

**3rd Working Group Session of the
Facilitative, Multilateral Consideration of Progress at SBI64**

10, 12 and 13 June 2026

Written responses by Canada

Question by Czechia

In December 2023 Canada proposed amendments to strengthen the existing oil and gas meeting regulation by increasing the stringency of the requirements and expanding the scope of application. Could Canada provide more details on the implementation status of these measurements and their scope, and also please share your experience and challenges you have income encountered?

Response

This question is the same as one received from the EU in Phase I, prior to the FMCP session, and answered via the portal. The following response is the same as was provided at that time.

Status and Scope

Canada finalized [*Regulations Amending the Regulations Respecting Reduction in the Release of Methane and Certain Volatile Organic Compounds \(Upstream Oil and Gas Sector\)*](#), also referred to as the Enhanced Methane Regulations (EMR), in December 2025. The EMR apply to onshore oil and gas production, processing and transmission facilities, including liquified natural gas facilities. The first requirements of the EMR come into force in 2028, with full implementation of requirements by 2030. The EMR are projected to reduce Canada's oil and gas methane emissions by 72% in 2030, relative to 2012 levels.

Part 1 of the EMR requires facilities to take specific actions to manage methane, including taking actions to manage fugitive emissions, with the requirements calibrated according to the degree of risk; a prohibition on venting, with exemptions (e.g. for safety reasons or for maintenance); and requirements that set conditions for the use of flaring.

Part 2 is an optional, performance-based pathway, where facilities must demonstrate and maintain a low methane intensity. Facilities that opt in to Part 2 are no longer subject to the requirements of Part 1. Part 2 requires facilities to monitor emission rates at operating sites with a continuous monitoring system and to take action if real-time methane emission rates exceed certain levels. The greater the emission rate, the faster a facility must take action to return levels to normal.

Implementation of the Enhanced Methane Regulations

Canada is still preparing to implement the EMR, as the first requirements under the regulation take effect in 2028, and all regulatory requirements take effect by 2030.

ECCC has established an Enhanced Methane Regulation Guidance Technical Working Group to support the development of regulatory guidance. This group brings

together regulated parties and technical experts to ensure that regulatory guidance is grounded in technical and operational expertise. Engaging stakeholders in the development of regulatory guidance builds confidence of regulated parties and ensures a common understanding of the regulations.

Equivalency agreements have been a success story for delivering methane emissions reductions in Canada. Under the *Canadian Environmental Protection Act, 1999*, equivalency agreements allow federal regulations to be stood down in favour of provincial rules that deliver, at minimum, equivalent emission reductions to the federal regulations. The Government of Canada is working with interested provinces on new equivalency agreements for the Enhanced Methane Regulations.

Implementation of Existing Methane Regulations for oil and gas

Equivalency agreements respecting the 2018 federal methane regulations are currently in place in Canada's largest oil and gas producing provinces, which are Alberta, British Columbia, and Saskatchewan. This means that federal requirements are stood down in these jurisdictions where equivalent environmental outcomes between the federal and provincial regimes have been established.

The equivalency agreements require the provinces to submit an annual information-sharing report that confirms that the provinces' regulatory regimes continue to be equivalent to the 2018 federal methane regulations. Information sharing requirements include reporting on the status of regulated facilities, information assessing the implementation and effectiveness of the provincial regime, and a summary of compliance verification and enforcement or sanction measures applied to regulated facilities.

Canada's 2026 National Inventory Report (NIR) indicates that Canada achieved a 44% reduction of oil and gas methane emissions below 2012 levels in 2024, one year ahead of Canada's 2025 target to achieve a 40-45% reduction. The NIR employs a hybrid methane estimation framework that integrates traditional bottom-up inventory methods with independent top-down atmospheric measurements. This approach enhances the completeness, accuracy, and verification strength of methane emission estimates from the oil and gas sector as, unlike systems reliant solely on facility reported volumes, the NIR combines operator data with atmospheric measurements to detect, quantify, and correct emissions that may be underestimated or unreported in bottom-up datasets.

Question by Malawi

How do you intend to ensure that the new international climate finance commitment delivers the core under the first global stock take for scaled, predictable, and accessible finance, which is balancing mitigation and adaptation, and also responding to the emerging needs related to loss and damage, as well as reporting under the Article 13, particularly for the vulnerable developing countries, including the LDCs?

Response

Since 2015, Canada has delivered over CAD \$11 billion in total international climate finance. This includes through its core public finance commitments of \$2.65 billion (2015-2021) and \$5.3 billion (2021-2026).

Canada's \$5.3 billion commitment aims to help developing countries transition to low-carbon, climate-resilient, nature-positive, and inclusive sustainable development. The commitment aims to allocate at least 40% of funding to climate adaptation projects, a minimum of 20% of funding to projects that leverage nature-based solutions and contribute to biodiversity co-benefits, and a general aim for at least 80% of projects to integrate gender equality. Through this commitment, Canada also increased its proportion of grant funding up to 40%, from 30% previously. As of March 2026, the \$5.3 billion commitment was fully delivered. Additionally, in 2023 Canada contributed \$16 million to the Fund for responding to Loss and Damage, to help the most vulnerable address climate-related loss and damage.

In April 2026, Canada announced a goal to deliver over \$13 billion in climate-related support to developing countries over the next five years (2026-2031). Through this goal, Canada will continue supporting developing countries in efforts to reduce emissions and adapt to the growing impacts of climate change, including by strengthening communities' economic resilience and sustainable development efforts. Canada's international climate finance support will continue to particularly benefit marginalized and vulnerable groups who are disproportionately affected by climate change, including women and girls and rural communities. Canada's \$13 billion goal will include climate finance provided by Global Affairs Canada, Canada's development finance institution (FinDev Canada), and Environment and Climate Change Canada. Beyond this core finance, the goal will encompass additional existing sources of climate finance, such as support provided through Multilateral Development Banks (MDBs) and Export Development Canada, and private finance catalyzed by public resources.

Beyond its climate finance commitments, Canada is working with a broad range of stakeholders, including the operating entities of the Financial Mechanism to the UNFCCC and the Paris Agreement, as well as MDBs, in efforts to reduce remaining barriers to climate finance. These efforts include simplifying processes, enhancing coherence for the wider climate finance system, and strengthening institutional capacity in partner countries to enhance greater access to climate finance for developing countries, especially the most vulnerable such as SIDS and LDCs.

Question by Poland

In its first BTR, Canada reports that emissions increased in Canada between 2021 and 2022. The report explains this is due to a reversal of the LULUCF sink in 2022 due to a drop in the Canadian prairies in impacting the carbon input from cropland. Could Canada elaborate on how this trend has evolved since 2022 and how it might impact emissions reductions for the 2030 NDC target?

Response

While the LULUCF accounting contribution is typically a credit (net sink) for Canada, the accounting contribution was a debit (net source) in 2022. This was mainly due to a significant drop in carbon input from crop production in 2021 due to the drought in the Canadian prairies, which in turn led to a large increase in cropland emissions in the following year. This is not expected to be a trend that continues and the LULUCF accounting contribution returned to being a credit in the projection period.

In the most recent emissions projections, published in December 2025, the LULUCF accounting contribution is projected to be a credit of approximately 25 Mt in 2030.