

Backgrounder

Updating Canada's Nationally Determined Contribution

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Environment and
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Canada

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Environment and Climate Change Canada
Public Inquiries Centre
12th Floor, Fontaine Building
200 Sacré-Coeur Boulevard
Gatineau QC K1A 0H3
Telephone: 819-938-3860
Toll Free: 1-800-668-6767 (in Canada only)
Email: ec.enviroinfo.ec@canada.ca

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Backgrounder: Updating Canada's Nationally Determined Contribution

Introduction

- In December 2020, the Government of Canada released *A Healthy Environment and A Healthy Economy*, Canada's strengthened climate plan (SCP) to create jobs and support people, communities and the planet.
- The plan included 64 measures, with \$15 billion in new investments, and will allow Canada to meet and exceed its current national greenhouse gas (GHG) reduction target for 2030. Measures fall under five pillars of action:
 - Make the places Canadians live and gather more affordable by cutting energy waste;
 - Make clean, affordable transportation and power available in every Canadian community;
 - Continue to ensure that pollution isn't free and that households get more money back;
 - Build Canada's clean industrial advantage; and,
 - Embrace the power of nature to support healthier families and more resilient communities.
- This plan is comprehensive and clearly demonstrates the federal government's commitment to exceeding Canada's 2030 target. However, federal actions are only part of Canada's story. Many provinces have committed to deep greenhouse gas reduction targets but not all have announced a complete set of measures to reach these targets. Additional provincial and territorial measures will build on the progress that currently proposed federal measures will achieve, leading to further emission reductions.
- For this reason, the federal government committed to consult with provinces and territories, Indigenous partners, and Canadians in all socio-economic sectors to further elaborate a strong plan that can be implemented together.
- The government also committed to consult on a more ambitious national GHG emission reduction target for 2030, responding to the urgency of the global climate crisis, with a view to submitting an updated target to the United Nations in 2021.
- The purpose of this backgrounder is to provide information on Canada's current efforts to meet emission reductions targets and the process to update our target under the Paris Agreement. If you wish to provide feedback on Canada's Nationally Determined Contribution (NDC), you can fill in our [survey](#).

The Paris Agreement and NDCs

- The Paris Agreement to the United Nations Framework Convention on Climate Change (UNFCCC) is a legally binding multilateral environmental agreement ratified by Canada in 2016. It is the first multilateral climate change agreement to include commitments from all countries to reduce their GHG emissions.

- Under the Agreement countries agreed to collectively strengthen the global response to climate change, including by limiting global warming to well below 2°C, while also pursuing efforts to limit warming to 1.5°C.
- All Parties to the Paris Agreement must submit GHG emission reduction targets (referred to as Nationally Determined Contributions or NDCs). A NDC embodies the efforts each country pledges to take as its contribution to the Paris Agreement’s goals – including GHG reduction targets.
- Each country determines its own NDC to reflect their most ambitious effort in accordance with their national circumstances.
- The Paris Agreement calls on all countries to submit a strengthened NDC every five years. To that end, each successive NDC must also be more ambitious than the previous one, resulting in progressively deeper cuts in global emissions over time.
- Countries communicate their NDCs by submitting an NDC submission to the UNFCCC, which then publishes them on their NDC registry. An NDC submission has three parts:
 - A greenhouse gas emission reduction target (the NDC).
 - A table, referred to as ICTU (Information to facilitate Clarity, Transparency and Understanding of NDCs) outlining how the NDC was chosen, what it covers and how it will be measured.
 - A cover note providing a narrative/key messages concerning the NDC submission.

Canada’s NDC

- To contribute to the achievement of the Paris Agreement, Canada initially committed to reduce greenhouse gas emissions by 30 percent below 2005 levels by 2030.
- Canada submitted a 2030 NDC in 2015, and then recommunicated an updated NDC submission in 2017, in light of significant steps forward in establishing a domestic policy framework to achieve the NDC’s stated objectives.
- Over the last five years, the Government of Canada, in collaboration with provinces, territories, Indigenous peoples, and civil society, has undertaken an intensive effort to reduce national emissions.
- In December 2016, Canada’s First Ministers adopted the Pan-Canadian Framework on Clean Growth and Climate Change (PCF). The Pan-Canadian Framework is Canada’s first-ever national climate plan and is doing more to cut pollution than any other climate plan in Canada’s history. This plan includes a pan-Canadian approach to pricing carbon pollution, and measures to achieve reductions across all sectors of the economy. It is stimulating new jobs across the country in energy efficiency, electric vehicle charging infrastructure, public transit, and development of new technologies.
- More recently, in December 2020, Canada released a strengthened climate plan – A Healthy Economy, and A Healthy Environment – with new and strengthened measures to increase ambition and ensure the country is on track to meet and exceed its current 2030 NDC.
- Canada intends to submit successively more stringent NDCs, approximately every five years, in accordance with the structure of the Agreement.

- For many Paris Agreement parties, including Canada, submission of an NDC in 2020 was not possible due to COVID-19.
- Canada's updated NDC will be submitted well in advance of the United Nations Climate Conference in November 2021.

Climate Science

- According to recent scientific assessments conducted by the Intergovernmental Panel on Climate Change (IPCC), Parties' first NDCs to reduce GHG emissions fall significantly short of achieving the temperature goal of the Paris Agreement, with global warming projected to exceed 2°C and projected to reach 3°C by 2100.
- The IPCC's Special Report on Global Warming of 1.5°C indicates that, in most scenarios where warming is limited to 1.5°C, global CO₂ emissions in 2030 need to reach 45% below 2010 levels and non-CO₂ emissions need to decrease by about 25% below 2010 levels by 2030 (48% below 2005 CO₂ equivalent levels in Canada) and reach net-zero emissions around 2050.
- The acknowledgement that initial NDCs were incompatible with the temperature goals of the Paris Agreement has led to a global call for all countries to set and work towards more stringent NDCs.
- Impacts of climate change are already evident around the world. Canada is warming at twice the global average, and Canada's North at three times the global average. In general, warming has been strongest at high northern latitudes and stronger over land than oceans. Since Canada has a large land mass, much of which is located at high northern latitudes, Canada will continue to warm at a greater rate than the global average and face more intense weather extremes (e.g., heat waves, droughts, severe rainfalls, etc.).
- Canada has introduced Bill C-12, the Canadian Net-Zero Emissions Accountability Act that will legally bind the government to a process to achieve net-zero emissions by 2050. It will establish rolling-five year emissions targets, aligned with the Paris Agreement NDC process, and require the Government to make plans to meet each target.

What can Canada achieve?

- Canada's current NDC is an "economy-wide target to reduce its GHG emissions by 30% below 2005 levels by 2030." This is equivalent to reducing 2030 emissions to 511 megatonnes (MT).
 - Canada's NDC covers all economic sectors and all major GHGs: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulphur hexafluoride (SF₆), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs) and nitrogen trifluoride (NF₃).
- Full implementation of the Pan-Canadian Framework on Clean Growth and Climate Change, and all announced provincial and territorial mitigation measures, is projected to reduce Canada's emissions in 2030 by 142 MT compared to 2005 levels.
- Full implementation of Canada's strengthened climate plan, A Healthy Economy and a Healthy Environment, is projected to reduce Canada's emissions in 2030 by an additional 85 MT. This will bring Canada's 2030 emissions to 503 MT (at least 31% below 2005 levels).
- Additional provincial and territorial measures, as well as harmonizing climate action with the United States (U.S.), could build on federal SCP measures and put Canada in the range of 32-

40% below 2005 levels. In light of the highly integrated nature of Canada-U.S. economies, harmonizing climate action with the U.S. - particularly in the transportation sector and with respect to short-lived climate pollutants - and additional federal action in Canada could contribute to emission reductions that go beyond what were modelled in the plan.

- Canada would need to achieve an additional 7 MT to reduce emissions by incremental 1% points below 2005 levels. For example, to achieve a 40% reduction below 2005 levels, Canada would need to identify an additional 65 Mt of emissions reductions by 2030.

Considerations

- Measures included in Canada's strengthened climate plan included those that can be designed, implemented and deliver GHG reductions by 2030, as well as those that are needed to set the stage for longer-term reductions to achieve net-zero emissions by 2050.
- Provincial and territorial governments hold many of the levers to take further action to reduce emissions; additional provincial and territorial measures could build on federal SCP measures and put Canada in the range of 32-40% below 2005 levels.
- Other partners, including many industry leaders, have made commitments to reduce emissions substantially, and will play a key role in helping Canada play a meaningful role in global efforts to address the climate crisis.
- New and additional measures to reduce GHG emissions out to 2030 will need to consider what further reductions can be achieved over the next 10 years by various players - including different levels of government - in addition to the federal contribution from both the Pan-Canadian Framework and the Strengthened Climate Plan – against a backdrop of a desire for continued action on climate change.
- Canada has also made a public commitment to achieve net-zero emissions by 2050, and a separate consultation process will be launched to inform various pathways for how to achieve that longer-term goal.

What other countries are doing

- As of January 2020, 71 countries (including the 27 European Union (EU) countries), representing 28.3% of global emissions have submitted an updated or new NDC submission.
- 83 countries (including Canada), representing 34.2% of global emissions have stated their intention to submit an updated or new NDC submission by the 26th Conference of the Parties (UN Climate Conference) in November 2021.
- Most countries initially set 2030 NDCs with the exception of the U.S., Brazil, and several small developing countries and small island states who set 2025 NDCs.
- Many countries that submitted an updated NDC submission have included a more ambitious NDC including the United Kingdom and the EU but some countries including Mexico and Saudi Arabia recommunicated their original NDC. Some developing countries have pledged NDCs conditional on receiving financial support to achieve those targets.
- Most European countries use 1990 as a base-year for their NDCs while other developed countries tend to use 2005 as a base year. Emissions peaked for the EU, France, Germany and most European countries in 1990 and have been steadily declining since then. GHG emissions peaked

in the U.S. in 2007 and have been on a downward trend since then. In contrast, GHG emissions in Canada peaked in 2004, fell sharply in 2009 and then began rebounding.

- The table in Annex I below shows the NDCs of the G20 and Norway.

Conclusion and Next Steps

- The Government of Canada would like to seek views to inform the finalization of Canada's updated 2030 NDC submission.
- Following the survey, the Government of Canada will publish a report highlighting what it heard.
- The UNFCCC will prepare a synthesis report which will calculate the combined GHG impact of all updated NDCs. This report will be published prior to the UN Climate Conference scheduled to take place in Glasgow, UK, on November 1-12, 2021.
- The Government of Canada will develop an updated NDC and submit it to the UNFCCC in order to be part of the analysis for the UNFCCC synthesis report.

ANNEX I: NDC Submissions of the G20 & Norway

Jurisdiction	1 st NDC Submission	Updated NDC Submission
Canada	Unconditional 2030 NDC: 30% below 2005 levels	Unconditional 2030 NDC: 30% below 2005 levels (recommunicated original NDC in 2017)
Argentina	Unconditional 2030 NDC: Reduce 2030 emissions to 483MT CO ₂ e Conditional 2030 NDC: Reduce 2030 emissions to 369MT CO ₂ e conditional on international support	Unconditional NDC: Reduce 2030 emissions to 359MT CO ₂ e Conditional 2030 NDC: N/A
Australia	Unconditional 2030 NDC: 26-28% below 2005 levels	Unconditional 2030 NDC: 26-28% below 2005 levels (recommunicated original NDC but aims to overachieve)
Brazil	Unconditional 2025 NDC: 37% below 2005 levels Indicative 2030 NDC: 43% below 2050 levels	Unconditional 2025 NDC: 37% below 2005 levels (maintains original 2025 target) Unconditional 2030 NDC: 43% below 2005 levels (confirmed 2030 target)
China	Unconditional 2030 NDC: Peak CO ₂ emissions by 2030; reduce carbon intensity by 60-65% below 2005 levels by 2030	In December 2020, China announced its updated NDC will include peaking CO ₂ emissions before 2030; lower carbon intensity by over 65% in 2030 compared to 2005 levels
European Union (including 27 member states)	Unconditional 2030 NDC: 40% below 1990 levels (equivalent to 35.3% below 2005 levels in 2030)	Unconditional 2030 NDC: 55% below 1990 levels (equivalent to 51.5% below 2005 levels in 2030)
France	Unconditional 2030 NDC: 40% below 1990 levels (equivalent to 35.3% below 2005 levels in 2030)	Unconditional 2030 NDC: 55% below 1990 levels (EU target) (equivalent to 51.5% below 2005 levels in 2030)
Germany	Unconditional 2030 NDC: 40% below 1990 levels (equivalent to 35.3% below 2005 levels in 2030)	Unconditional 2030 NDC: 55% below 1990 levels (EU target) (equivalent to 51.5% below 2005 levels in 2030)
India	Unconditional 2030 NDC: Reduce GHG intensity 33-35% below 2005 levels by 2030	India has not indicated whether it will update its NDC
Italy	Unconditional 2030 NDC: 40% below 1990 levels (equivalent to 35.3% below 2005 levels in 2030)	Unconditional 2030 NDC: 55% below 1990 levels (EU target) (equivalent to 51.5% below 2005 levels in 2030)
Japan	Unconditional 2030 NDC: 26% below 2013 levels (equivalent to 24.4% below 2005 levels in 2030)	Unconditional 2030 NDC: 26% below 2013 levels (equivalent to 24.4% below 2005 levels in 2030) (recommunicated original NDC in March 2020)
Mexico	Unconditional 2030 NDC: 25% reduction in GHG and Short Lived Climate Pollutants emissions by 2030 compared to BAU scenario,	Unconditional 2030 NDC: 25% reduction in GHG and Short Lived Climate Pollutants emissions by 2030 compared to BAU scenario, equivalent to 22% reduction in GHGs and 51% reduction in Black Carbon

Jurisdiction	1 st NDC Submission	Updated NDC Submission
	<p>equivalent to 22% reduction in GHGs and 51% reduction in Black Carbon</p> <p>Conditional 2030 NDC: 36% reduction in GHG emissions below business-as-usual and a 70% reduction in black carbon in 2030, conditional on international support and agreements on an international carbon price and carbon border adjustments</p>	<p>Conditional 2030 NDC: 36% reduction below business-as-usual emissions and a 70% reduction in black carbon in 2030, conditional on international support and agreements on an international carbon price and carbon border adjustments</p> <p>(recommunicated original NDC)</p>
New Zealand	Unconditional 2030 NDC: 30% below 2005 levels	<p>The Government of New Zealand has committed to begin revision of their NDC this year, per the advice of the independent Climate Change Commission (report released January 2021)</p> <p>The Commission indicated that the Government's new target will need to far exceed a 35% reduction target, but has not proposed a specific figure</p>
Norway	Unconditional 2030 NDC: 40% below 1990 levels	Unconditional 2030 NDC: 50-55% below 1990 levels (equivalent to 53.6%-58.2% below 2005 levels by 2030)
Russia	Intended unconditional 2030 NDC: Limit GHG emissions to 70-75% of 1990 levels by 2030 subject to maximum possible account of absorbing capacity of forests (25-30% below 1990 levels by 2030)	Unconditional 2030 NDC: Limit GHG emissions to 70% of 1990 levels taking into account maximum possible absorbing capacity of forests and other ecosystems, and subject to sustainable and balanced socioeconomic development of Russia (30% below 1990 levels by 2030)
Saudi Arabia	Conditional 2030 NDC: Reduce up to 130MT CO ₂ e below business-as-usual emissions by 2030 conditional on economic conditions	Saudi Arabia has not indicated whether it will update its NDC
South Africa	Unconditional 2030 NDC: Limit 2025-2030 emissions to between 398-614MT CO ₂ e (17 to 78% above 1990 levels by 2030)	South Africa has committed to update its NDC by the end of 2020
South Korea	Unconditional 2030 NDC: 37% reduction below business-as-usual emissions by 2030	Unconditional 2030 NDC: 24.4% below 2017 levels by 2030 (equivalent to 4.1% below 2005 levels by 2030)
Turkey	<p>Intended unconditional 2030 NDC: up to 21% below business-as-usual emissions by 2030</p> <p>(Turkey has not yet ratified the Paris Agreement)</p>	Turkey has not indicated whether it will update its intended NDC.
United Kingdom	Unconditional 2030 NDC: 40% below 1990 levels (equivalent to 35.3% below 2005 levels in 2030)	Unconditional 2030 NDC: 68% below 1990 levels (equivalent to 63.3% below 2005 levels in 2030)
United States	Unconditional 2025 NDC: 26-28% below 2005 levels	The U.S. has not yet submitted an updated 2030 NDC.