The Climate Policy Landscape in Prince Edward Island

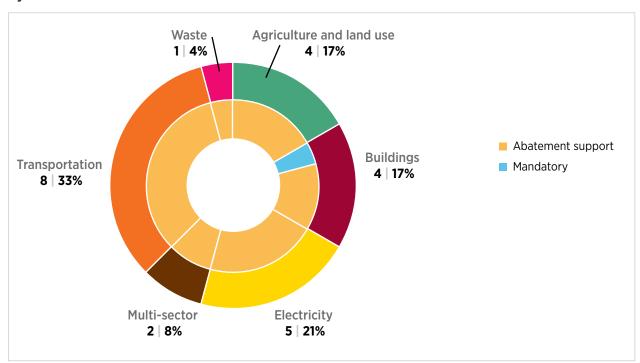
By Ruba Khan, Katharina Koch, Alaz Munzur and Jennifer Winter February 2025

Of the 341 total emissions-reduction policies in the <u>Canadian Climate Policy Inventory</u>, Prince Edward Island has 24 policies, or seven percent. The Government of Canada has the largest number (71).

Figure 1 shows the policy instruments employed by the Government of Prince Edward Island, categorizing them by sector. The inner ring highlights the share of instrument types—abatement support, indirect or mandatory—by sector, while the outer ring indicates the percentage of total policies targeting each sector.

Policies are classified by instrument type based on how they reduce emissions: mandatory, abatement support, and indirect. Mandatory policies impose a compulsory requirement on regulated parties (e.g., regulation). Abatement support policies incentivize voluntary adoption or development of lower emissions processes or products, (e.g., consumer subsidies). Indirect policies do not require or directly incentivize abatement but nevertheless contribute to emissions abatement (e.g., enabling legislation and information). Mandatory policies are generally considered to be more effective in reducing emissions than opt-in abatement support or indirect policies. Notably, Prince Edward Island has no indirect policies.

Figure 1: Policy Instruments Employed by the Government of Prince Edward Island by Sector



Source: Canadian Climate Policy Inventory, Version 3





KEY FACTS

- In Prince Edward Island, carrots (abatement support) dominate instrument type when compared with sticks (mandatory action). Carrots: e.g., *Renewable Energy Act*. Sticks: e.g., *Building Codes Act*.
- There are 21 implemented policies, with two proposed and one announced.
- · Most policies reduce emissions through end-use fuel switching.
- The transportation and electricity sectors have the most sector-specific policies applied (e.g., Electric Vehicle Incentive).
- Notably, Prince Edward Island does not have any sector-specific policies targeting heavy industry or the oil and gas sector.
- Prince Edward Island has a mix of broadly applied policies covering multiple sectors (e.g. Prince
 Edward Island Greening Government) and narrowly scoped policies that are technology or project
 specific (e.g., electric school buses).

Figure 2 displays the number of policies by the policy instrument applied to mitigate emissions.

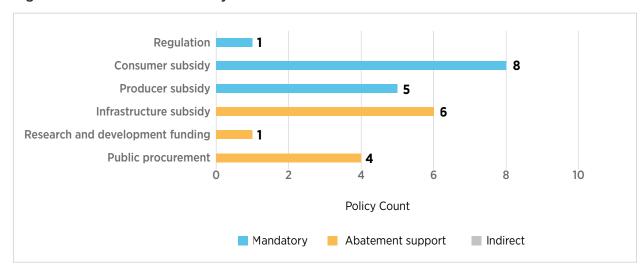


Figure 2: Number of Policies by Instrument

Source: Canadian Climate Policy Inventory, Version 3

Note: Abatement support policies can be implemented using a combination of instruments, thus the total number of instruments is greater than the total number of Prince Edward Island policies.

ABOUT C2P2

The Canadian Climate Policy Partnership (C2P2), led by <u>Dr. Jennifer Winter</u> provides publicly accessible information on Canadian climate policies, supporting effective strategies to adapt and mitigate climate change, improving resilience, and helping Canada meet its net-zero emissions target.

Partners and funders include the Canadian Climate Institute, CIRANO (Centre Interuniversitaire de Recherche en Analyse des Organisations), the Government of British Columbia, the Government of Canada's Environmental Damages Fund, Mitacs, Quebec Net Positif, Royal Roads University, the Smart Prosperity Institute, the Social Sciences and Humanities Research Council, the Office of the Vice-President (Research) at the University of Calgary, and the School of Public Policy at the University of Calgary.



