REPORT ON THE ACHIEVEMENT OF QUÉBEC'S GREENHOUSE GAS EMISSIONS REDUCTION TARGET

FOR 2020

Votre gouvernement

Québec

COORDINATION AND DRAFTING
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Message from the Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks, and Minister Responsible for the Laurentides Region

This report allows us to take stock of the outcomes of our efforts to fight climate change over the 2013–2020 period. The findings not only confirm we have technically met our target to achieve a 20% reduction in greenhouse gas (GHG) emissions below the 1990 baseline by 2020, with a net emissions balance that was 26.6% below the baseline year level, but also provide us an opportunity to step back so we can better look towards the future.

As you read this report, you will notice that it is based on the most recent Québec GHG emissions inventory. According to the inventory, GHG emission levels within Québec were 13.2% lower in 2020 compared to those of 1990. While this reduction is partly due to the measures implemented in recent years, it also reflects the impact of the COVID-19 pandemic on the economy. We acknowledge that these results are reflective of factors beyond the efforts that Québec has made so far to reduce its GHG emissions.

This report also demonstrates the success of our carbon market, which is founded on the strong partnership established between Québec and California when both markets joined forces in 2014. The carbon mark*et all*ows us to go one step further in our climate ambitions, while keeping our large companies competitive and maintaining jobs in Québec. You will see that in 2020, Québec purchased GHG emission reductions from its California partner, which made it possible for Québec to further reduce its net GHG emissions balance by 13.4% compared with 1990 levels. However, we expect the need for reduction purchases to drop substantially by 2030.

The carbon market is a strategic lever for Québec that will enable us to move forward in the coming years to achieve our target for 2030.

Moreover, the structuring measures of the 2030 Plan for a Green Economy, including the concrete actions in its rolling implementation plan, have already started to prove effective. With the 2020 governance reform on the fight against climate change, we are now progressing more effectively and sustainably towards our next target.

With the increased funding for climate action in Québec, a structuring action plan supported by measurable targets, an optimized carbon market and an annual review of the measures required to decarbonize our economy, we are already on the right track to reach our next climate goals.

I would like to thank the experts who contributed to this major report. Thank you also to those who play an active role in building a low-carbon society and economy, and who make it a daily priority. Together, we can achieve our next target!

The Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks,
and Minister Responsible for the Laurentides Region,

Benoit Charette

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Highlights

- According to the Québec inventory of greenhouse gas (GHG) emissions, GHG emissions across the province in 2020 were 13.2% below the 1990 baseline. This reduction is due not only to the measures implemented in Québec over the past few years, including carbon market price signals, but mainly to the profound impact of the COVID-19 pandemic on the economy.
- In 2020, the annual net flow of GHG emission allowances traded between carbon market participants (Québec and California) was reported at -11.4 million. This flow means that Québec was attributed GHG emissions reductions achieved in the United States for a total of 11.4 million metric tonnes of CO_2 equivalent (Mt CO_2 eq), which represents 13.4% of 1990 emission levels.
- Québec ended 2020 with a net GHG emissions balance of 62.6 Mt CO_2 eq, which falls 26.6% below the 1990 baseline.
- The government's strategy to achieve the next target in 2030 and achieve carbon neutrality by 2050 includes a climate plan that is revised each year, a twofold increase in annual financial efforts and recent improvements to the carbon market that will maximize the share of reductions achieved in Québec and put the province on the right track.

To contribute to the global climate change mitigation effort, Québec has adopted successive GHG emissions reduction targets over time and developed action plans to achieve these targets.

The province has met its first target, which was to reduce GHG emissions to 6% below 1990 levels by 2012.[1] Building on its long-term commitment towards decarbonization, the government set a new target on November 18, 2009, namely to reduce GHG emissions to 20% below 1990 levels by 2020.[2]

Published in accordance with Section 46.17 of the Environment Quality Act, this report will document the achievement of this target.

1. Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques (2016). *Bilan final du Plan d'action sur les changements climatiques 2006-2012* (Final report of the 2006–2012 Climate Change Action Plan), Québec, MDDELCC, p. 11. [Online, French] www.environnement. gouv.qc.ca/changementsclimatiques/bilan/bilanPACC2006-2012.pdf (Accessed on October 18, 2022)

2. This target was established through Order in Council 1187-2009 dated 18 November, 2009.

1.
2020 GHG emissions reduction target

When Québec set its GHG emissions reduction target for 2012, it had only considered potential reductions within the province itself and planned its decarbonization strategy accordingly. For the 2020 target, the government also took into account the opportunities associated with emerging mechanisms to pool GHG reduction efforts across jurisdictions, including carbon markets.

When it set its 2020 target, the government assessed the potential to reduce GHG emissions within Québec through existing or near-mature technologies, basing itself on a scenario where ambitious reduction measures are introduced and backed by multi-billion-dollar investments.[3] It was then estimated that it was possible to reduce GHG emissions in the province to approximately 14% below the 1990 baseline, meaning that Québec had to achieve international reductions if it wanted to set a more ambitious target.

Québec thus decided to cap its GHG emissions by establishing a carbon market, which would be linked to California's carbon market. This approach provides two main benefits:

- GHG emissions are capped across all covered sectors, which ensures reductions are made to comply with these caps.
- California and Québec join forces to achieve their respective targets, which helps minimize the economic impacts on their populations and businesses. This linkage of carbon markets, along with the trade of emission allowances between jurisdictions, opens the door to more GHG emissions reduction projects at affordable costs. As a result, the overall cost of reducing GHG emissions remains lower, making it possible to pursue a more ambitious target.

The Québec government opted for a target of 20% below the 1990 baseline to maximize its contribution to the global fight against climate change, with the knowledge that achieving the target would require GHG emissions reductions both at home and abroad.

3. The reduction potential was determined based on Québec's projected level of GHG emissions in 2020 according to a baseline scenario that combines a series of assumptions related to, among other things, demographics, the economy and GHG emissions, and made using available 2009 data. For more details, see: Ministère du Développement durable, de l'Environnement et des Parcs (2009). *Le Québec et les changements climatiques : quelle cible de réduction d'émissions de gaz à effet de serre à l'horizon 2020?* (Québec and climate change: Which emission reduction target should guide us for 2020?), Québec, MDDEP. [Online, French] www.bibliotheque.assnat.qc.ca/DepotNumerique_v2/AffichageNotice. aspx?idn=13670 (Accessed on October 28, 2022)

GHG EMISSIONS REDUCTION TARGETS AND CLIMATE ACTION AT THE STATE LEVEL

Targets: Geographical considerations
The global fight against climate change has prompted states and countries to set national GHG emissions reduction targets. Taken as a whole, these national targets are foundational to the international commitment towards mitigating climate change.

Countries and states can reach their targets through GHG emissions reductions achieved within their own territory or abroad. Internationally transferred emissions reductions are fully recognized through Article 6 of the Paris Agreement[4] and allow a jurisdiction to set more ambitious targets, as it can tap into a broader range of reduction opportunities at a low cost. The establishment of a common carbon market between Québec and California is one example of a mechanism that jurisdictions can use to benefit from extraterritorial reductions.

Targets: Types of emissions covered
Emissions generated by fossil fuel consumption, industrial processes, agriculture and waste materials within state borders are systematically included in national targets. Emissions from land use, land-use change and forestry (LULUCF)[5] may or may not be covered for reasons including the complexity of measuring carbon exchanges between ecosystems and the atmosphere, the uncertainties surrounding the value of such exchanges and how they are affected by a changing climate.

Climate action: going beyond targets
A jurisdiction's climate action is not necessarily limited to the aspects covered by the GHG emissions reduction targets it has set for itself. This is the case in Québec (Figure 1).

To reach its target, Québec takes action to reduce GHG emissions from the economic sectors listed in the Québec GHG emissions inventory (transportation, industry, residential, commercial and institutional, waste, agriculture and electricity) and participates in the common carbon market with California. In addition, Québec focuses on other emission sources even if they fall outside the scope of the target, especially if they impact environmental protection and human health.

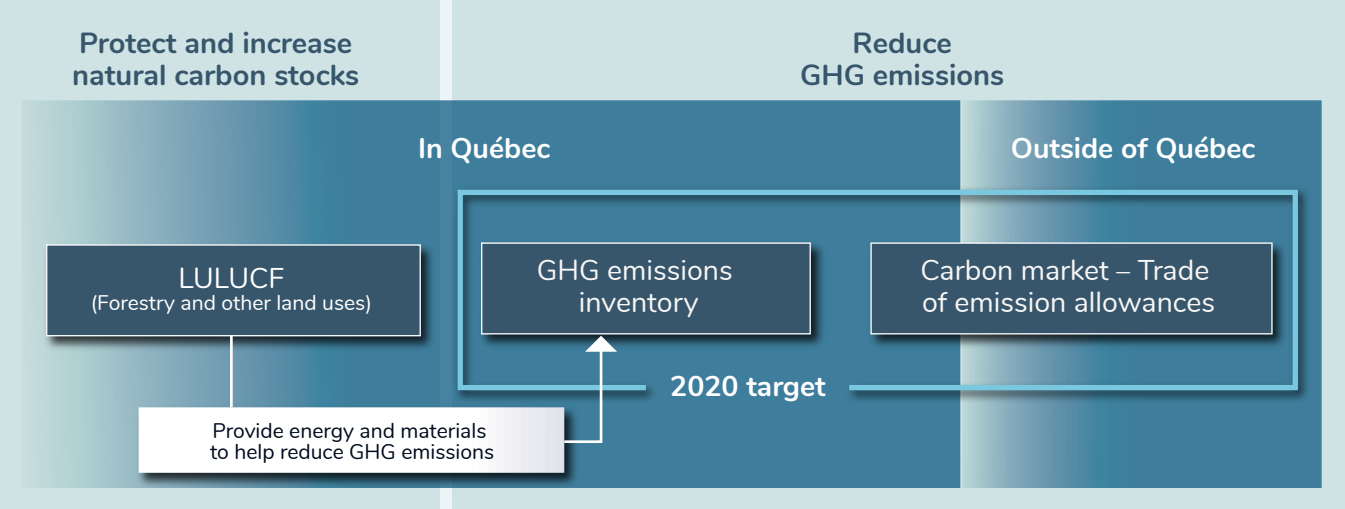
4. Through Order in Council 1052-2016 dated December 7, 2016, Québec adhered to the principles and goals of the Paris Agreement. However, as the Paris Agreement only applies legally to signatories, the exchanges between Québec and California are accounted for in a manner consistent with the Agreement but in accordance with Article 8 Québec-California linkage agreement.

5. The LULUCF sector covers GHG fluxes (emissions and absorptions) from forestry and other land uses, such as cultivated land, that have an impact on natural carbon stocks. It can be either a net source or sink of GHGs. Such fluxes are particularly associated with growth and mortality of biomass (e.g., tree growth and decomposition), harvesting of biomass (e.g., wood), soil management (e.g., agricultural practices), and land-use changes (e.g., afforestation, destruction of wetlands or agricultural to urban land conversion).

This is the case for climate action in the LULUCF sector, which helps protect natural environments that store carbon so that it is not released into the atmosphere. Such climate action may also increase existing carbon stocks (e.g., through afforestation of certain types of environments and soils). Moreover, natural environments covered by the LULUCF sector—such as forests—can be a source of low-carbon energy and materials that may be substituted for fossil-based products and materials with a higher carbon footprint in industry sectors targeted by the GHG inventory and the target (e.g., wood structures used to replace steel structures).

Québec has also enacted measures to prevent and reduce emissions of halocarbons (potent GHGs), which are managed under the Montreal Protocol to protect the ozone layer.

Figure 1
Québec's actions to mitigate climate change and achieve the 2020 target



2.
Tools used to achieve the 2020 target

By sending a price signal through the establishment of a common carbon market and implementing a plan to fight climate change and complementary policies, Québec was better positioned to achieve its GHG emissions reduction target for 2020.

The role of the cap-and-trade system for GHG emission allowances

Québec has placed carbon pricing at the core of its approach to fight climate change. Carbon pricing is fundamental to accelerate the decarbonization of the economy, as it sends a price signal that encourages businesses and the population to adopt low-carbon behaviours.

Québec's cap-and-trade system for emission allowances (C&T system), also known as the "carbon market," operates on the principle of a market in which players can trade allowances to emit greenhouse gases. The number of allowances is determined by the government, which limits the amount of GHG emissions allowed (through binding annual degressive caps) to achieve reductions that contribute directly to the province's GHG emissions reduction targets. The price of emission allowances varies according to the dynamic between supply (the number of allowances issued by the government) and demand (the amount of GHG emissions).

In Québec, the system came into effect in 2013. It covers approximately 80% of GHGs emitted in the province, directly or indirectly, i.e., the bulk of emissions from the industry, electricity, transportation and residential, commercial and institutional sectors. The agricultural, waste, and airline and marine transportation sectors are not included.

From an economic standpoint, implementing a C&T system is the most efficient way to reduce GHG emissions in the covered sectors while allowing households and businesses to choose the best means and time to do so.

In 2014, Québec and California linked their respective C&T systems, which supports the achievement of the least costly reductions first, regardless of their source. The approach also enables participating governments to raise their ambitions and adopt overall stricter targets, all while building a sound and thriving economy.

Québec has also chosen to transfer all proceeds from carbon market auctions into a fund to support businesses, municipalities and the citizens in their efforts to reduce GHG emissions and adapt to the impacts of climate change, as well as continue the transition to a green and resilient economy.

How the C&T system supports the achievement of Québec's target

First, the C&T system fosters emissions reductions in Québec by putting a price on carbon and funding reduction measures.

Additionally, when emitters under Québec's C&T system purchase emission allowances issued by California, the province can acquire the reductions associated with these allowances and subtract them from the reduction levels reported in its GHG emission inventory to demonstrate that it has achieved its goal. The opposite is also true for allowances that are issued by Québec and used by emitters in California. The net purchases and sales of allowances are then accounted for, along with the GHG emissions inventory, to assess whether Québec has achieved its target.

The role of the 2013–2020 CCAP and complementary measures and policies

In addition to carbon pricing and emission caps in the sectors covered by the carbon market, Québec has implemented a series of policies, strategies, action plans, financial assistance programs and regulations intended to support the 2020 target.

Along with the C&T system, the 2013–2020 Climate Change Action Plan (2013–2020 CCAP) was the main tool by which Québec framed its action in the fight against climate change during this period.

Given that electricity generation in Québec has already been practically decarbonized prior to today and the targeted period, GHG emissions reduction efforts between 2013 and 2020 had to be made primarily in other sectors (e.g., transportation and buildings). These interventions are generally more complex and costly, especially because of the high number of emissions sources that need to be addressed.

Québec must therefore bear a relatively high marginal cost to reduce GHG emissions, which corresponds to the cost of the last tonne eliminated. While there is a significant potential to reduce GHG emissions across all industry sectors, the short and medium-term reduction costs in Québec generally exceed those in other Canadian provinces and U.S. states.

In order to maximize GHG emissions reductions within its territory, Québec made use of every tool available to reduce these marginal costs in the sectors covered by the carbon market (transportation, residential, commercial and institutional, industry and electricity), as well as to promote the implementation of projects to reduce emissions in excluded sectors (agriculture and waste).

3.
Assessing the achievement of the 2020 target

To assess whether Québec has achieved its 2020 target, we must calculate the province's net balance of GHG emissions based on two components:

- The levels of GHG emissions in Québec in 2020, as recorded in the Québec GHG emissions inventory;
- The annual net flow of emission allowances purchased and sold in 2020 on the common carbon market between Québec and California.

The C&T system's contribution to the balance is expressed as an adjustment of emission levels reported in the Québec GHG emissions inventory. This adjustment will be positive or negative depending on whether Québec companies subject to the C&T system are generally net acquirers or net sellers of emission allowances on the common carbon market.

To determine their respective share of emissions reductions achieved through the common carbon market, Québec and California have developed a methodology to calculate the net flow of emission allowances traded between both jurisdictions. This accounting process helps to avoid double counting of GHG emissions reductions.

The methodology is based on the accounting of emission allowances when they are surrendered to each government[6]. For each jurisdiction, the emission allowance net trade flow is calculated as follows, depending on the source of the allowances received:

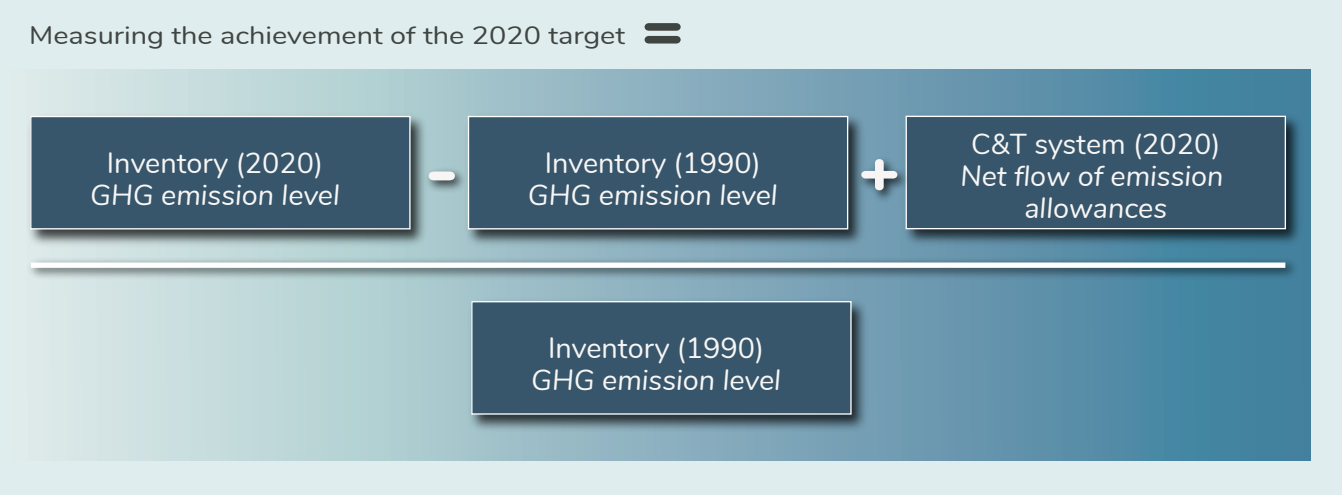
- The total number of domestic emission allowances it has issued, and which have been retired by another jurisdiction; minus
- The total number of emission allowances issued by another jurisdiction that were received and retired domestically.

The emission allowance net trade flow will be positive for the jurisdiction that is a net seller and negative for the other jurisdiction that is a net acquirer. The seller must add the GHG emissions corresponding to the net flow to its emissions inventory, while the acquirer deducts these emissions.

Then, the balance of both components (emission levels in Québec based on the inventory and annual net flow of emission allowances for 2020) is compared to 1990 emission levels (based on the inventory) to assess whether the target has been achieved (Figure 2).

6. Any emission allowances received are included in this calculation emission units, offset credits and early reduction credits alike.

Figure 2
Equation to measure
the achievement of the 2020 target

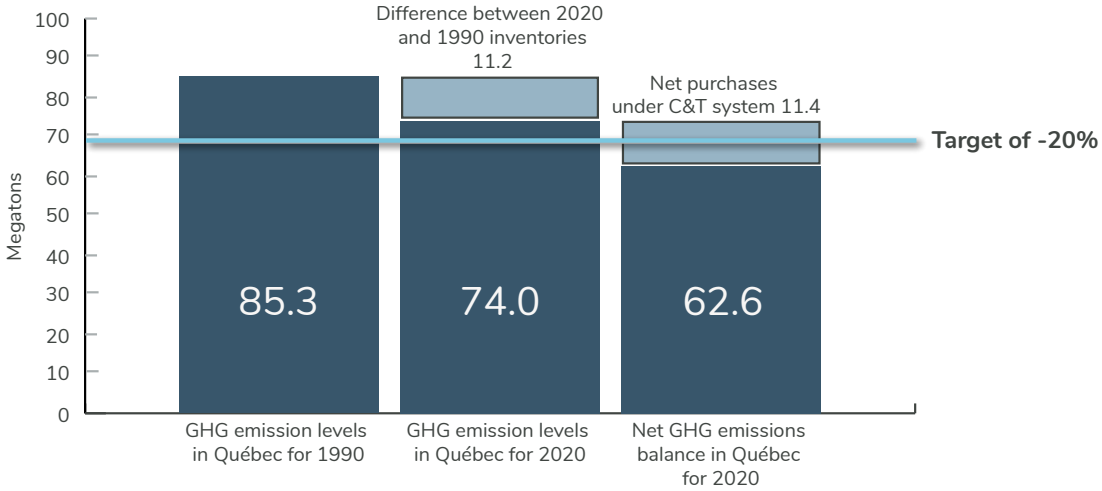


According to the *2020 Québec Inventory of greenhouse gas emissions and their evolution since 1990* (1990-2020 Inventory), **GHG emissions within the province amounted to 74.0 Mt CO_2 eq in 2020, which is 11.2 Mt CO_2 eq or 13.2% below 1990 levels.**

In 2020, Québec had an annual net flow of traded GHG emission allowances of -11.4 million. This flow means that Québec was attributed 11.4 Mt CO_2 eq of emissions reductions achieved in the United States. It is the result of companies subject to the C&T system surrendering California emission allowances to the Québec government.

As such, **Québec ended 2020 with a net GHG emissions balance of 62.6 Mt CO_2 eq, which is 26.6% below the 1990 baseline** (see Figure 3 and Table 1).

Figure 3
Graphic representation
of the 2020 target achievement*



* Note that the numbers shown in the figure may not match the results of manual calculations using the data presented, as they were calculated prior to rounding out the numbers.

Since the common carbon market was implemented, Québec has shifted from net seller of emission allowances to California in 2013[7] and 2014 to net acquirer from 2015 onwards. Between 2015 and 2020, there was an increase in the annual net flow of emission allowances from California to Québec due to a growing number of net emissions reduction purchases outside Québec by companies in the province. These net purchases of emission allowances rose from 5.0 million (5.0 Mt. CO_2 eq) in 2015 to 11.4 million (11.4 Mt CO_2 eq) in 2020 (Table 1).

Table 1
Québec's GHG emissions and net flows of emission allowances from 2012 to 2020*

	1990-2020 Inventory	Change from 1990		Net flows of emission allowances	Proportion of the 1990 inventory	Net balance: Inventory + Net flow	Change from 1990
	Mt CO_2 eq	Mt CO_2 eq	%	Mt CO_2 eq	%	Mt CO_2 eq	%
1990	85.3	N/A	N/A	N/A	N/A	N/A	N/A
2012	80.2	-5.0	-5.9%**	N/A	N/A	N/A	N/A
2013	79.9	-5.4	-6.3%	+1.1	+1.3%	81.0	-5.0%
2014	78.4	-6.9	-8.1%	+2.0	+2.4%	80.4	-5.7%
2015	78.5	-6.7	-7.9%	-5.0	-5.9%	73.5	-13.7%
2016	78.5	-6.7	-7.9%	-8.0	-9.4%	70.5	-17.3%
2017	81.1	-4.1	-4.8%	-10.2	-11.9%	71.0	-16.8%
2018	81.0	-4.2	-4.9%	-9.7	-11.4%	71.3	-16.3%
2019	82.7	-2.5	-3.0%	-10.4	-12.2%	72.4	-15.1%
2020	74.0	-11.2	-13.2%	-11.4	-13.4%	62.6	-26.6%

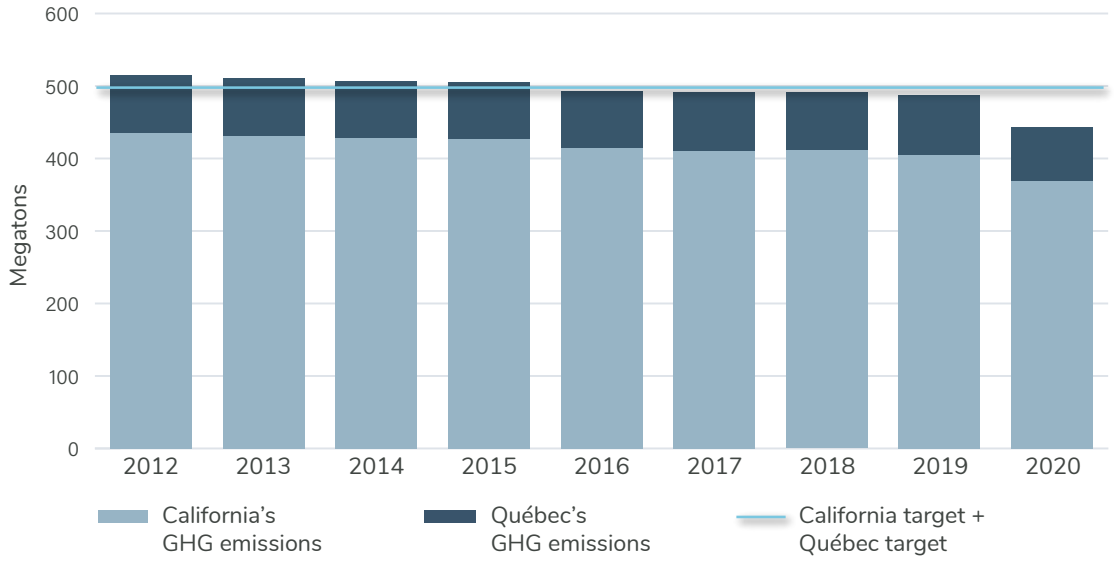
* Note that the numbers shown in the table may not match the results of manual calculations using the data presented, as they were calculated prior to rounding out the numbers.

** Each new edition of the Québec GHG emissions inventory recalculates the emission levels shown in previous editions from 1990 onwards, as knowledge and methodologies evolve and data becomes available. Hence, the 1990–2020 inventory does not indicate the same change between emission levels from 1990 to 2012 (-5.9%) as the 1990–2012 inventory (-8.0%), which was used to report on the 2012 target (6% below 1990 levels).

7. On January 1, 2014, Québec and California linked their respective C&T systems to create a common carbon market. However, the first compliance period ended on December 31, 2014, and vintage emission units for 2013 and 2014 were traded in the first year of the linkage. As a result of these transactions, net flows were calculated for 2013 and 2014.

Through the common carbon market, California and Québec have joined forces to achieve their respective targets. Figure 4 illustrates how GHG emissions in Québec and California have evolved over the 2012–2020 period in relation to the levels required to meet the targets of both governments. California's target for 2020 was to get emission levels down to 431 Mt CO_2 eq, while Québec aimed for 68.2 Mt CO_2 eq, so the sum of the total emissions targeted by the two governments for 2020 was 499.2 Mt CO_2 eq.

Figure 4
Total GHG emissions trends in Québec
and California from 2012 to 2020
in relation to the emission levels required to achieve 2020 targets



4.
Findings for the 2013–2020 period

Finding 1: The carbon market has fulfilled its role.

Across Québec and California, GHG emissions covered by the common carbon market were limited in accordance with the established caps. A gradual and steady decline was observed in these emissions over the 2013–2020 period.

Emissions were generally reduced in the areas where it was most efficient and least costly to do so. As a result, the proportion of reductions achieved outside of Québec was greater than expected. The net purchases made by Québec companies subject to the carbon market generated a level of reduction greater than the 2020 reduction target, bringing total emissions down to 26.6% below 1990 levels.

This outcome is partly attributable to a significant decarbonization of the power generation sector in the Western United States during the period, compounded by the purchase of California offsets by Québec businesses. However, the level of purchases outside Québec is expected to decrease by 2030, particularly because Québec and California have similar GHG reduction targets (37.5% and 40% below the 1990 baseline, respectively), which was not the case in 2020.

Finding 2: The 2013–2020 CCAP did not allow Québec to reduce its GHG emissions as much as expected.

During this period, Québec's emissions did not follow a general downward trend. Emissions dropped dramatically in 2020, primarily because of the economic slowdown caused by the COVID-19 pandemic. Without these exceptional circumstances, Québec's emissions would not have dropped to 74.0 Mt CO_2 eq, representing a 13.2% reduction below 1990 levels. The actions that Québec has implemented between 2012 and 2020 were in fact not enough to induce a steady and sustainable downward trend in GHG emissions.

While it was deemed technically possible to reduce GHG emissions in Québec by about 14% below 1990 levels when the province set its 2020 target, the reduction potential of the measures in the 2013–2020 CCAP was only estimated at 6.1 Mt CO_2 eq when the plan was published, or 35% of the effort required at the time to achieve the 2020 target. The estimate was not based entirely on defined and funded measures. In fact, none of the measures used to make this estimate have been developed or implemented. The potential reductions were therefore downgraded to 3.6 Mt CO_2 eq in the 2018 midterm review, or 21% of the effort required at the time to achieve the 2020 target.

In 2020 and 2021, annual GHG emissions avoided or reduced though the CCAP 2013–2020 actions were just under 1.6 Mt CO_2 eq, which makes up roughly 2% of Québec's emission levels recorded in 1990. This outcome is largely due to the fact that the 2013–2020 CCAP was only revised at the end of the period and was never substantially improved, despite a marked decline in the measures' intended effects.

Additionally, investments have not been commensurate with the needs to deliver greater reductions. The 2013–2020 CCAP budget, originally set at $2.7 billion in 2012, was increased to $5.1 billion on March 31, 2021. This increase was largely made possible by growing revenues from the carbon market. However, cumulative actual spending as of March 31, 2021, only reached $4.015 billion. This means that 20% of the funds allocated to the fight against climate change were not used for this purpose in 2013–2020.

In all, the measures put in place have not succeeded in creating the right conditions for a sufficient number of emissions reduction projects competitive enough to make up for the lower-cost reductions in California.

5.
A new approach for 2030 and 2050

Based on these findings, Québec has implemented or is in the process of implementing a series of measures to ensure that it achieves its GHG emissions reduction target for 2030 (37.5% below the 1990 baseline), reaches carbon neutrality by 2050 and maximize reductions made in Québec.

Measures

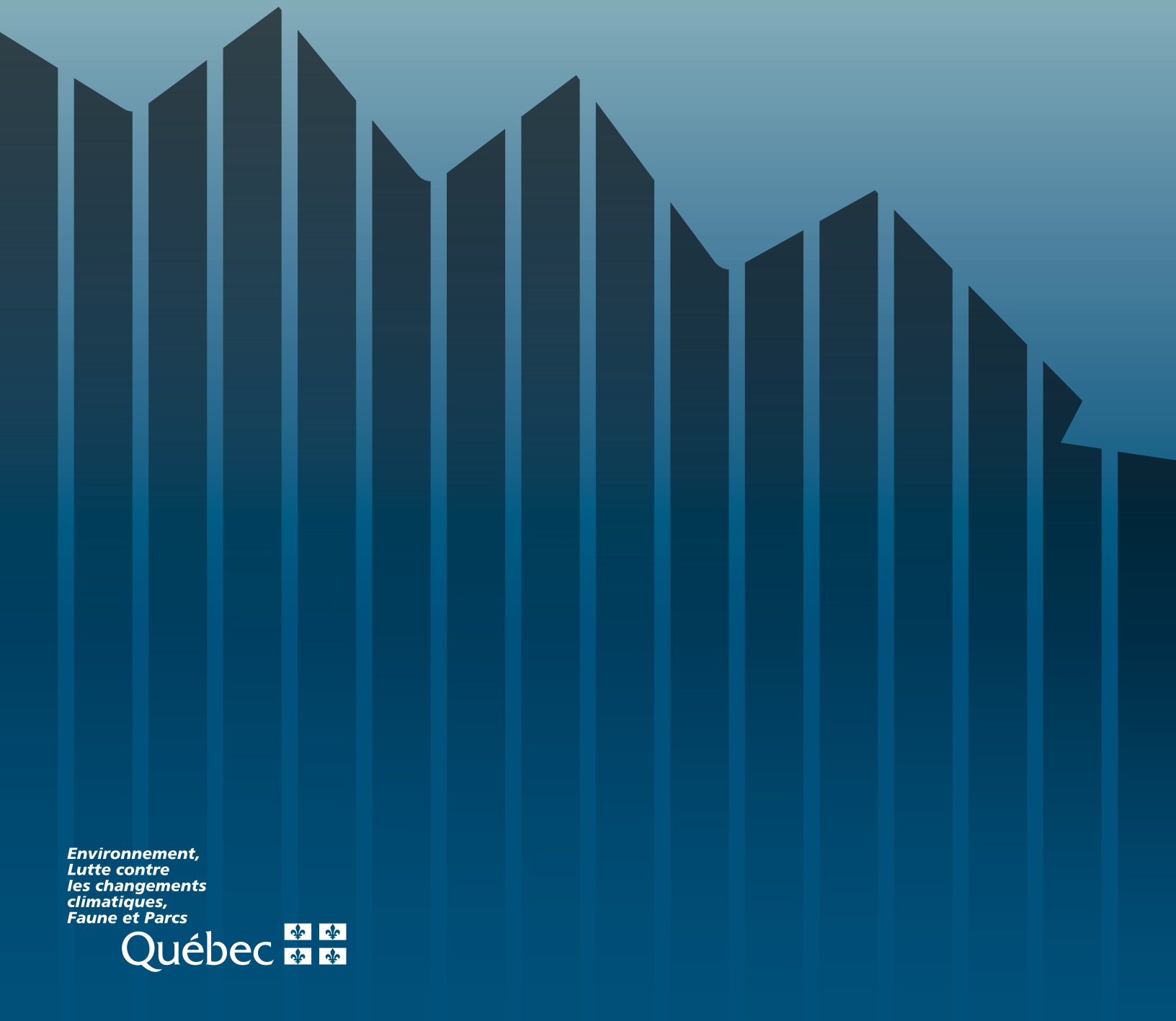
- **Strengthening climate change governance and tools** through the *Act mainly to ensure effective governance of the fight against climate change and to promote electrification* (November 2020). The Act reinforced the powers and responsibilities of the Minister of the Environment, the Fight against Climate Change, Wildlife and Parks; it also led to the creation of the Electrification and Climate Change Fund (ECCF) and the Advisory Committee on Climate Change.
- **Launching Québec's first climate change framework policy**, the 2030 Plan for a Green Economy (2030 PGE), in November 2020 to give the province a forward-looking vision to fight climate change. The PGE 2030 comes with a rolling five-year implementation plan (IP).
- **Annually updating the 2030 PGE IP** to keep Québec on the right track to achieve its climate goals, especially in regards to economic developments, technological progress and costs and the efficiency of GHG emissions reduction measures. The most recent government models indicate that together, the implementation of the 2030 PGE and the price signal from the C&T system could sustain 51% of the estimated reduction effort required to meet the 2030 target. The government plans to increase this percentage each year in order to maximize emissions reduction in Québec. Already, several potential additional actions have been identified to help Québec move towards its target. Once they are confirmed, set up and funded, it will be possible to take them into account in the estimate of reductions expected by 2030.
- **Doubling the financial effort over a comparable period and increasing the use of regulatory powers available to the government**, including the *Regulation respecting oil-fired heating appliances, the amendments to the Regulation respecting road vehicles used for the transportation of school children and the Regulation respecting the integration of low-carbon intensity fuel content into gasoline and diesel fuel in ord*er to accelerate Québec's climate and energy transition.
- **Improving the tools used to model GHG emissions projections**. Projections are now based on two combined models that can integrate technology potential and reduction costs on the one hand, and economic impacts of the fight against climate change on the other.

- **Reviewing the performance of the measures implemented and making corrections as required**. As soon as the 2021–2026 Implementation Plan (IP) for the 2030 PGE was adopted, the Ministère de l'Environnement de la Lutte contre les changements climatiques, de la Faune et des Parcs began reviewing all its programs and actions with the goal of improving their performance. The plan also includes an annual process to review the performance of IP actions and ensure that results are accounted for during annual IP updates.
- **Strengthening the carbon market**, in particular by gradually reducing the number of free emission units allocated to eligible industrial companies and by introducing a new investment incentive that will encourage large industrial emitters to reduce their GHG emissions. These recent improvements, combined with new structuring measures, will help limit the share of reductions from abroad and minimize negative economic impacts.
- **Reallocating monies from the ECCF left unused during the year**. Considering that some monies from the ECCF earmarked for the implementation of the 2013–2020 CCAP were not used within the allocated timeframe to support the achievement of its 2020 target and other goals in terms of fighting climate change, the government has given itself the leeway to use the carbon market revenue invested in the 2030 PGE IP more promptly than before. Unused monies are now quickly reallocated to other measures over the course of the year.
- **Periodically providing a full picture of the progress made towards the 2030 target:**
  - By publishing the Québec GHG emissions inventory and the province's projected GHG emissions each year to report on progress towards the 2030 target and keep on the right track;
  - By publishing annual net flows of emission allowances traded on the Québec-California carbon market at the end of each three-year C&T compliance period to give a status report on reductions achieved through this common market.

Conclusion

Québec has technically met and exceeded its greenhouse gas emissions target for 2020, which was 20% below the 1990 baseline. However, the GHG emissions reductions observed in Québec in 2020 are primarily due to the impact of COVID-19 on the economy. Despite Québec's emissions bouncing back in 2021 and 2022, the measures put in place by the government to fight climate change, along with certain societal changes like the uptake in remote work, will have a lasting effect.

Observations were made regarding the actions taken from 2013 to 2020, leading to the introduction of a series of measures such as strengthening the carbon market, doubling financial efforts and updating the implementation plan annually. These measures will make it possible for Québec to proceed on a course consistent with achieving the 2030 target and reaching carbon neutrality by 2050, all while maximizing the share of reductions within its territory as opposed to abroad.



Environnement,
Lutte contre
les changements
climatiques,
Faune et Parcs

Québec