

How to strengthen Bill C-12: *Canadian Net-Zero Emissions Accountability Act*

Canada has failed to achieve every international climate target it has ever set. Bill C-12 is a critical opportunity to reverse this trend. While it makes important strides to establishing a climate accountability framework for Canada and enshrines in law the government's commitment to reach net-zero emissions by 2050, it will not deliver accountability as currently drafted.

Bill C-12 needs to implement true climate accountability not just to meet the targets that are already on the table, but to meet our international and domestic responsibilities. It is key that Canada has a rolling 5-year accountability cycle (starting in 2025) that aligns with the Paris Agreement's 5-year stocktake process and its goal of ratcheting up ambition. In addition, accountability planning will have impacts on the workforce, yet the bill as it is currently written does not reflect any relationship between net-zero pathway planning and planning processes for a just and equitable workforce transition to guarantee good jobs for all workers as social and economic shifts occur. Attainment of Canada's net-zero goal must be achieved hand-in-hand with the workforce, a relationship that should be reflected in the legislation.

The legislative process, particularly in the context of the current minority Parliament, offers opportunities to strengthen the legislation and establish the robust accountability needed to ensure Canada delivers on our global commitments and sustains the aggressive action needed to achieve net-zero GHG emissions by 2050.

Five pillars of a robust Canadian climate accountability law

There are five pillars common to climate accountability laws in other jurisdictions that form a comprehensive framework, which Canada should emulate in order to implement world-class legislation. Weaknesses in any one of the pillars undermines the effectiveness of the entire framework.

Pillar 1: Long-term (2050 & 2030) GHG reduction targets that are ambitious and move Canada towards its fair contribution to a 1.5 C scenario.

Pillar 2: Five-year carbon budgets that cap total GHG emissions and fairly distribute emissions reductions across the country. Carbon budgets are the basis for mitigation planning.

Pillar 3: Five-year impact reports tabled before Parliament that assess the risks of current and predicted climate impacts in Canada. Impact reports are the basis for adaptation planning.

Pillar 4: Planning and reporting requirements to achieve carbon budgets and guide adaptation. Plans, progress reports and the government's response to progress reports must be tabled before Parliament.

Pillar 5: Arm's-length expert climate advisory committee to advise on long-term targets, five-year carbon budgets, climate impact reports and policy solutions, and independently monitor and report on implementation progress. This reliance on independent expertise is central to the accountability framework and plays a key role in each of the preceding pillars.

Weaknesses of C-12, and recommendations to strengthen

Bill C-12 includes *some* elements of four of the five pillars; however, weaknesses under each means that as a whole the Bill would fall short of establishing a robust, world-class climate accountability framework for Canada. In particular:

1. Ambition now, not later:

Setting a legislated target of net zero emissions by 2050 is critical, but Bill C-12 must also provide meaningful accountability “checkpoints” over the next ten years – a period deemed crucial by the IPCC for avoiding catastrophic climate change.

Further, Bill C-12 does not *require* the Minister to transparently consider independent expert advice when setting the emission reduction targets for the milestone years. As a wealthy country with high historic and per capita emissions, Canada’s targets should be significantly more ambitious than the benchmarks set by the IPCC of 45% global GHG reductions by 2030 and net-zero by 2050. Climate Action Network Canada’s position is that domestic GHGs need to be reduced by 60% by 2030.

Another weakness of C-12 is that it uses milestone targets for the years 2030, 2035, 2040 and 2045 rather than five-year carbon budgets, which would provide much more specific guidance on the emission reduction pathway. That, combined with infrequent accountability plans/reports (see below) means there are inadequate accountability checkpoints in the crucial next decade. In particular, the decade-long plan to reach the 2030 target needs a quantifiable checkpoint – a target – at 2025 to assess progress.

Recommendation:

Bill C-12 must ensure that Canada maximizes ambition as soon as possible, including by requiring the Minister to set a 2025 target and increasing the frequency and stringency of accountability measures – reports, expert input, strong plans – to ensure that our pathway to 2030 is consistent with the best available science, international obligations, and equity principles.

2. Strong and independent expertise:

The role of the advisory body must be strengthened and solidified. If the COVID-19 pandemic has taught us anything, it's that we can't let politics interfere with the importance of scientific advice.

Rather than establish one advisory committee, Bill C-12 creates an “Advisory Body” responsible for making policy recommendations on how to achieve the targets, and requires the Commissioner for Environment and Sustainable Development (CESD) to prepare reports on the implementation of measures every five years. The two institutions lack the mandate and capacity to properly hold the Government to account. Crucially, neither body has an explicit mandate to advise on the long-term or milestone targets.

It is crucial that the advisory body be comprised of independent experts and have the capacity and resources to conduct the detailed analysis necessary to advise on targets and plans and to monitor government progress.

Recommendation:

Bill C-12 must place greater emphasis on science and expertise and less emphasis on politics by strengthening the advisory body's role in establishing targets, plans and reports, and ensuring that the body is comprised of independent experts. The advisory body should also prepare regular impact reports that assess the risks of current and predicted climate impacts in Canada, to inform adaptation planning.

3. Accountability in the law, not on the shoulders of Canadians:

There must be consequences for failure at every level. As it stands, Bill C-12 imposes weak obligations on government that will be difficult to enforce. To break the cycle of missed GHG emissions reductions targets, we need a law that holds government to account.

Though Bill C-12 requires a rolling cycle of planning and reporting against the milestone targets and the long-term targets, as it stands the Bill gives government too much wiggle room to set weak targets and table plans that are light on details. Fixing those gaps will mean setting clear and unqualified obligations on the Minister to meet or exceed robust minimum standards when setting targets and establishing plans, and to clearly demonstrate how the targets will be met with robust modelling. It also means requiring the Minister to actually meet the targets, rather than just plan to meet them.

Also, the advisory body has no clear role in progress reporting, which means that the government self-determines whether it is on track to meeting the targets. An independent assessment would clearly allow for greater public confidence in those reports. That the assessment report comes two years after the milestone year makes it too late to make up for missed reductions, even if it does come with recommendations for additional actions.

Recommendation:

Bill C-12 must actually hold government to account by prescribing robust minimum standards for planning and reporting, and imposing a legal obligation to meet the established targets.

4. Certainty and credibility:

The infrequency and potential weakness of the accountability checkpoints has consequences beyond 2030. Certainty matters for the Canadian public, investors and business, and the international community.

Bill C-12 requires the Minister to set targets and plans to achieve them only five years in advance. For 2030 and later, a longer period (e.g. ten years; the U.K. set 12 years) would allow for better planning and the development of policies and programs, and provide medium-term certainty over Canada's emissions trajectory.

There is also a risk that Canada will place undue reliance on carbon credits and offsets (generated by emissions reductions in other countries) to achieve its targets instead of reducing domestic emissions. For example, Sweden's *Climate Act* limits offsets to 15% of its 2050 goal.

Recommendation:

Bill C-12 should ensure targets and plans are set further in advance, provide for earlier and more regular progress reporting, and place a low cap on the use of international offsets (or even restrict those offsets altogether, other than to exceed targets).

5. Sharing the effort across Canada:

The result of Canadian federalism and our regional disparity in emissions requires an ongoing conversation about how to share the effort of reducing our GHG emissions between federal, provincial, territorial and municipal governments, and respect Indigenous rights and authority. Bill C-12 doesn't take this historic opportunity to institutionalize that conversation, let alone push for the cooperative federalism that the challenge of climate change requires. Any meaningful new federal climate legislation needs to *integrate* respect and reflect the principles of the United Nations Declaration to the Rights of Indigenous Peoples, providing the means for Indigenous peoples to be full participants in climate action.

Recommendations:

Without undermining the need for the federal government to take a leadership role and be willing to backstop climate action where necessary, Bill C-12 should also incentivize and facilitate provincial ambition and recognize shared action while providing the means for Indigenous peoples to be full participants in climate action.

Bill C-12 must also require transparency about the status and direction of greenhouse gas emissions in sub-national jurisdictions.