

# Canada's Transition to Net Zero: Accelerating Collaboration to Meet 2050

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# Background

Chartered Professional Accountants of Canada (CPA Canada) is publishing this *Report* as support to Canadian industries with their transition to net-zero initiatives, and as part of Canada's contributions to the United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties 26 (COP26) in November 2021.

CPA Canada is one of 13 accounting bodies from around the world [publicly committing](#) to achieving net-zero greenhouse gas (GHG) emissions within their own organizations, as well as providing an enabling environment for the professions' memberships to do the same.

CPA Canada has been a leader in producing sustainability and climate change thought leadership, guidance, and professional development programs for over 25 years. As Canada's national accounting body, CPA Canada is well positioned to provide an independent voice as a convener of leaders across the public and private sectors.

In fall 2020, The Prince of Wales's Accounting for Sustainability Project (A4S) Canadian Chapter of the CFO Leadership Network joined CPA Canada to host a series of virtual panels, interviews and roundtables (collectively referred to as the "Transition to Net Zero Series" in this *Report*). These series gathered insights and viewpoints from corporate directors, senior management and operational teams from Canadian oil and gas companies, as well as from representatives of the institutional investment community that provides capital to the sector.

The summary viewpoints from the different audiences are captured in the [Consultation Report on the Canadian Energy Sector's Transition to Net Zero](#) (referred to as the "*Phase 1 Report*" in this *Report* and summarized in [Appendix A](#)). The *Phase 1 Report* highlighted common themes across different audiences and identified gaps to address Canada's transition to a lower-carbon economy and net zero by 2050. The themes and gaps in the *Phase 1 Report* helped shape the stakeholder outreach and research presented in this report.

Note that at the time of the release of this *Report*, there is currently scrutiny around how exported emissions are calculated and the role of how international trade impacts emissions calculations at the national level, which in turn impact net-zero targets.

“**Net-zero**” emissions are achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period.

*(IPCC, 2018: Annex I: Glossary [Matthews, J.B.R. (ed.)])*

**Canada’s net-zero commitment** includes all GHGs (greenhouse gasses) and is geographically limited to emissions generated within Canada across all sectors. This definition is consistent with international GHG accounting standards in which each country accounts for emissions produced within its borders. Emissions from GHG-producing exports are accounted for in the country of use.

*(Net Zero Advisory Body, Net-Zero Pathways: Initial Observations Report [PDF])*



#### SUPPORT FOR CANADA’S BID TO HOST THE INTERNATIONAL SUSTAINABILITY STANDARDS BOARD

In July 2021, CPA Canada was among the private and public institutions, including the Government of Canada, backing the country’s offer to host the global headquarters for the new International Sustainability Standards Board (ISSB). Known as Canadian Champions for Global Sustainability Standards, this is a national collaboration with a shared objective to locate the new Board in Canada.

CPA Canada facilitated an extensive collaborative effort that includes the largest pension funds, financial institutions, securities regulators, a leading First Nations organization, accounting firms, insurance companies and other large Canadian companies, along with the support of the country’s six largest municipalities and a broad cross-sector collaboration of Canada’s leading business, academic and environmental stakeholder organizations.

# Scope and Objectives

The intended users of this *Report* are policymakers and leaders within Canada's public and private sectors. As part of CPA Canada's longstanding efforts in climate change (see [Appendix D](#)), this *Report* is a culmination of research and stakeholder engagement to contribute to the dialogue on achieving Canada's net-zero ambitions. The objective of the *Report* is to provide an implementation roadmap that includes:

1. practical actions that can be taken to address challenges and capitalize on opportunities
2. identifying the role of key players in the Canadian ecosystem who may collaborate to achieve the desired outcomes
3. proposed timelines for completion

To identify key players in the Canadian ecosystem, CPA Canada engaged the following groups as part of its net-zero series:

- corporate directors
- senior management teams
- CPAs in industry, the public sector and public accounting
- CPA students



The recommendations in this report were informed by CPA Canada's stakeholder engagement and outreach, including:

- Phase 1 consultation with the Canadian energy sector (see [Appendix A](#))
- research on best practices and global developments in the transition to net zero (see [Appendix B](#))
- Phase 2 consultation with transportation, materials and buildings, and agriculture, food and forest products sectors (see [Appendix C](#))
- findings from CPA Canada's youth survey on the role of the Canadian oil and gas sector in Canada's net-zero transition
- findings from the [First Nations Major Capitals Project's ESG Indigenous Sustainable Investment Conference](#)
- series of resources focused on the transition to net zero, including global, national, and sector-specific best practices, guidance, initiatives, case studies and collaborations (see [Appendix D](#))



The research was focused on the following economic sectors (outlined in [Appendix A](#) and [Appendix C](#)), given their contributions to Canada's national GHG emissions inventory:

- energy
- transportation
- buildings and materials
- agriculture, food and forest products
- investment community

# Implementation Roadmap for Canada's Net-Zero Transition

During CPA Canada's stakeholder outreach, common themes emerged that triggered the following proposed high-level implementation roadmap for accelerating collaboration between public and private sectors on Canada's transition to net zero by 2050.

The list of key players identified is not intended to be exhaustive; rather, it serves as a starting point to identify potential leaders to implement the recommended actions. The proposed timeline is intended to respond to the urgency of the climate crisis and the need for swift action.



THEME 1: Industry Collaboration	THEME 2: Public-Private Partnerships	THEME 3: CPAs as Enablers
<ul style="list-style-type: none"> <li>• within sectors (intra-sector)</li> <li>• between sectors (inter-sector)-including the value chain</li> <li>• leadership roles</li> </ul>	<ul style="list-style-type: none"> <li>• collaboration on policy design and implementation</li> <li>• funding to scale up new technologies and solutions</li> <li>• role of regulators</li> </ul>	<ul style="list-style-type: none"> <li>• CPA Canada and other global professional accounting organizations</li> <li>• CPAs in industry</li> <li>• CPAs in the public sector</li> <li>• CPAs in public accounting</li> </ul>



## THEME 1–Industry Collaboration

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
<p><b>Intra-sector collaboration</b></p> <ul style="list-style-type: none"> <li>Companies should start integrating Scope 3 GHG emissions into decision-making and engage with value-chain partners to identify common actions that can be taken to achieve net-zero aspirations by 2050.</li> <li>Companies should engage with their value-chain partners to identify common climate goals to develop innovative and mutually beneficial business arrangements (including partnerships and R&amp;D projects for emissions reductions technologies and solutions).</li> <li>Companies should utilize industry-specific metrics and targets (e.g., Sustainability Accounting Standards Board [SASB] standards and the Task Force on Climate-related Financial Disclosures [TCFD] guidance on metrics, targets and transition plans) for consistent and comparable disclosure across industries. This should include an increased focus on measuring and reporting companies' Scope 3 GHG emissions.</li> </ul>	<ul style="list-style-type: none"> <li>industry associations (e.g., The Mining Association of Canada, Canadian Association of Petroleum Producers, Canadian Cattlemen's Association, Canadian Nuclear Association)</li> <li>senior management</li> <li>CPAs in industry</li> <li>Indigenous peoples</li> <li>communities</li> </ul>	<p>Ongoing: Initial intra-sector collaborations are underway (see illustrative example).</p> <p>Q1 2022: Scaling up the focus on Scope 3 emissions is urgently needed to achieve net zero by 2050.</p>
<p><b>Illustrative example of intra-sector collaboration:</b> <a href="#"><u>Canadian oil sands innovators alliance</u></a></p> <p>Canadian Natural Resources, Cenovus Energy, Imperial, MEG Energy and Suncor Energy – together representing 90% of Canada's oil sands production – established the Oil Sands Pathways to Net Zero alliance to work collectively with the federal and Alberta governments to achieve net-zero GHG emissions from oil sands operations by 2050.</p>		

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
<p><b>Inter-sector collaboration</b></p> <ul style="list-style-type: none"> <li>• Create formal and informal networks/ platforms to enable informal and inclusive collaboration between industry stakeholders, Indigenous-led organizations and communities, civil society, academia, government, and others.</li> <li>• Identify global case studies of inter-sector collaborations to understand the approach, structure and objectives that can be mirrored in Canada.</li> <li>• Leverage the lessons learned from existing cross-sector collaborations, including those outside of Canada (e.g., Microsoft's <a href="#">Land O'Lakes program</a>, a strategic alliance to pioneer agricultural innovations, enhance the supply chain, expand sustainability practices for farmers and the food system and close the rural broadband gap).</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable Finance Action Council</li> <li>• Net-Zero Advisory Body</li> <li>• Federal Government Economic Strategy Tables</li> <li>• CPA Canada</li> <li>• Institute for Sustainable Finance</li> <li>• Sustainable Markets Initiative</li> <li>• Canadian Institute for Climate Choices</li> <li>• Indigenous peoples and communities and industry organizations</li> <li>• communities</li> <li>• Canadian Climate and Law Initiative (CCLI)</li> </ul>	<p>Q1 2022: Post-COP26 there is an opportunity to implement these recommendations that will lead to action plans to achieve Canada's GHG targets and net-zero ambitions.</p>
<p><b>Illustrative example of inter-sector collaboration: <a href="#">OPG and TTC</a></b></p> <p>In April 2021, the Toronto Transit Commission (TTC) announced a framework with Ontario Power Generation (OPG) and Toronto Hydro for the three parties to work together to electrify TTC's bus fleet, North America's largest transit electrification project to date. OPG, through a subsidiary, will design, build, operate and maintain the charging infrastructure to power the TTC's electric bus fleet.</p>		

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
<p><b>Leadership roles</b></p> <ul style="list-style-type: none"> <li>• Board members need to encourage and inspire their management teams to determine their climate-change and emission-reduction strategy. Board members must satisfy themselves that management has undertaken a process to identify, assess and measure the company's climate-related risks and opportunities, with a focus on net zero by 2050.</li> <li>• Companies need to align their business models and long-term strategies with the net-zero transition to ensure competitiveness in the global low-carbon economy. This includes setting targets for net zero by 2050 as well as interim targets (e.g., 2030) to measure and report on progress.</li> <li>• Companies need to establish clear implementation plans to achieve interim targets and net zero by 2050. This information needs to be integrated into existing processes such as strategic and financial planning, budgeting and capital expenditures, risk management and operations.</li> <li>• Companies need to tie executive compensation to the achievement of interim targets to ensure formal accountability for progress toward long-term net-zero targets.</li> </ul>	<ul style="list-style-type: none"> <li>• boards of directors</li> <li>• senior management</li> <li>• CPAs in industry</li> <li>• CPAs in public accounting</li> <li>• community leaders</li> </ul>	<p>Immediate priority: Consistent, comparable disclosure on companies' approaches to the net-zero transition will enable the investment required to reduce GHG emissions and undertake new and innovative projects.</p>



## THEME 2 – Public-Private Partnerships

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
<p>Establish a sector-by-sector set of pathways for Canada to achieve net zero by 2050 with clear carbon budgets for each sector of the Canadian economy. Industry participation is core to the design of net-zero pathways to ensure they preserve Canadian competitiveness and that a pragmatic, achievable approach is utilized. The transition pathways need to be just and fair with open dialogue with all. No one should bear the burden alone and no one can be left behind.</p>	<ul style="list-style-type: none"> <li>• federal government</li> <li>• economic strategy tables</li> <li>• Indigenous-led organizations</li> <li>• Sustainable Finance Action Council</li> <li>• Net-Zero Advisory Body</li> <li>• industry<sup>1</sup></li> <li>• communities</li> <li>• individuals</li> </ul>	<p>Q4 2022: Post-COP26 there will be an opportunity to develop a national carbon budget with the aim of publishing by the end of 2022.</p>
<p><b>Illustrative example of public and private sector collaboration:</b> <a href="#">Canada's Net-Zero Advisory Body</a> (NZAB)</p> <p>The primary mandate is to identify pathways to help Canada achieve net zero by 2050. The group will draw on existing and emerging research, analysis and technical expertise. Since all Canadians have a part in shaping an inclusive low-carbon transformation, this group will lead meaningful national conversations with public and private entities and Canadians from coast to coast to coast. The group's advice will include actions that are within federal jurisdiction but may also include actions that could be implemented by others, such as individuals, communities, businesses and other levels of government. In June 2021, NZAB published their Net Zero Pathways: <a href="#">Initial Observations Report [PDF]</a>.</p>		
<p>Facilitate more effective public-private dialogue to allow sectors to better inform the policies that affect them. This includes considering the impacts of U.S. policies on Canadian competitiveness.</p>	<ul style="list-style-type: none"> <li>• all levels of government</li> <li>• industry</li> </ul>	<p>Immediate priority: As Canada's federal government enacts an implementation plan for net zero by 2050, industry must be actively involved in policy design.</p>

1 For purposes of this *Report*, "industry" as a key player has been defined as businesses operating in the key economic sectors identified in this report.

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
Facilitate collaboration between industry and various levels of government to identify mechanisms in which to embed climate-related considerations within procurement policies of public- and private-sector entities.	<ul style="list-style-type: none"> <li>• federal government</li> <li>• provincial and territorial governments</li> <li>• municipal governments</li> <li>• industry</li> <li>• Indigenous-led industry organizations</li> </ul>	Q2 2022: As companies begin to measure Scope 3 GHG emissions, procurement policies need to be sharpening focus.
To help support and scale key technologies, governments should consider enhancing mechanisms to absorb the costs for early adopters of emissions-reduction technologies.	<ul style="list-style-type: none"> <li>• federal government</li> <li>• provincial/territorial governments</li> <li>• industry</li> </ul>	Immediate priority: As Canada's federal government enacts an implementation plan for net zero by 2050, industry must be actively involved in policy design.
Governments and industry should work together to define standardized frameworks for key financing mechanisms in the net-zero transition (e.g., sustainability-linked loans, green bonds, transition bonds, de-risking investments). The development of these frameworks should consider Indigenous values and traditional knowledge.	<ul style="list-style-type: none"> <li>• federal government</li> <li>• provincial/territorial governments</li> <li>• Sustainable Finance Action Council</li> <li>• Canadian Standards Association (CSA) Group</li> <li>• industry</li> <li>• Indigenous peoples and industry organizations</li> </ul>	Ongoing: The CSA Group is developing a transition taxonomy for Canada (expected by year-end).  Q4 2022: A set of standard frameworks should be in place to enable capital flows.
Financial regulators should consult with industry to understand the practical considerations in adopting TCFD-aligned reporting, with an emphasis on developing an appropriate safe-harbour protection for publicly traded companies and reducing the reporting burden on small- and medium-sized enterprises (SMEs).	<ul style="list-style-type: none"> <li>• Canadian Securities Administrators and provincial regulators</li> <li>• Office of the Superintendent of Financial Institutions (OSFI)</li> <li>• Bank of Canada</li> <li>• federal government</li> </ul>	Q1 2022: Depending on the outcomes of COP26, the path toward mandatory TCFD disclosure seems imminent. Canadian regulators and companies must prepare for a phased-in adoption (multi-year).

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
<p>As governments design policies to enable the net-zero transition, it is critical that Indigenous engagement, participation and knowledge is core to the design and implementation of these policies. This includes:</p> <ul style="list-style-type: none"> <li>• providing clear economic incentives for companies to partner with Indigenous communities in their net-zero initiatives (e.g., increased funding for higher proportions of Indigenous equity ownership in projects)</li> <li>• providing incentives for supporting Indigenous peoples' access to capital to participate in major infrastructure projects</li> <li>• designing project bidding evaluation processes to consider and require plans for Indigenous consultation and participation</li> <li>• providing incentives to engage with Indigenous peoples and communities early on or even before project formulation and align with community-specific Indigenous values</li> <li>• providing incentives to prioritize trust and relationship-building by project proponents with Indigenous peoples and community members</li> <li>• providing incentives to educate management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples (<a href="#">UNDRIP</a>), treaties and Aboriginal rights, Indigenous law, and Aboriginal-Crown relations. This will require skills-based training in intercultural competence, conflict resolution, human rights, and anti-racism. (Source: <a href="#">Truth and Reconciliation Commission of Canada</a>)</li> </ul>	<ul style="list-style-type: none"> <li>• Indigenous peoples</li> <li>• First Nations Major Projects Coalition</li> <li>• First Nations Finance Authority</li> <li>• Canadian Council for Aboriginal Business</li> <li>• federal government</li> <li>• industry</li> </ul>	<p>Ongoing; Initial dialogue has begun and there is an opportunity to formalize these mechanisms in 2022.</p>





### THEME 3 – CPAs as Enablers

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
<p><b>Professional accounting organizations (PAOs)</b></p> <ul style="list-style-type: none"> <li>Review existing competency maps for the certification process to become a professional accountant and update them to include climate-change and net-zero skills and competences.</li> <li>Provide net-zero education for designated CPAs and Canadian business leaders within the PAO stakeholder ecosystem (e.g., education for CPAs in leadership roles such as CFOs, corporate directors, etc.).</li> <li>Publish thought leadership and explore education programs to educate all Canadians in their role in the net-zero transition (e.g., introduce a similar program to CPA Canada's <a href="#">financial literacy program</a> with a climate-literacy focus). This aligns with CPA Canada's mission to act in the public interest.</li> <li>Review public sector accounting standards to determine whether they need updating to reflect reporting of climate-related risks and opportunities by public-sector entities.</li> <li>Continue to convene dialogues with public- and private-sector leaders on Canada's net-zero transition with a focus on implementation and practical actions for key stakeholders.</li> <li>CPA Canada should continue to advocate for efficient and effective climate-policy design and provide input into climate-policy design by holding formal consultations for CPAs working in industry.</li> <li>Provide education for organizations that do not have access to CPAs on climate-related risks and opportunities and the net-zero transition.</li> <li>Contribute to the development of standards to account for natural capital as a means of climate-change mitigation and adaptation.</li> </ul>	<ul style="list-style-type: none"> <li>CPA Canada</li> <li>Public Sector Accounting Standards Board (PSAB)<sup>2</sup></li> <li>IFRS® Foundation</li> <li>ISSB (forthcoming)</li> <li>A4S (including CFO Leadership Networks)</li> <li>International Federation of Accountants (IFAC)</li> </ul>	<p>Ongoing: CPA Canada recently published its <a href="#">CPA “Way Forward” Competency Map (CM 2.0)</a>, which includes sustainability and climate change as key competences for Canadian CPAs.</p> <p>Ongoing: CPA Canada is developing <a href="#">climate change education</a> for CPAs, boards and <a href="#">executives</a> with Natural Resources Canada.</p> <p>Q1 2022: Opportunity to commence action on other recommendations to enable the accounting profession to be a key contributor to policy design and implementation in Canada and globally.</p>

<sup>2</sup> Canada's financial reporting and assurance standards boards and oversight councils comprise the Accounting Standards Oversight Council, Accounting Standards Board, Public Sector Accounting Board, Auditing and Assurance Standards Oversight Council, and Auditing and Assurance Standards Board.

**Collaboration example:** [Accounting bodies issue call to action to address climate change](#)

The call to action is signed by the CEOs of 14 accounting bodies representing 2.5 million accountants and 181 countries worldwide, including more than 217,000 Canadian CPAs.

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
<p><b>CPAs in industry</b></p> <ul style="list-style-type: none"> <li>• Champion climate-change efforts within their organization by helping organizations identify, assess and manage the business risks and opportunities associated with net zero.</li> <li>• Facilitate internal alignment on climate change by educating internal stakeholders on the related opportunities and risks.</li> <li>• Act as the hub for internal measurement and monitoring of GHG emissions and progress toward net-zero targets.</li> <li>• Make the business case for GHG emissions reduction activities to help facilitate the net-zero transition at their organizations. This may include providing analysis for capital allocation decisions, free cash flow projections, M&amp;A transactions, equity and debt financing, payment of dividends and other financial decisions.</li> <li>• Integrate consideration of shadow-carbon pricing into long-term capital expenditure and planning decisions.</li> <li>• Provide guidance on valuing natural capital to help decision-makers make informed choices, including considering nature-based climate solutions.</li> <li>• Establish internal controls, processes and quality assurance checks over data and information used for decision-making and reporting.</li> <li>• Support internal reporting to management and the board for decision-making.</li> </ul>	<p>CPA members working within companies across industries who hold a variety of different roles, including but not limited to:</p> <ul style="list-style-type: none"> <li>• CFO</li> <li>• financial reporting</li> <li>• financial planning and analysis</li> <li>• internal audit</li> <li>• business strategy and intelligence</li> <li>• operations</li> <li>• risk management</li> </ul> <p>CPA members on company boards of directors.</p>	<p>Immediate priority: CPA Canada has a critical role to play in mobilizing CPAs in industry by providing enabling guidance, tools and education.</p> <p>Organizations should leverage their in-house CPAs to support their net-zero transitions.</p>

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
<p><b>CPAs in industry</b> <i>(continued)</i></p> <ul style="list-style-type: none"> <li>Support external reporting to shareholders and stakeholders on the organizations' progress toward net zero by 2050.</li> <li>Support issuance of financial instruments designed to finance the transition to net zero (e.g., green bonds, sustainability-linked loans) and ongoing reporting to investors.</li> </ul>		
<p><b>Industry guidance:</b> <a href="#">Accounting for Sustainability (A4S) Net Zero Resources</a></p> <p>A4S works with finance teams, accounting professionals and capital markets to create guidance and generate action to:</p> <ul style="list-style-type: none"> <li>help achieve a net-zero economy</li> <li>prevent a worsening climate crisis</li> <li>mitigate risks and seize the opportunities in the energy transition</li> </ul> <p>Resources include net-zero guidance, top tips for CFOs, top tips for pension scheme trustees and practical examples/case studies of net-zero efforts by companies. A4S has also co-ordinated a <a href="#">CFO Net Zero Statement of Support</a> and a <a href="#">Pension Fund Chair Net Zero Statement of Support</a> to facilitate co-ordination and collaboration across borders by leveraging the influential role that accountants can play within their organizations.</p> <p>CPA Canada is one of 13 accounting bodies from around the world <a href="#">publicly committing</a> to achieving net-zero greenhouse gas (GHG) emissions within their own organizations.</p>		
<p><b>CPA's in the public sector</b></p> <ul style="list-style-type: none"> <li>Support public-policy design by providing an economic and financial lens and highlight the economic benefits of the net-zero transition.</li> <li>Support efficient tax regimes to incentivize companies to invest in new technologies and solutions to decarbonize Canada's economy.</li> <li>Support the policy design for carbon markets (as policies are developed in the future).</li> <li>Support the development of standards and taxonomies for measuring and managing natural capital and other nature-based climate-change solutions.</li> <li>Provide assurance on provincial and federal governments' climate-change commitments and spending (e.g., value-for-money audits, compliance audits).</li> </ul>	<p>CPA members working within various levels of government (federal, provincial, municipal) who hold a variety of roles, including but not limited to:</p> <ul style="list-style-type: none"> <li>CFO</li> <li>policy design and implementation</li> <li>financial planning and budgeting</li> <li>financial reporting</li> <li>internal audit</li> <li>risk management</li> <li>Auditor General</li> </ul>	<p>Immediate priority: CPA Canada has a critical role to play in mobilizing CPAs in the public sector by providing enabling guidance, tools and education.</p> <p>Governments should leverage their in-house CPAs to support well-informed policy, standards, and frameworks for the net-zero transition.</p>

Recommended Action (What)	Key Players (Who)	Proposed Timeline (When)
<p><b>CPAs in public accounting</b></p> <ul style="list-style-type: none"> <li>• Integrate climate-change considerations into financial statement audits of companies.</li> <li>• Provide assurance over GHG emissions and progress toward net-zero targets by companies.</li> <li>• Provide assurance over financial instruments designed to finance the transition to net zero (e.g., green bonds, sustainability-linked loans), including ongoing annual reporting on progress against KPIs and covenants.</li> <li>• Provide strategic advice to companies on setting net-zero targets and establishing interim targets to measure progress.</li> </ul>	<p>CPAs working in public accounting firms typically focus on providing audit and assurance services to public and private companies, as well as not-for-profit organizations.</p> <p>CPAs working in federal and provincial departments and crown corporations.</p>	<p>Immediate priority: CPA Canada has a critical role to play in mobilizing CPAs in public accounting by providing enabling guidance, tools and education. CPA Canada has a course on <a href="#">climate change for CPAs in audit and assurance</a>.</p> <p>Public accounting firms (e.g., the “Big 4”) should integrate climate change into their audit methodologies, working papers and internal training programs for CPAs and CPA students.</p>

# Next Steps

Immediately actioning the recommendations and implementation roadmap in this *Report* provides one potential pathway toward facilitating a unified, inclusive transition to net zero by 2050 in a way that positions Canada to remain competitive in a global low-carbon future.

The momentum toward net zero in Canada is clear. Recent policy and regulatory developments have provided a foundation for ratcheting up ambition. The multitude of collaboration and co-ordination initiatives underway are important steps in the right direction to mobilize all of Canada's economic sectors to decarbonize their assets and operations. The significant support for the transition to net zero by 2050 from the global capital markets will continue to accelerate this trajectory and many Canadian companies are already establishing ambitious net-zero action plans.

An opportunity exists to capitalize on this momentum to facilitate national-level discussions to create an integrated action plan for Canada to achieve net zero by 2050. This is a long-term ambition that requires immediate action at pace and scale – Canada is only at the beginning stages of this journey. As COP26 approaches in November 2021, there has been no greater opportunity for Canada to establish a leadership position. Given the urgency of the climate crisis, the time is now to develop a net-zero transition plan that is fair and just for all Canadians.

## APPENDIX A

# Phase 1 Report Background and Summary

Below are the common themes identified in the *Phase 1 Report*.

### Common Theme 1 – Collaboration

Canada's net-zero transition is an issue of national interest. Collaboration between stakeholders and sectors is essential to achieving national prosperity in the long term.

Desired Future State	Actions Needed to Achieve Desired Future State
<ul style="list-style-type: none"> <li>• Broaden the low-carbon transition to include other key economic sectors and the behaviour of individual Canadian consumers.</li> <li>• Create a national energy plan that leverages Canada's unique economic advantages in the global low-carbon transition.</li> <li>• Renew investor confidence and create a scenario where the sector can maximize CO<sub>2</sub> abatement with net positive economic benefits.</li> </ul>	<ul style="list-style-type: none"> <li>• Create a forum to collaborate with other key sectors to establish an integrated set of sector-based transition plans to cover Canada's highest-emitting industries.</li> <li>• Draft policies to help the public understand the impact of their purchasing decisions on their carbon footprints.</li> <li>• Provide economic incentives to purchase lower-carbon goods and services.</li> </ul>

## Common Theme 2–Innovation and Technology


Innovation and technology offer Canada an opportunity to be a global leader in a low-carbon future.

Desired Future State	Actions Needed to Achieve Desired Future State
<ul style="list-style-type: none"> <li>• Canada is a global leader in innovative cleantech and emissions-reduction solutions.</li> <li>• Technologies that decrease both costs and carbon emissions for oil and gas companies and other key economic sectors should be widely adopted.</li> <li>• Innovation networks should be leveraged to scale and export Canada’s cleantech solutions.</li> </ul>	<ul style="list-style-type: none"> <li>• Seek strategic partnerships with Canadian cleantech ventures to create mutually beneficial business arrangements.</li> <li>• Develop cross-sectoral partnerships and participation in innovation hubs.</li> <li>• Finance investments in low-carbon products and solutions, particularly those with significant export growth potential.</li> </ul>

## Common Theme 3–Regulatory Certainty

There is a collective call from companies and investors for increased regulatory certainty and clear policy incentives for net-zero investments.

Desired Future State	Actions Needed to Achieve Desired Future State
<ul style="list-style-type: none"> <li>• Multi-level government collaboration is needed that clearly defines the near-term and long-term trajectory of regulations to reduce GHG emissions.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish policy certainty and economic incentives from governments to make the R&amp;D and capital investments required to transition.</li> <li>• Governments and regulators need to actively consult with industry in designing effective policies and regulations.</li> </ul>



In May 2021, the International Energy Agency (IEA) published [Net Zero by 2050: A Roadmap for the Global Energy Sector](#). This special report is the world’s first comprehensive study of how to transition to a net-zero energy system by 2050 while ensuring stable and affordable energy supplies, providing universal energy access and enabling robust economic growth.

## APPENDIX B

# Global Scan of Relevant Developments

The following provides a high-level overview of the relevant net-zero-related developments since the completion of the *Phase 1 Report*. These global, national and sector-specific initiatives further necessitate the acceleration of a national plan for Canada to achieve net zero by 2050 to remain globally competitive.

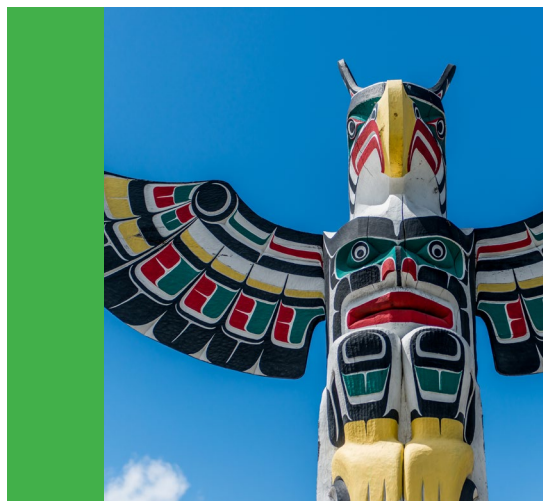
## Global

- The IFRS Foundation is establishing the [International Sustainability Standards Board \(ISSB\)](#) to set IFRS sustainability standards. The ISSB will initially focus on climate-related reporting for investors by leveraging the Task Force on Climate-related Financial Disclosure (TCFD) recommendations.
- The [TCFD](#) is working on two key areas for implementation of its recommendations: *Proposed Guidance on Climate-related Metrics, Targets, and Transition Plans*; and the associated *Measuring Portfolio Alignment: Technical Supplement*.
- The Financial Stability Board (FSB) published a [Roadmap for Addressing Climate-related Financial Risks \[PDF\]](#) to support global collaboration on addressing the systemic financial risks of climate change.
- The International Energy Agency (IEA) published [Net Zero by 2050: A Roadmap for the Global Energy Sector \[PDF\]](#). See the callout box in [Appendix A](#) for details.
- The [Glasgow Financial Alliance for Net Zero \(GFANZ\)](#), chaired by Mark Carney, UN Special Envoy on Climate Action and Finance, unites over 160 firms (together responsible for assets in excess of \$70 trillion) from the leading net-zero initiatives (see below) across the financial system to accelerate the transition to net-zero emissions by 2050 at the latest as follows:
  - [Net Zero Asset Owner Alliance](#) – 40+ investors representing \$6.6 trillion in assets
  - [Net Zero Asset Managers Initiative](#) – 128 signatories representing \$43 trillion in assets
  - [Net Zero Insurance Alliance](#) – eight of the world’s leading insurers and reinsurers



- In June 2021, The Prince of Wales hosted a COP26 and G7 business event with the [Coalition of the Willing](#), who represent more than 300 CEOs engaged with the Sustainable Markets Initiative (SMI) and represent all sectors with over \$60 trillion worth of assets. Their aim is to drive partnerships between government, business, and private-sector finance to combat climate change and biodiversity loss. Ten Transition Coalitions have been formed to drive sustainable investment and industry action for transition across 10 of the highest emitting and polluting industries.
- U.S. president [Biden issues executive order on climate-related financial risk](#)
- [A Dutch court orders Shell to reduce its emissions by 45% by 2030](#)
- [“Australian Court Finds Government Has Duty to Protect Young People From Climate Crisis”](#)

## National



### Indigenous Perspectives on Canada’s Net-Zero Transition

[First Nations Major Capitals Project’s ESG Indigenous Sustainable Investment Conference Summary \[PDF\]](#) A major focus of this conference was considering how to approach the next major and emergent phase of a net-zero economy, clean energy and the role of Indigenous leadership and nations. Although we did not specifically focus on exploring the unique role of Indigenous peoples, this is an area that warrants deeper work by CPA Canada. Where appropriate, the recommendations from this conference have been amplified in this *Report*.

- [Canada’s new climate plan released: A Healthy Environment and a Healthy Economy](#)
- [Budget 2021: A Recovery Plan for Jobs, Growth and Resilience](#)
- [Canada enhances its emissions reduction target to 40 to 45% below 2005 levels by 2030](#)
- [Canada Launches Sustainable Finance Action Council](#)
- [Canada establishes Net-Zero Advisory Body](#)
- [Canada’s federal carbon price is deemed constitutional](#)
- [Canada Joins U.S. in Establishing Net-Zero Producers Forum](#)
- [Canada announces a ban on new fuel-powered cars and light trucks from 2035](#)

- [Growing number of Canadian companies set net zero by 2050 targets: Net Zero Leaderboard](#)



### Youth Perspectives on Canada's Net-Zero Transition

As part of Phase 1, CPA Canada conducted a youth survey on Canada's energy transition and pathways for the oil and gas sector to net zero by 2050. Key findings<sup>3</sup> included:

- 50% of respondents said Canada should transition to a net-zero economy within 10 years.
- 85% of respondents agreed or strongly agreed that oil and gas companies should align their GHG emissions strategies with Canada's goal of achieving net zero by 2050.
- 63% of respondents define "national interest" as balancing social, economic and environmental well-being.

### A uniquely Canadian perspective

"Investors in Canada and other countries worldwide will increasingly be focused on investing in carbon net-zero energy infrastructure and technologies to address the global climate crisis. Part of what is driving this interest is the alignment of clean growth with Indigenous values around inclusive ESG priorities that will maintain and improve environmental and social outcomes for all Canadians today and generations to come. As capital begins to fund 'build back better' net-zero economies, we are likely to see Indigenous nations, investors and governments collaborating and innovating to strategically address the imperative of climate change."

[First Nations Major Capitals Project's ESG Indigenous Sustainable Investment Conference](#)

<sup>3</sup> The survey was released in January 2021 and closed on February 8, 2021. A total of 98 respondents completed the survey. An additional 43 respondents began the survey but did not complete it. All responses have been used in reporting, including the responses of those who did not complete the survey; this may lead to a different number of people answering different questions. The majority of respondents were between the ages of 21 and 30.

## APPENDIX C

# Detailed Findings from Phase 2 Roundtables

As part of Phase 2, CPA Canada held a series of virtual roundtables to provide industry perspectives on Canada's transition to net zero:

- Directors Cross Sector – May 4, 2021
- Transportation Sector – May 6, 2021
- Materials and Buildings Sector – May 11, 2021
- Agriculture, Food and Forest Products – May 13, 2021
- Joint Cross Sector – May 18, 2021

Economic sectors were selected based on the highest-emitting sectors in Canada's [most recent national GHG emissions inventory](#). Economic sectors are categorized based on the [TCFD sector-specific implementation guidance \[PDF\]](#) to enable global comparability.

The table below outlines the audience and sector-specific opportunities and challenges for the transition to net zero by 2050 based on the roundtable discussions. As part of the roundtables, polling questions were used to gain further input from participants on key areas of focus for the *Phase 2 Report*.<sup>4</sup> Where relevant, the findings from roundtable discussions have been supplemented by desktop research findings (see [Appendix A](#) for a list of resources reviewed).

<sup>4</sup> Note that polling results are based on a limited sample size and are not considered representative samples from the sector. This comment applies to all polling statistics referenced in this *Report*.

## Directors Roundtable

### Polling results

- 71% of directors believe their role is to support management in implementing a transition plan and helping them identify the path forward.
- 43% of directors felt education and training on oversight of climate change and net zero were an immediate priority to help accelerate Canada’s transition.

### Professional education

The Institute of Corporate Directors (ICD) has established “[Chapter Zero Canada](#),” which is the Canadian Chapter of the World Economic Forum’s Climate Governance Initiative. The purpose is to promote the adoption of the [CGI Principles for Effective Climate Governance \[PDF\]](#) by mobilizing, educating and equipping their director members with the skills and knowledge necessary to address climate change at the board level.

### Opportunities

- **Corporate directors’ role in the transition:** There was a consensus that corporate directors play a significant leadership role in Canada’s transition in terms of supporting management teams’ goals and, when necessary, engaging management teams more “aggressively” on climate-related issues. One participant noted that, in the past year, several companies’ management teams were engaging their boards on the net-zero transition in response to pressure from employees, investors and customers.
- **Collaboration (public-private partnerships):** There is a strong recognition that alignment must be achieved not only between industries but also between the public and private sectors. By facilitating more effective public-private dialogue, the business community can collaborate with various levels of government to develop and implement effective policies, with an aim to achieve common goals, including Canada-wide emissions reduction.

### Challenges

- **Competition versus collaboration:** Participants recognized that collaboration may be difficult due to competition both within and among sectors. However, recently, some participants noted that energy companies’ CEOs have been meeting more frequently, potentially signalling increased collaboration in the near term. Underscoring the element of competition, one participant noted that certain organizations were declaring that the responsibility to address climate change fell within their supply chains and not on the organization itself.
- **ESG data and disclosure:** Several participants noted the convergence around two reporting frameworks: the recommendations of the TCFD and the Sustainability Accounting Standards Board (SASB) standards. Participants also noted the difficulties for small- and mid-size enterprises (SMEs) in providing robust climate-related disclosures.

## Transportation Roundtable

### Polling results

- 33% of participants believed the biggest challenge to the transportation sector achieving net zero by 2050 was a lack of regulatory and/or policy incentives to reduce GHG emissions.
- 50% of participants saw enhancing business resilience to climate change as the biggest opportunity in the net-zero transition.

### Case study

Ontario Power Generation (OPG) has been a leader in climate change for many years with the phase-out of coal-powered generation in 2014 being North America's largest-ever GHG emissions reduction initiative. [OPG's Climate Change Plan](#) commits to being a net-zero carbon company by 2040 and to lead the charge to a net-zero economy in jurisdictions where it operates by 2050. Helping decarbonize transportation aligns with this plan.

Ontario is leading the way in the advancement of SMRs (small modular reactors). A first-of-a-kind commercial-grid scale approx. 300 megawatts SMR is planned for the Darlington site as early as 2028, with the potential to build more SMRs at Darlington, as well as other sites in Ontario and across Canada.

## Opportunities

- **Sector collaboration:** Participants noted an opportunity for various stakeholders within the transportation sector to collaborate in order to develop a more strategic, cohesive approach to the sector’s transition. Further, participants noted an opportunity to collaborate with Canada’s Indigenous population to enable an inclusive transition (e.g., develop carbon credit programs with Indigenous-led projects).
- **Sustainable finance:** Although nascent in Canada, participants mentioned the opportunity that sustainable finance offers for the sector’s transition. One participant noted that emerging sustainable finance mechanisms (e.g., sustainability-linked loans) are significant opportunities for capital-constrained organizations to transition.
- **Factors and stakeholders driving organizational change:** There was general agreement that the stakeholders driving change in participants’ organizations are its employees (i.e., attracting and retaining talent), investors and, increasingly, customers.
- **Infrastructure:** If electric vehicles (EVs) are to be deployed for passenger vehicles at scale, there is an opportunity to retrofit existing infrastructure, such as gas stations, into charging stations. There is an opportunity for joint funding between public and private sectors to build and scale required EV infrastructure.

## Challenges

- **Lack of enabling regulations:** Several participants stated a need for the government to fund projects and initiatives that help to transition markets and make low-emissions products more affordable for the average consumer (e.g., enhanced electric vehicle subsidization). Further, several participants noted that transportation-related regulation in Canada is heavily influenced by the United States’ regulatory environment, suggesting that transportation is a “North American regulated industry.” Referencing North America’s regulatory patchwork, participants noted the inconsistent policies and regulations (i.e., lack of policy harmonization) that make it difficult for companies to develop technologies that are both feasible and affordable.
- **Cost to transition:** Certain industries within the transportation sector require significant costs to transition to low carbon (e.g., infrastructure costs for rail). The challenge for these industries is to figure out how to transition in a financially responsible manner. Participants separately noted additional factors that magnify this issue, including additional costs related to enhancing climate resilience and decreased revenue because of the global pandemic. Sustainable finance was implicitly referenced as a contributing solution to this challenge.
- **Time:** Several participants noted the challenge in transitioning the transportation sector under constrained timelines (i.e., 4.6% of new vehicles registered in Canada in Q1 2021 were ZEVs, up from 3.5% in Q1 2020).<sup>5</sup> There was a consensus that increased government support is needed to facilitate the sector’s transition.

5 Statistics Canada – The Daily, July 27, 2021: New motor vehicle registrations, first quarter 2021.

## Materials and Buildings Roundtable

### Polling results

- 33% of participants believed the biggest challenge to the materials and buildings sector achieving net zero by 2050 was a lack of economically viable technologies and solutions.
- 67% of participants saw enhancing business resilience to climate change as the biggest opportunity in the net-zero transition.

### Sector guidance

[“Canada’s Mining Industry Commits to Climate Change Action”](#) – In May 2021, The Mining Association of Canada (MAC) released a new Towards Sustainable Mining (TSM) Climate Change Protocol designed to minimize the mining sector’s carbon footprint while enhancing climate change disclosure and strengthening the sector’s ability to adapt to climate change.

## Opportunities

- **Supply chain collaboration:** Several participants noted the lack of collaboration within Canada’s materials sector, as well as the associated opportunity costs. For instance, several participants noted the lack of climate-related considerations embedded within organizations’ procurement policies. The development of comparable carbon metrics was noted as a foundational element in seizing this opportunity.
- **Collaboration (public-private partnership):** The public sector is a large purchaser of infrastructure whose purchasing preferences will impact Canada’s civil infrastructure for decades. Governments have an opportunity to embed climate-related criteria into their procurement policies in order to support Canada’s transition to net zero. Further, various levels of government can support the adoption of technologies that enable the sector’s transition by developing initiatives or programs that demonstrate the effectiveness and scalability of technologies.
- **Stakeholders and factors driving change:** Several participants stated that investors were primarily driving change related to climate in their organizations. Additional drivers of change include employees (i.e., attraction and retention of top talent) and reputational benefit.

## Challenges

- **Internal alignment on climate:** Participants generally agreed that a significant part of transitioning the sector is integrating climate into an organization’s culture and strategy. Several participants noted the challenges in facilitating internal buy-in to climate-related considerations, additionally noting that company-wide education on climate-related risks and opportunities is crucial in driving change.
- **Reporting difficulties:** There was a consensus that climate-related reporting may be an exceedingly complex task for certain organizations, specifically on target-setting and TCFD-aligned scenario analysis. Experienced participants suggested taking a phased approach to reporting, prioritizing certain tasks and milestones, and aiming for the “low-hanging fruit” (e.g., track energy efficiency, conduct a climate-related risk assessment). One participant noted their concern related to a lack of uniformity in reporting standards.



## Agriculture, Food, and Forest Products Roundtable

### Polling results

- Participants were split on what the biggest challenge to the agriculture, food and forest products sector achieving net zero by 2050 was, with 33% seeing a lack of access to capital to make required investments as the biggest barrier and another 33% pointing to a lack of economically viable solutions to reduce GHG emissions.
- 78% of participants felt improved operational efficiency, reputation, access to capital and business resilience were the key opportunities for the sector in the transition to net zero.

### Case study

The Canadian Cattlemen's Association (CCA) has produced a series of [research papers](#) and collaborates with global associations on sustainable beef production with a focus on GHG emissions and climate change. The CCA also led the [Canadian Roundtable for Sustainable Beef](#), which is focused on promoting the sustainability of the Canadian beef industry through three activities: 1. benchmarking; 2. certification and 3. projects.

## Opportunities

- **Cross-sector collaboration:** Several participants noted an opportunity for the sector to work with other sectors to achieve net-zero transition through carbon sequestration. While successful programs and partnerships that enable carbon sequestration offer a significant opportunity for farmers and the environment, participants noted several challenges such as comparable and consistent carbon measurement. Further, participants referenced use cases that demonstrate the benefits of cross-sector partnerships (e.g., collaboration with energy companies given agriculture activities can sequester carbon).
- **Factors and stakeholders driving organizational change:** Several participants noted that climate-related risk assessments were the primary drivers of change within their organizations. Other drivers mentioned include talent attraction and retention, reputational benefits and enhanced access to sustainable finance tools.
- **Sustainable finance:** Numerous references were made to the opportunities of emerging sustainable finance tools to enable the sector's transition. Specific examples mentioned during the discussion include the [Rabo Carbon Bank](#) by Rabobank, as well as green mortgages.
- **Collaboration (public-private partnership):** There was agreement on the need for policymakers to collaborate more effectively with industry in order to develop and implement effective policies. Several participants noted the value that the “people on the ground” would add in the policy-making process, as well as examples of the expertise that could be leveraged (e.g., methane capture and biodigesters, crop rotations). Further, there was consensus on the need for sector stakeholders (e.g., producers) to be adequately rewarded and recognized for the benefits they are already creating for Canada.

## Challenges

- **Customers' preferences and cost-competitiveness:** Participants noted that cost competitiveness is a significant factor for primary producers. As noted by various participants, factors that push costs upwards (e.g., emissions reduction technologies) may negatively impact their cost competitiveness due to increased product costs. Further, several participants noted that a disparity in customers' stated willingness to pay and actual willingness to pay for products adds complexity to the sector's transition.
- **Asset measurement:** Participants noted that in order to capitalize on the carbon offset opportunities presented in the sector, a standard way of measuring and valuing these assets would need to be developed and implemented. Companies require consistent and comparable measurement of carbon offsets for credibility and market transparency.
- **Smaller scale of agriculture operations:** Participants noted that the industry is unique in that it comprises many small, family-owned businesses across the country (i.e., family farms). This presents the challenge of scaling GHG emissions-reduction projects to achieve meaningful reductions.

## Cross-Sector Roundtable

### Polling results

- 36% of participants felt investments in research and innovation (including partnerships and pilot projects) are key to fostering collaboration within a given sector.
- 67% of participants believed supply chain partnerships for GHG emissions-reduction initiatives represented the biggest opportunity for cross-sector collaboration.
- 58% of participants said regulators and policymakers should provide a national definition of net zero by 2050 for Canada and provide a sector-by-sector pathway to achieving this goal.

### Collaboration Initiative

In May 2021, Canada announced a new [\*Sustainable Finance Action Council \(SFAC\)\*](#), which will bring together public- and private-sector financial expertise to support the growth of a strong, well-functioning, sustainable finance market. Financial sector leaders will provide input on the foundational market infrastructure needed for a stable and reliable sustainable finance market in Canada that will boost investor confidence and drive economic growth.

## Opportunities

- **Build informal networks:** Several participants noted the importance of creating networks and platforms to enable informal and inclusive collaboration between industry stakeholders, civil society, academia, government and others, which will lead to the development of innovative climate solutions. This was specifically noted as a way to foster collaboration within sectors.
- **Identify common goals with supply chain partners:** There was agreement that there is a significant opportunity in actively engaging and communicating with a company's supply chain. By understanding supply-chain partners' climate ambitions, organizations and their supply-chain partners can begin to align climate goals, identify joint objectives and aspirations, and develop innovative business arrangements that are mutually beneficial (e.g., OPG electrifying bus fleets with TTC, developing unique asset ownership structures).
- **There are multiple technologies to enable net zero:** Several enabling technologies (e.g., hydrogen; carbon capture, utilization and storage (CCUS); SMRs) were identified and discussed, with an agreement that multiple technologies will likely enable Canada to transition to a lower-carbon economy. In particular, there was focused discussion on the role of nuclear energy in transitioning economies globally, including the role of SMRs. However, several participants also noted barriers related to effectively scaling the technology, such as the regulatory environment and the required capital.
- **Carbon markets:** Carbon markets were identified as a significant opportunity that underpins Canada's ability to reach net zero. Importantly, several participants noted that enabling carbon markets would foster cross-sector collaboration and that CPAs play a key role in developing and overseeing Canada's carbon markets.

## Challenges

- **Costs and unfavourable economics:** High costs, a lack of demand for low-carbon products and limited fiscal spending were identified as barriers for companies in providing low-carbon goods and services as well as to scaling key emissions reduction technologies across Canada. As part of this conversation, several participants noted the opportunity for stakeholders, including governments, to integrate carbon metrics in their procurement processes, effectively creating markets for low-carbon products. One participant mentioned the benefits of governments integrating embodied carbon in decision-making and the knock-on effects up the supply chain (e.g., British Columbia's Sea to Sky Highway).
- **Regulations:** Several participants noted that prescriptive or excessive regulation and ineffective policymaking may hinder widespread adoption of key technologies (e.g., SMRs), as well as the creation of collaborative partnerships between supply-chain partners. Further, given that regulations are an iterative process, there was concern that policymakers may be unable to develop effective climate-related policies in a relatively short period. Linked to various opportunities above, effective policymaking will foster innovation and support Canada's net-zero transition.

## Spotlight on the role of carbon offsets

“[There is] one important new market, the market of carbon offset credits, which could promote natural climate solutions to reduce greenhouse gas emissions and be an economic opportunity for Indigenous communities. In order to conserve our limited carbon budget, some companies will need to complement absolute emissions reductions with credible carbon offsets including nature-based solutions such as reforestation when, for example, technology doesn’t completely eliminate emissions. Today, that market is small, it’s about \$300 million a year and it’s of uneven quality. Properly structured, it could grow quickly to \$50 to 100 billion a year. To unlock that market, we need the right infrastructure and we’re working on that ... [this market has the potential] to provide enormous opportunities to Indigenous communities but, for this, these benefits must be recognized and realized by those communities and this will require early engagement to ensure we design a system that works for all”

**MARK CARNEY (Vice Chair, Brookfield Asset Management, Head of ESG and Impact Fund Investing and UN Special Envoy on Climate Action and Finance) speaking at the FNMPC ESG Indigenous Sustainable Investment Conference.**

## APPENDIX D

# Links to Relevant Resources

### CPA Canada Resources

- [\*A Primer on Greenhouse Gas Emissions Management\*](#)
- A4S CFO Leadership Network – [\*Essential Guide to Valuations and Climate Change\*](#)
- [\*Accounting Bodies Network Guide on Navigating the Reporting Landscape \[PDF\]\*](#)
- [\*Climate Change Briefing: Questions Directors Should Ask\*](#)
- [\*Climate Risk: Is it on Your Radar?\*](#)
- [\*Climate-Related Reporting in the Energy Sector\*](#) – Joint roundtable report with TMX Group
- [\*Collaboration with Natural Resources Canada \(NRCan\) on climate change training and climate-related disclosure\*](#)
- [\*Consultation Report on the Canadian Energy Sector's Transition to Net Zero\*](#)
- [\*Environmental and Social Risks and Opportunities: Questions for Directors to Ask\*](#)
- [\*Investor Interviews on Climate Disclosure and Decision-Making: Key Findings\*](#)
- [\*Investor Trends and Perspectives on TCFD Recommendations - Webinar\*](#)
- Management Accounting Guideline® and accompanying case study – [\*GHG Emissions Management: Linking GHG Emissions Management to Corporate Strategy, Risk and Performance\*](#)
- [\*Sustainability for the Future Resources\*](#)
- [\*The Prince of Wales's Accounting for Sustainability Project \(A4S\): Canadian Chapter of the CFO Leadership Network\*](#)
- [\*Why Canada's Largest Cities Are Adopting the TCFD Recommendations\*](#)

### Global and National Net Zero Publications

- A4S Accounting for Sustainability – [\*Navigating the Reporting Landscape. An Introduction to Sustainability-Related Reporting for Finance Professional \[PDF\]\*](#)

- [\*A Canadian Transition Pathway: An Urgently Needed Toolset to Finance Canada's Pathway to a Low-Carbon Economy\*](#)
- [\*Canada's Net Zero Future: Finding Our Way in the Global Transition\* \[PDF\]](#)
- Consultation – [\*Nature and Net Zero\* \[PDF\]](#)
- [\*Energy Transition Index 2020: From Crisis to Rebound\*](#)
- First Nations Major Capitals Project – [\*ESG Indigenous Sustainable Investment Conference\* \[PDF\]](#)
- [\*FSB Roadmap for Addressing Climate-Related Financial Risks\*](#)
- [\*Growing Clean: Investment Flows in Low-Carbon Technology to 2030\*](#)
- [\*How Canada Can Decarbonize by 2050\*](#)
- Institute for Sustainable Finance – [\*Assessing Current Canadian Corporate Performance on GHG Emissions, Disclosures and Target Setting\*](#)
- Institute for Sustainable Finance – [\*Changing Gears: Sustainable Finance Progress In Canada\* \[PDF\]](#)
- Net Zero Asset Owner Alliance – [\*Inaugural 2025 Target Setting Protocol\* \[PDF\]](#)
- [\*Net Zero by 2050: A Roadmap for the Global Energy Sector\*](#)
- [\*Net-Zero Challenge: The Supply Chain Opportunity\*](#)
- [\*Pathways to Net Zero: A Decision Support Tool\*](#)
- Sustainable Markets Initiative – [\*Building a Sustainable Future\*](#)
- [\*The Net-Zero Challenge: Fast-Forward to Decisive Climate Action\*](#)
- World Economic Forum – [\*Davos Lab: Youth Recovery Plan – Insight Report\* \[PDF\]](#)

## **Agriculture, Food and Forest Products Sector**

- [\*A Better Future Starts on the Farm: Recommendations for Recovery From COVID-19 in Canadian Agriculture\*](#)
- [\*Agri-Food Sustainability Targets: A Selected Overview\* \[PDF\]](#)
- [\*Clean Growth in Agriculture: White Paper prepared for the Clean Economy Fund\* \[PDF\]](#)
- [\*Generational Change Provides Resource Industries New Opportunities If They Can Meet ESG Challenges\*](#)
- [\*Net-Zero Agriculture in 2050: How to Get There\*](#)
- [\*Path to 2060: Decarbonizing the Agriculture Industry\*](#)
- [\*Report of Canada's Economic Strategy Tables: Agri-Food\*](#)

## Transportation Sector

- [\*Clean Skies for Tomorrow: Sustainable Aviation Fuels as a Pathway to Net-Zero Aviation\*](#)
- [\*Decarbonization Roadmap: A Path to Net Zero \[PDF\]\*](#)
- [\*Decarbonizing Road Freight: Getting into Gear\*](#)
- [\*Decarbonizing Transportation in Canada \[PDF\]\*](#)
- [\*Decarbonizing Transportation in Canada: Building a Foundation for Success\*](#)
- [\*Driving to 2050: The Role of Transportation Fuels in Canada’s Low-Carbon Future\*](#)
- [\*How Airlines Can Chart a Path to Zero-Carbon Flying\*](#)
- [\*Opportunities for Low-Carbon Mobility Actions in Canadian Municipalities: Best Practices and Guidance\*](#)
- [\*Reducing Barriers for the Adoption of Light-Duty Zero-Emissions Vehicles\*](#)
- [\*Renewable Energy Pathways in Road Transport\*](#)
- [\*The Case for a Canadian EV Industry & a Zero Emissions Vehicle \(ZEV\) Standard \[PDF\]\*](#)
- [\*The Next Frontier for Climate Action: Decarbonizing Urban Freight in Canada\*](#)

## Materials and Buildings Sector

- [\*Canada’s Steel Industry: A Sustainable Choice \[PDF\]\*](#)
- [\*Decarbonization of Industrial Sectors: The Next Frontier \[PDF\]\*](#)
- [\*Decarbonization Pathways for Mines: A Headlamp in the Darkness \[PDF\]\*](#)
- [\*Iron and Steel Technology Roadmap\*](#)
- [\*Laying the Foundation for Zero-Carbon Cement\*](#)
- [\*The Challenge of Reaching Zero Emissions in Heavy Industry\*](#)





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