removal



Low-carbon hydrogen production



CO<sub>2</sub> based industries

## Five Key Priority Areas for Federal Action



Accelerating innovation and R&D



Advancing policies and regulations



Attracting investment and trade opportunities



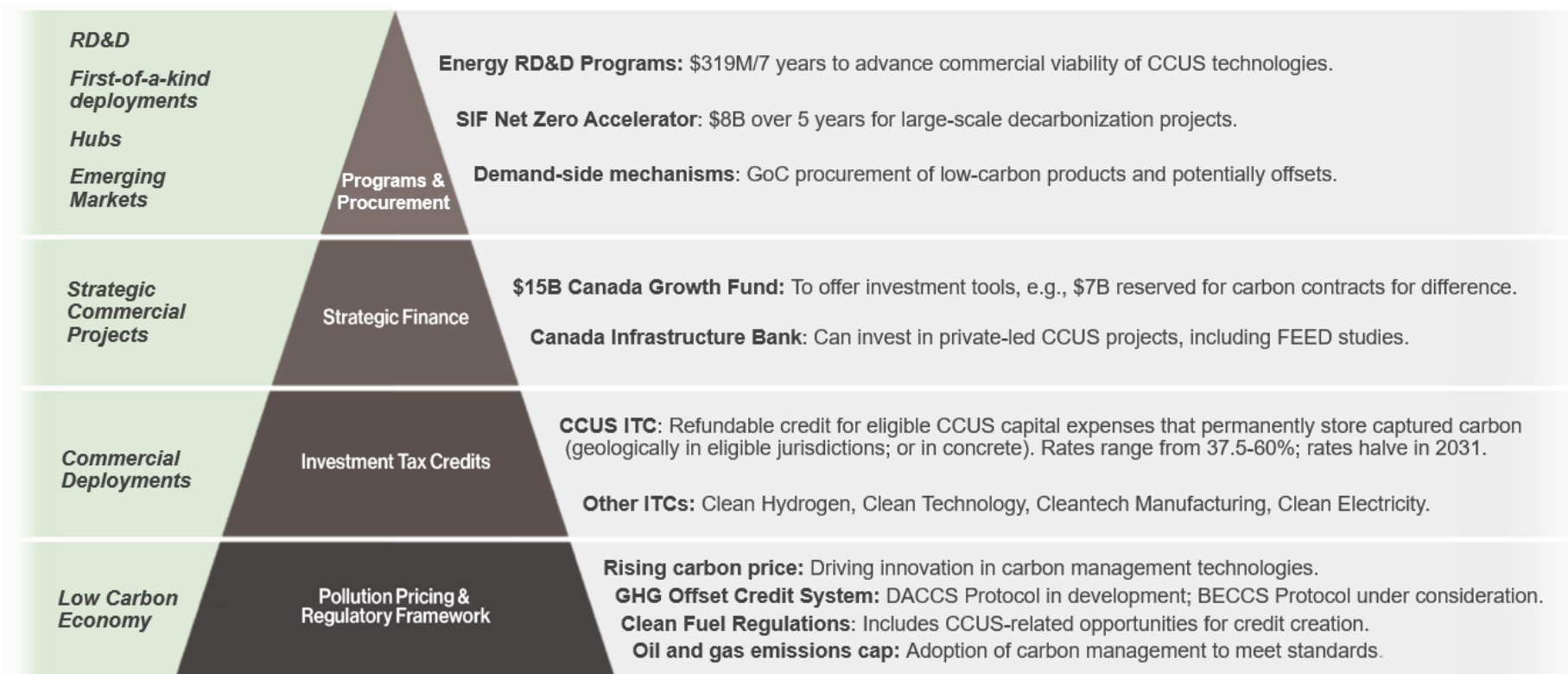
Scaling-up projects and infrastructure



Building partnerships and growing inclusive workforces

# Key Federal Supports for Carbon Management

UNCLASSIFIED - NON CLASSIFIÉ



# Enabling federal programs, policies, and regulations in Canada

Policy and Regulatory Measures	Government Departments, Agencies, or Crown Corporations
<a href="#">Carbon Management Strategy</a>	Natural Resources Canada (NRCan)
<a href="#">RD&amp;D Funding Support</a>	NRCan
<a href="#">CCUS Investment Tax Credit (ITC) - available for investments from 2022 to 2040 (Legislation)</a>	Finance Canada (FIN), Canada Revenue Agency (CRA), NRCan
<a href="#">Federal Carbon Pricing System under the Greenhouse Gas Pollution Pricing Act</a>	Environment and Climate Change Canada (ECCC)
<a href="#">Canada's GHG Offset Credit System</a>	ECCC
<a href="#">Clean Fuel Regulations (CFR)</a>	ECCC
<a href="#">Clean Fuels Fund</a>	NRCan
<a href="#">Program of Energy Research and Development (PERD) and the Energy Innovation Program (EIP)</a>	NRCan
<a href="#">Strategic Innovation Fund (SIF) Net Zero Accelerator (NZA)</a>	Innovation, Science and Economic Development Canada (ISED)
<a href="#">Canada Growth Fund</a>	Canada Development Investment Corporation
<a href="#">Canada Infrastructure Bank (CIB) Investments</a>	Canadian Infrastructure Bank
<a href="#">SDTech Fund</a>	Sustainable Development Technology Canada
<a href="#">Indigenous Natural Resource Partnerships Program</a>	NRCan
<a href="#">Low Carbon Economy Fund (LCEF) Low Carbon Economy Challenge</a>	ECCC
<a href="#">Output-Based Pricing System (OBPS) Proceeds Fund Decarbonization Incentive Program (DIP)</a>	ECCC

Policy and Regulatory Measures	Government Departments, Agencies, or Crown Corporations
<a href="#">Canadian Net-Zero Emissions Accountability Act (June 29, 2021)</a>	ECCC
<a href="#">Emissions cap for the oil and gas sector (under development)</a>	ECCC
<a href="#">Clean Electricity Regulations (draft regulation introduced)</a>	ECCC
<a href="#">Greenhouse Gas Reporting Program (GHGRP)</a>	ECCC
<a href="#">Canadian National Inventory submission</a>	ECCC
<a href="#">Canadian Environmental Protection Act, 1999</a>	ECCC
<a href="#">Green Procurement Buy Clean Initiative</a>	Treasury Board of Canada Secretariat
<a href="#">Regulation on Coal-Fired Generation (amended 2018)</a>	ECCC
<a href="#">Border Carbon Adjustments (BCAs) [under consideration]</a>	FIN
<a href="#">International Business Development Strategy for Clean Technology</a>	Global Affairs Canada
<a href="#">Canadian Energy Regulator Act and Onshore Pipeline Regulations</a>	Canadian Energy Regulator
<a href="#">Business Scale-up and Productivity (BSP)</a>	ISED and regional development agencies (Atlantic Canada Opportunities Agency (ACOA), Canada Economic Development for Quebec Regions (CED), Canadian Northern Economic Development Agency (CanNor), Federal Economic Development Agency for Southern Ontario (FedDev Ontario), Federal Economic Development Initiative for Northern Ontario (FedNor), Prairies Economic Development Canada (PrairiesCan), Pacific Economic Development Canada (PacifiCan)
<a href="#">Regional Innovation Ecosystems (RIE)</a>	ISED and regional development agencies (ACOA, CED, CanNor, FedDev Ontario, FedNor, PrairiesCan, PacifiCan)
<a href="#">Clean Electricity ITC; Clean Technology ITC; Clean Hydrogen ITC; Clean Manufacturing ITC</a>	FIN

More information can be found in Annex B of [Canada's Carbon Management Strategy](#).