

CANADA'S GHG OFFSET CREDIT SYSTEM

Launched in 2022 as an important part of the **Government of Canada's 2030 Emission Reductions Plan**

Provides incentive to undertake projects that achieve GHG reductions **beyond** business-as-usual practices, legal requirements, and that are not already covered by other carbon pollution pricing measures – participation is **voluntary**

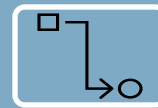
Creates new opportunities for municipalities, Indigenous communities, farmers, foresters and other project developers **to earn revenues for GHG reductions** and will **help stimulate innovation and private sector investment**

Information on registered projects and the status of offset credits is available on [Canada's Greenhouse Gas Offset Credit System Public Registry](#)



Requirements

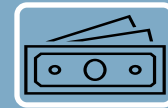
- **High integrity GHG offset system established via regulations**
- Must follow **regulations** and applicable **federal offset protocol**



Use of Credits

Compliance: under the federal Output-Based Pricing System, proposed for under the oil and gas emissions cap, proposed under the Clean Electricity Regulations

Other: voluntary net zero targets, government operations and more



Sale of Credits

- No restriction on who can purchase credits
- Sales occur outside the system
- Price is set by seller and buyer based on market conditions – generally at a discount from cost of other compliance options

FOUNDATIONAL ELEMENTS OF THE OFFSET SYSTEM

A project is required to achieve GHG reductions/removals that are:

Real

Credits are only issued for GHG reductions/removals that have already occurred

Quantifiable

GHG reductions/removals must follow a quantification method as outlined in a published federal offset protocol

Additional

GHG reductions/removals must be additional to a business-as-usual scenario, beyond legal requirements, and not covered by carbon pricing

Verifiable

GHG reductions/removals must be confirmed by an independent third party (accredited verification body)

Unique

Project cannot generate credits in two systems for the same GHG reductions/removals

Permanent

Any CO₂ removed from the atmosphere must be permanently sequestered