

Government of Canada measures that support environment and climate outcomes in the agriculture sector

Incentive Programs

Agricultural Policy Framework



- ✓ Includes federal-provincial/territorial cost-shared environmental programming – such as support to develop Environmental Farm Plans and adopt beneficial management practices.
- ✓ The Canadian Agricultural Partnership (CAP, 2018-23) allocated **\$438M** for environmental programming.
- ✓ The Sustainable Canadian Agricultural Partnership (S-CAP) is being finalized for 2023-28.

Resilient Agricultural Landscape Program (\$250M)

- ✓ Cost-shared federal-provincial/territorial programming.
- ✓ Part of S-CAP, will support ecological goods and services provided by the agriculture sector, such as maintaining and restoring grasslands and wetlands on agricultural lands.

Agricultural Climate Solutions: On-Farm Climate Action Fund (\$200M)

- ✓ Supports farmer adoption of BMPs.
- ✓ 2021-2024 program supports areas of cover cropping, nitrogen management, and rotational grazing.
- ✓ Budget 2022 announced an additional **\$470M** over 2022-28 to top-up, expand, and extend the program.

Agricultural Climate Solutions is part of the \$4B **Natural Climate Solutions Fund**. Also under this fund:

- ✓ **Nature Smart Climate Solutions Fund** – supports restoration, improved management, and reduced rates of loss of perennial grass cover and wetlands.
- ✓ **2 Billion Trees** – supports tree planting and reforestation.

Agricultural Clean Technology Program (\$167.5M, adoption and research streams)

- ✓ **Adoption Stream** supports development and adoption of clean technologies.
- ✓ Focuses on green energy and energy efficiency, precision agriculture, and bioeconomy.
- ✓ Budget 2022 announced an additional **\$330M** over 2022-28 to expand the program.

Business Risk Management Programs (\$1.5B annually)



- ✓ Provides protection to producers from losses due to floods, droughts and other severe weather events.
- ✓ Government partners are currently exploring how to better incorporate climate and environment considerations into BRM programming.
- ✓ Due to extreme weather events, total government support for BRM for 2021-2022 is projected to exceed **\$2.7 billion**.

Market-Based Approaches



- ✓ **Canada's Greenhouse Gas Offset Credit System** – protocols under development will provide opportunities for producers to generate offset credits through the adoption of sustainable agricultural land management practices or technologies.
- ✓ **Clean Fuel Regulations** – drives investment and growth in Canada's clean technology and clean fuel sector. Provides opportunities for the agriculture sector in terms of the growth of biofuel production.



Science, Research, and Innovation



Living Labs

A new approach to agricultural innovation in Canada, bringing together farmers, scientists, and other partners to co-develop and test innovative practices and technologies on working farms.

- ✓ **Agricultural Climate Solutions: Living Labs (\$185M)** – focuses on practices that sequester carbon and/or reduce GHG emissions.
- ✓ **Living Laboratories Initiative (\$75M)** – practices that address broad environmental issues. Concludes in 2023.

Under the Canadian Agricultural Partnership:

- ✓ **AgriScience (\$338M)** – supports research and pre-commercial science activities that benefit the sector; including projects that support climate and environment outcomes.
- ✓ **AgriInnovate (\$128M)** – accelerates commercialization, adoption, and demonstration of innovation that increases sector sustainability and competitiveness.

- ✓ Budget 2022 announced **\$100M** for fundamental and applied research supporting a path to net zero emissions, knowledge transfer, and developing metrics.

- ✓ Ongoing federal research and evaluation on crops, practices and technologies and the development of monitoring, assessment and forecasting tools.

- ✓ **Agricultural Clean Technology Program:** Research and Innovation Stream – supports research, development, commercialization, and scaling-up of innovative clean technologies.

Legislation and Regulation



- ✓ **Net-Zero Emissions Accountability Act** – net zero emissions by 2050 and enshrines in legislation Canada's target of 40-45% below 2005 levels by 2030.
- ✓ **Canadian Environmental Protection Act** – manages environmental and human health impacts from sources of pollution.
- ✓ **Fertilizers Act** – requires all regulated fertilizer and supplement products imported into or sold in Canada to be safe for humans, plants, animals, and the environment.
- ✓ **Fisheries Act** – includes preventing pollution of waterways in the context of protecting fish health.
- ✓ **Greenhouse Gas Pollution Pricing Act** – supports reducing GHG emissions through pricing mechanisms.
- ✓ **Migratory Birds Convention Act** – protects migratory birds, their eggs, and their nests, including on agricultural land.
- ✓ **Pest Control Products Act** – regulates pesticides and other pest control products to protect human health and safety, and the environment.
- ✓ **Species at Risk Act** – prevents and recovers extirpated, endangered, or threatened wildlife species due to human activity, including on agricultural land.

Plans and Strategies



- ✓ **Sustainable Agriculture Strategy (2023)** – supports the sector's actions on climate change and other environmental priorities towards 2030 and 2050.
- ✓ **2030 Emissions Reduction Plan (2022)** – climate action and strategies in each sector, including agriculture, to reach Canada's 2030 emissions target and net-zero emissions by 2050.
- ✓ **Canada's Methane Strategy (2022)** – federal actions and opportunities to reduce methane emissions and support for innovation and clean tech.
- ✓ **National Adaptation Strategy (2022)** – a shared vision for climate resilience in Canada.
- ✓ **Agriculture Species at Risk Action Plan (2022)** – sustainable agricultural practices that benefit biodiversity, species at risk, and the sector.
- ✓ **National Biodiversity Strategy and Action Plan (2024)** – will address all aspects of nature conservation and sustainable use.
- ✓ **Canada Water Agency (2022)** and strengthened **Freshwater Action Plan** – enhanced collaboration and capacity to keep fresh water safe, clean and well-managed.

Other Activities



- ✓ **Commitment to conserve** 25% of Canada's lands and 25% of its oceans by 2025, and 30% by 2030.
- ✓ **A Food Policy for Canada**, Canada's roadmap for a healthier and more sustainable food system.
- ✓ Activities that reduce food loss and waste, such as the **Food Waste Reduction Challenge**.
- ✓ Investing in the biomass supply chain and de-risking capital investment to build or expand clean fuel production facilities, through the **Clean Fuels Fund**.
- ✓ Various biofuel programs to support the development of clean technologies in multiple sectors, including agriculture, such as the **Low Carbon Economy Fund, Innovative Solutions Canada program** and **Net Zero Accelerator Initiative**.
- ✓ **AgriAssurance**, supporting industry led sustainability initiatives.
- ✓ **New guidance for Novel Food Regulations** focused on plant breeding to accelerate the development of plant varieties with the potential to mitigate and adapt to climate change.

Note that provincial and territorial governments implement additional measures that, together with federal initiatives, support improved environment and climate outcomes in the sector.