

Canada's 2030 Emission Reduction Plan: Opportunities for Intellectual Property Innovators

Mark Davis, Jennifer McKenzie, A. Chandimal Nicholas, Cassandra Shortt, Steven Henderson

June 14, 2022

Earlier this year, the Government of Canada released the [“2030 Emissions Reduction Plan: Canada's Next Steps for Clean Air and a Strong Economy”](#) (the Plan). Created pursuant to the *Canadian Net-Zero Emissions Accountability Act*, the Plan outlines a sector-by-sector plan for Canada to reach its emissions reduction targets of 40-45% below 2005 levels by 2030 and net-zero emissions by 2050.

The Plan summarizes initiatives the Canadian government has already taken to reach these targets, as well as its commitments to future actions intended to help reach the targets. The Plan impacts a wide range of industries with traditionally high emissions, including agriculture, transportation, electricity, energy, mining, and forestry. Among other types of initiatives, many of the actions and commitments highlighted in the Plan relate to the development of innovative intellectual property through government funding of research and development and the invention of new clean technologies.

Canada has already taken action on programs to benefit inventors and other intellectual property creators. They include:

- Introduction of the Energy Innovation Program, which funds R&D, demonstration projects and related scientific activities aimed at accelerating the development and deployment of technologies that advance clean energy and reduce oil and gas sector emissions;
- Creation of the Low Carbon Economy Challenge Fund, which provides over \$500 million to both public and private organizations (including for-profit businesses and not-for-profit organizations) to support them on projects that are intended to reduce greenhouse gas emissions;
- Investment of \$100 million in the Smart Grids program for the demonstration and deployment of new smart grid technologies and systems in the electricity sector;
- Launch of a \$155 million Clean Growth Program to invest in clean technology research, development and demonstration in the Canadian energy, mining, and forestry sectors;
- Introduction of the Clean Growth Hub, which is intended to be a “whole-of-government focal point for clean technology.” Its primary goal is to assist clean technology innovators with navigating federal clean technology programs;
- Launch of the Agricultural Clean Technology Program, a \$166 million fund aimed at creating an enabling environment for the development and adoption of clean technologies that reduce emissions in the agricultural industry. The program prioritizes energy efficiency, precision agriculture and bioeconomy technology;

Cassels

- Commitment to investing \$750 million over five years in Sustainable Development Technology Canada, which supports start-ups and scale-up companies that are developing pre-commercial clean technology in order to help them demonstrate feasibility and enable commercialization efforts; and
- Operation of the Industrial Research Assistance Program, a network of 130 offices across Canada which provide advice, connections, and funding to small and medium-sized Canadian businesses to assist them with increasing their innovation capacity and taking their ideas to market.

Canada has also committed to future initiatives that will similarly benefit inventors and other intellectual property creators. They include:

- Expansion of the Low Carbon Economy Fund (discussed above) through a \$2.2 billion recapitalization to provide additional funding to both public and private organizations;
- Increase in investments to support the development and deployment of emerging technologies in the renewable energy space that support electricity grid decarbonization. This will include an investment of \$600 million in the Smart Renewables and Electrification Pathways Program to support additional renewable electricity and grid modernization projects;
- Investment of approximately \$200 million in the Industrial Energy Management Program which, among other things, will help key small-to-moderate projects in the heavy industry sector secure ISO 50001 certification;
- Development of an investment tax credit for capital invested in Carbon Capture, Utilization and Storage (CCUS) projects to encourage the development and deployment of CCUS technologies;
- Continuation of support for both the on-farm adoption of existing precision agriculture and energy efficient farming technologies, as well as the development of new transformative technologies, practices, and novel production systems in farming. This support will include tripling the funding of the Agricultural Clean Technology program (discussed above), as well as investing \$100 million in transformative science to build out knowledge transfer services and assist farmers with identifying and adopting new technologies and practices; and
- Provision of additional funding to trial pre-commercial clean technologies in order to promote the scale-up of clean technology companies.

These current and planned initiatives not only reaffirm Canada's commitment to meeting its emission reduction targets, but also build on Canada's endorsement and promotion of intellectual property innovation and development.

Businesses in traditionally high-emission sectors that choose to prioritize R&D and intellectual property innovation can now benefit both from the commercial success of their inventions and by receiving assistance and funding directly from the Canadian government as part of the Plan.

Now more than ever, businesses can grow their success by recognizing the financial value that a robust

Cassels

intellectual property portfolio and strategy can bring them.

If you have questions about any of the initiatives included in the Plan, or about developing and protecting an intellectual property portfolio for your business, please reach out to any member of our [Intellectual Property Group](#).

The authors of this article gratefully acknowledge the contributions of articling student Steven Henderson.

This publication is a general summary of the law. It does not replace legal advice tailored to your specific circumstances.