Growing Curiosity

2025 scan of carbon dioxide removal buyers in Canada

November 2025

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PEMBINA Institute

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Acknowledgements

The Pembina Institute acknowledges that the work we steward and those we serve span across many Nations. We respectfully acknowledge the space our organization is headquartered in as the traditional and ancestral territories of the Blackfoot Confederacy, comprised of the bands Siksika, Piikani, and Kainai, the Îyârhe Nakoda Nations, including the bands of Goodstoney, Chiniki, and Bearspaw, and the Tsuut'ina Dené. These Lands are also home to the Métis Nation of Alberta — Region 3 whose Peoples have deep relationships with the Land.

These acknowledgements are some of the beginning steps on a journey of several generations. We share them in the spirit of truth, justice, reconciliation, and to contribute to a more equitable and inclusive future for all of society.

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The Pembina Institute is a national non-partisan think tank that advocates for strong, effective policies to support Canada's clean energy transition. We use our expertise in clean energy analysis, our credibility as a leading authority on clean energy, and our extensive networks to advance realistic climate solutions in Canada.

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Executive summary

Carbon dioxide removal (CDR) extracts CO_2 from the atmosphere and securely stores it to prevent re-release. It complements direct emissions reduction efforts and is essential for achieving net-zero emissions by 2050.

However, CDR projects are costly and difficult to deploy at full scale. Corporations have the capacity to finance these projects while addressing their own residual emissions — those that cannot be eliminated with current technology.

To better understand corporate behaviour on investment in carbon dioxide removal, in 2024, the Pembina Institute's CDR Centre conducted Canada's first publicly available scan of corporate interest. The 2025 scan builds on this work, tracking shifts in awareness and engagement over the past year.

As part of the scan, we sent a questionnaire to 247 companies operating in Canada identified as potential CDR buyers. The same three segments of corporations emerged from the responses as in 2024, based on their engagement with CDR:

- Unengaged Majority (88% of invited organizations)
- Curious Newcomers (8% of invited organizations)
- Engaged Buyers (4% of invited organizations)

Key takeaways

From the Unengaged Majority

- While most of the companies surveyed are unengaged with carbon removal, there is substantial untapped potential to introduce and educate organizations about CDR's role in complementing existing ESG efforts.

From the Curious Newcomers

- Awareness of CDR is growing slowly. While current participation in the market is limited, interest is increasing among organizations defining their carbon strategies.
- High costs remain the principal barrier to getting into the market. Innovative financing solutions would make CDR more accessible.
- This group greatly values guidance on how to manage risk in CDR transactions.
- Besides guidance on risk management, valued resources to support this segment include educational tools that explain CDR, its role in mitigating climate change, and why corporations should make early commitments.
- To avoid being overlooked, CDR's role needs to be communicated as a complementary tool for residual and hard-to-abate emissions.
- Having CDR embedded in Canadian regulations represents the biggest driver for future purchases.

From the Engaged Buyers

- Companies moving now are writing the playbook everyone else will follow.
- Learning from peers and seeing leadership examples catalyzes investment. Organizations in this segment are more likely to act if their peers or market leaders take the lead first.
- Engaged Buyers do see a strategic advantage in purchasing CDR early, and value being seen as a leader in the industry.
- They understand they can't wait for a mature market to appear. They are taking a catalytic approach to secure their own future procurement.
- Although Engaged Buyers feel they have a strong understanding of the basics of CDR, they are keen on continuing to learn more about it.

This year's scan captures a market in transition where most organizations are still watching from the sidelines. However, a growing group of buyers is moving from curiosity to action, as the window for early-mover advantage remains open.

The question isn't whether corporate Canada is engaged with CDR, but how quickly it will accelerate. The following sections will unpack what drives purchases, what holds them back, and where the most significant opportunities for corporate buyers lie to spur CDR investment across the country.

Introduction

As we approach 2050, it is increasingly clear that there is no silver bullet to keep global warming below the 1.5-degree threshold set by the Paris Agreement. Instead, we need a "silver buckshot" approach. Many solutions — including carbon dioxide removal (CDR) — are required to avoid the worst impacts of climate change.

New technologies are being developed to extract and durably store excess carbon dioxide from the atmosphere; however, given their innovative nature, deploying and scaling these technologies requires significant capital investment.

Corporate buyers can help finance these projects by purchasing CDR credits in advance and enabling their deployment. However, the current investment from a small handful of companies actively investing — especially in Canada — is insufficient to scale the technologies to the required level.

Through the second edition of its annual scan of CDR buyers, the Pembina Institute's CDR Centre aims to better understand the requirements, motivators, and barriers that companies in Canada face when deciding to invest in this nascent market.

Last year's findings directly informed the CDR Centre's strategy, leading to initiatives like Carbon Catalyst, a marquee event that convened buyers, developers and policymakers to share procurement experiences. Insights from the scan also helped strengthen the argument for the federal government's procurement of CDR services, which was announced later in the year, and informed policy positions by other organizations within the ecosystem.

This year's scan continues that work, providing an assessment on market momentum and identifying the tools and resources needed to expand participation across corporate Canada.

Pembina Institute's CDR Centre

The Pembina Institute's CDR Centre is designed to bridge the knowledge gap on carbon dioxide removal within the Canadian market. The centre provides educational resources for corporate buyers, conducts research to understand market dynamics, and helps inform policies to accelerate the deployment of durable carbon removal solutions in Canada.

Current landscape

A total of 247 organizations were invited to complete the questionnaire. As in last year's buyer scan, organizational interest in the CDR market broke down into three market segments (Figure 1).

- The **Unengaged Majority** are the organizations that did not respond to the questionnaire, and as the name suggests, represent the largest share of the organizations invited to participate. This year, the segment constituted 88% of invited organizations, compared to 89% in 2024.
- The **Curious Newcomers** are the organizations that responded to the questionnaire but do not currently intend to purchase CDR credits. They represent 8% of the invited organizations, compared to 7% in 2024. They also constitute 69% of those who responded to the questionnaire.
- The **Engaged Buyers** are the organizations with active plans to purchase durable CDR credits. Only 4% of the invited organizations and 31% of the total respondents fall under this group, nearly the same proportions as in the 2024 scan.

Although the number of survey responses increased this year, so too did the outreach, resulting in an overall balance among the groups that remained mostly unchanged.

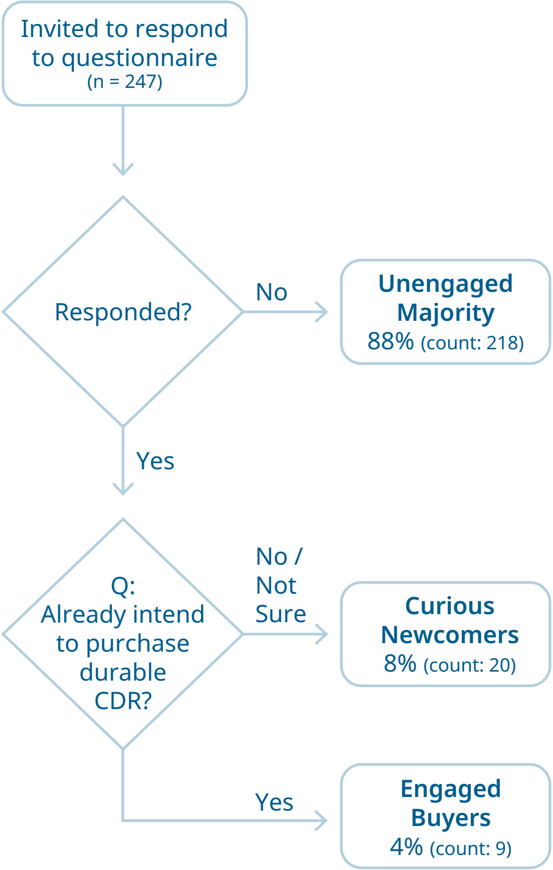

Figure 1. Flowchart indicating classification algorithm of three organization segments

Where are we on the innovation adoption curve?

We previously compared the development of the CDR market to the innovation adoption curve from E.M. Rogers' Diffusion of Innovation Theory to understand the market's maturity. When the market segments from this year's scan are superimposed on the curve, it closely mirrors last year's results (Figure 2). This is not surprising, given that it has only been one year since the previous scan, and it will be insightful to observe how this curve evolves over the next few years.

Together, the Engaged Buyers (4%) and Curious Newcomers (8%) map onto the Innovators (2.5%) and Early Adopters (13.5%) categories. The discrepancy in proportions suggests that there are more Curious Newcomers not captured by the scan, indicating a need for expanded outreach strategies in future surveys.

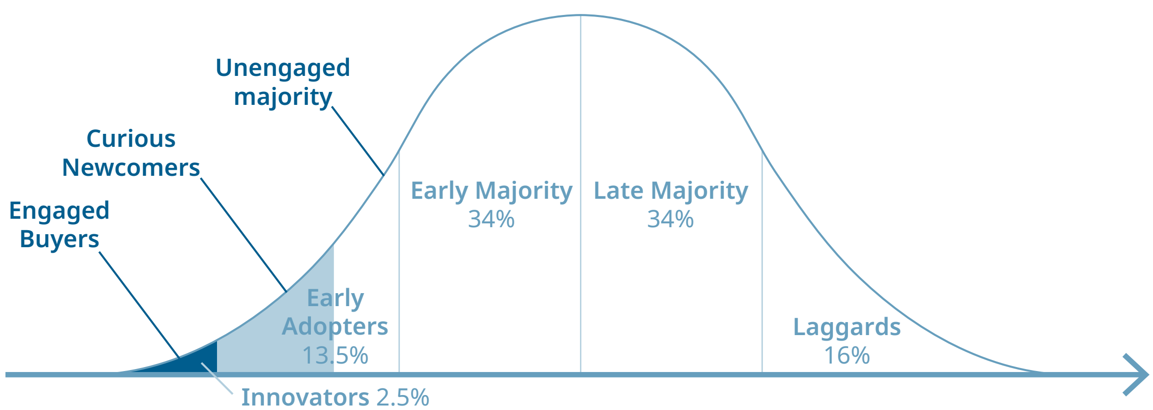

Figure 2. CDR buyer segments mapped onto the innovation adoption curve

Industry breakdown

This year, we heard from respondents across 15 industries, six more than in 2024, showing growing engagement across Canada's diverse economy (Figure 3). New sectors represented were international trading and business investment, municipalities, sustainability management, construction, retail and education.

The most responsive organizations continue to be those from public administration and the finance and insurance industries.

Engaged Buyers mainly consist of public administration and also include some of the newly participating industries: construction, municipalities and international trading. Curious Newcomers, on the other hand, come from nearly all responding sectors except construction, which is exclusively comprised of Engaged Buyers.

Compared with last year, some industries like professional services, finance and insurance and the information and technology industry shifted from being represented by Engaged Buyers to Curious Newcomers. These could either be the same organizations that have shifted their future intent to purchase CDR, or they could be different organizations responding. Either way, it suggests that previous enthusiasm among engaged organizations has cooled, while interest spreads across new industries and players.

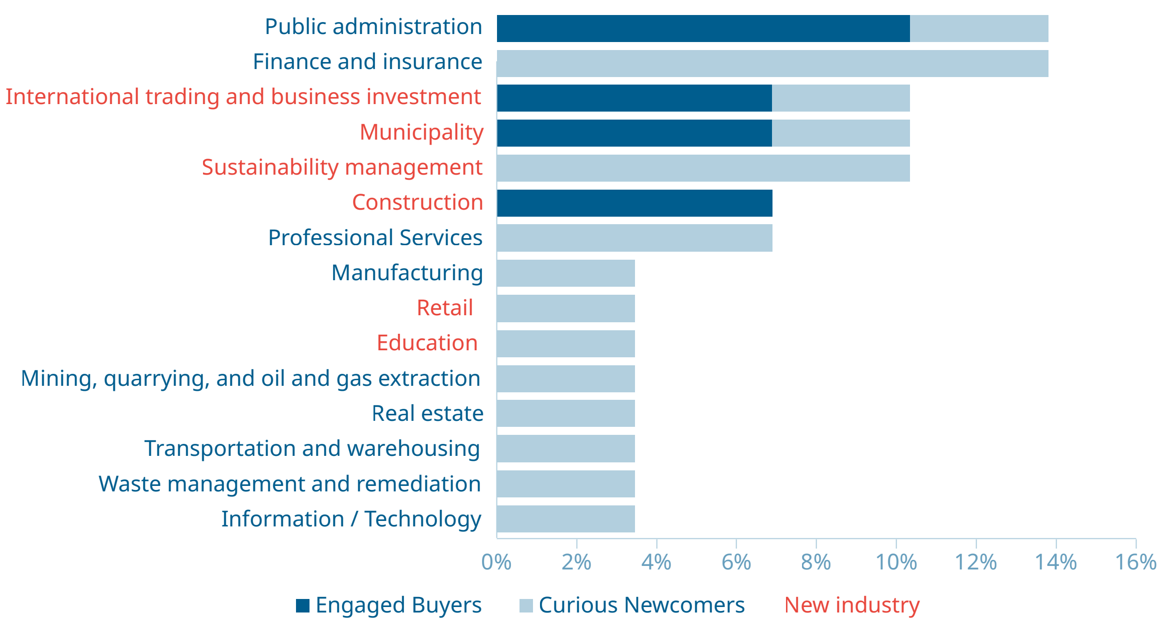

Figure 3. Breakdown of respondents' industry, with Engaged Buyers separated from Curious Newcomers

A similar shift occurred in the mining, quarrying, and oil and gas extraction industry, where Curious Newcomers now dominate compared to last year. Fewer Engaged Buyers from extractive industries may signal a more cautious approach toward carbon removal as they navigate heightened public scrutiny and regulatory pressure around greenwashing. Rather than stepping back entirely, many may simply be waiting for clearer policy direction before committing to new purchases. Targeted educational support on high-quality carbon removal credits available could re-engage this sector by building confidence in procurement decisions.

Regional breakdown

Canada's CDR market is experiencing a geographic shift. In 2024, Alberta had the largest segment of buyers, aligning well with a surge in CDR development activity that was underway at the time. However, 2025 tells a different story (Figure 4).

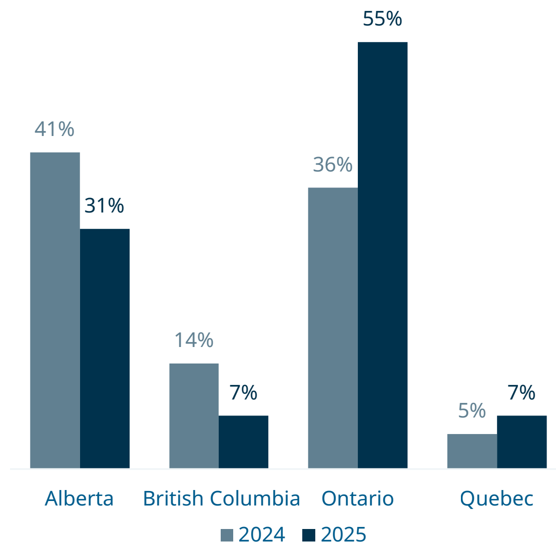

Figure 4. 2024 and 2025 comparison of the distribution of respondents' main office location

Ontario has emerged as the new centre of CDR interest, with 55% of respondents based in the province, of which 63% are Curious Newcomers. This aligns with the province's concentration of financial services and technology companies, the industries to which most active buyers belong.

While Ontario and British Columbia remain dominated by Curious Newcomers, Alberta and Quebec show a notable increase in Engaged Buyers (Figure 5). This pattern reveals a market evolving at different speeds across regions, where some areas are moving from curiosity to commitment.

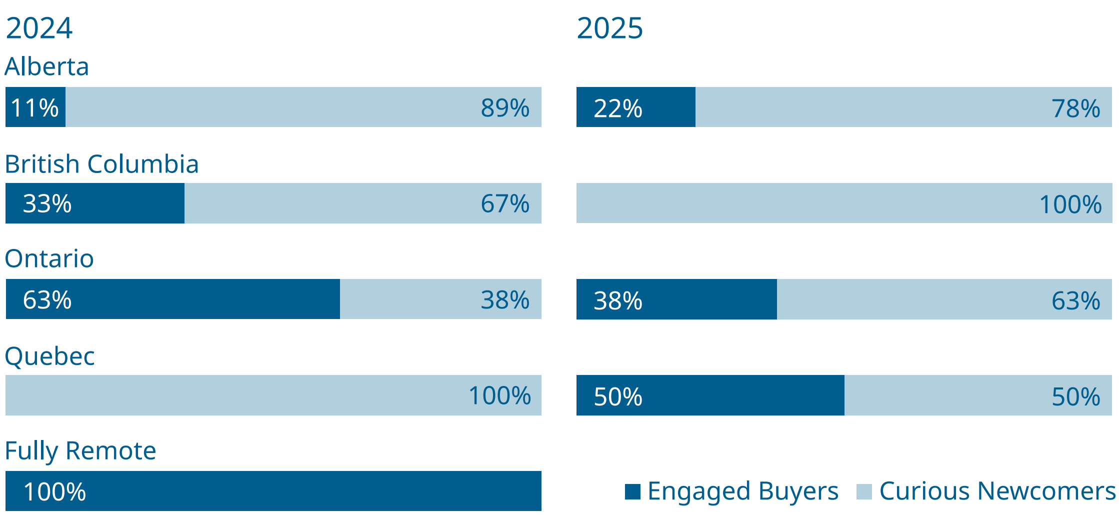

Figure 5: Year-over-year comparison of distribution between Engaged Buyers and Curious Newcomers per province.

The missing provinces tell their own story. We are yet to see participation from companies headquartered outside Alberta, B.C., Ontario and Quebec, which underlines a latent opportunity to reach untapped regions. There may be investors across Canada who do not yet understand CDR's role in their decarbonization strategies or the economic opportunities it represents for their regions.

As awareness spreads beyond Alberta's traditional stronghold, the CDR Centre will continue to monitor buyer participation across regions, identifying opportunities to convene stakeholders where momentum is building or where connections need to be fostered to accelerate market growth nationwide.

Action speaks louder than pledges

CDR credits are expected to play a growing role in helping organizations meet ambitious net-zero targets. The Science Based Targets initiative (SBTi) has reinforced this in its proposed Corporate Net-Zero Standard 2.0, which explicitly incorporates carbon removal.

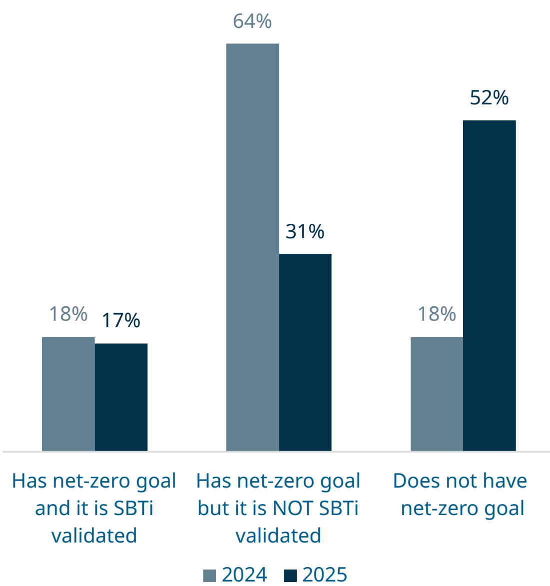

Figure 6. 2025 and 2024 comparison of responses to "Does your organization have a net-zero goal?"

Yet, in 2025, fewer respondents reported having net-zero goals (Figure 6). Only 48% of respondents said they have one, a sharp drop from 82% in 2024. This shift may be from reaching a more diverse set of organizations that have an interest in CDR for reasons other than meeting net-zero goals. It is also possible that some companies are quietly scaling back or removing climate or greenhouse gas-related targets from their public documents. This, however, does not necessarily mean that climate efforts have reduced; instead, companies may just be more cautious about publicly disclosing them to avoid scrutiny or legal risks. The absence of a net-zero pledge does not mean the absence of intent to decarbonize.

Net-zero pledges used to be the gold standard for identifying prospective CDR buyers, but they no longer seem correlated with purchasing interest. As interest in CDR expands beyond those with formal net-zero commitments, project developers should seek out other signals that are more strongly correlated with interest in CDR credits.

Engaged Buyers

Engaged Buyers comprises organizations that have existing plans to purchase durable CDR or are already engaged in the CDR market through previous purchases. In the 2025 scan, 31% of the total respondents fell under this segment.

The respondents among the Engaged Buyers are mostly from public administration and municipalities, construction and international trading companies. This is different from last year, when the segment mostly represented companies from the finance, insurance, and technology industries, primarily headquartered in Ontario. Increased diversity among the Engaged Buyers group indicates widening interest in CDR and ultimately is a positive signal of a maturing market.

Repeat buyers and purchase plans

Not all Engaged Buyers are equally experienced (Figure 7). Only 33% of this group have previously purchased durable CDR credits (down from 88% last year), further supporting the hypothesis that the market is broadening and there is a wave of new entrants. Interest is spreading beyond early pioneers to a wider base of organizations ready to enter the market.

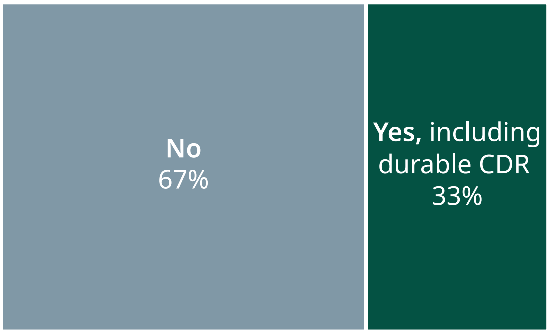

Figure 7. “2025 Responses to “Has your organization purchased durable CDR credits in the past?”

The influx of first-time buyers signals a growing demand pipeline for suppliers.

When discussing timing of future purchases, an overwhelming 89% of Engaged Buyers, experienced or not, plan to make purchases within the next five years, with 67% aiming for a purchase before the end of 2026 (Figure 8). We have already seen early investments materialize with Canadian purchases announced, such as the purchase of 10,000 carbon removal credits by Royal Bank of Canada and Microsoft, and Scotiabank's investment in carbon removal projects through its Climate Action Research Fund (CARF).

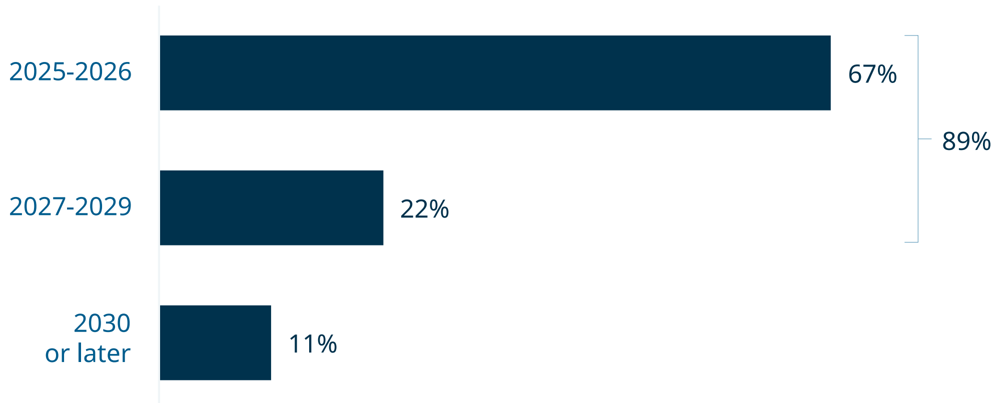

Figure 8. Responses from Engaged Buyers to the question, "When is the soonest your organization intends to make a purchase?"

This strong signal indicates that there is real unmet demand looking for CDR credits that can help accelerate development in the near term. In fact, the immediate purchase plans among the Engaged Buyers reflect their view that early entry into the CDR market offers a strategic advantage (Figure 9).

Companies sitting on the sidelines risk ceding competitive positioning to peers already building CDR track records.

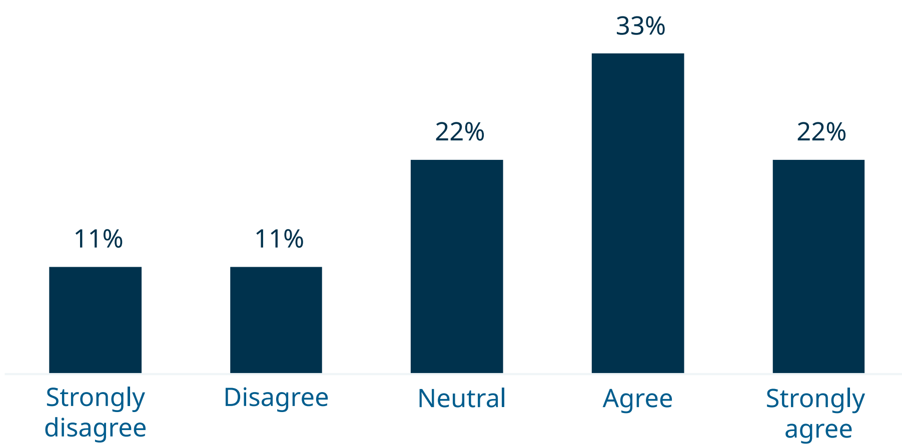

Figure 9. Responses from Engaged Buyers to the statement, "My organization sees a strategic advantage in entering the CDR market this year."

Engaged Buyer trends

Early-mover advantage remains important, but the drivers behind immediate purchases of carbon removal are diversifying beyond reputational leadership.

Among the factors influencing purchase decisions, Indigenous involvement in CDR developments is deemed more important than project location.

Reasons for purchasing

As the market matures, the motivations to buy broaden and diversify. Last year, most organizations saw CDR primarily as a way to demonstrate leadership and signal ambition in a new market. That sentiment still holds strong today, with over 75% of Engaged Buyers continuing to view leadership as a core motivation (Figure 10).

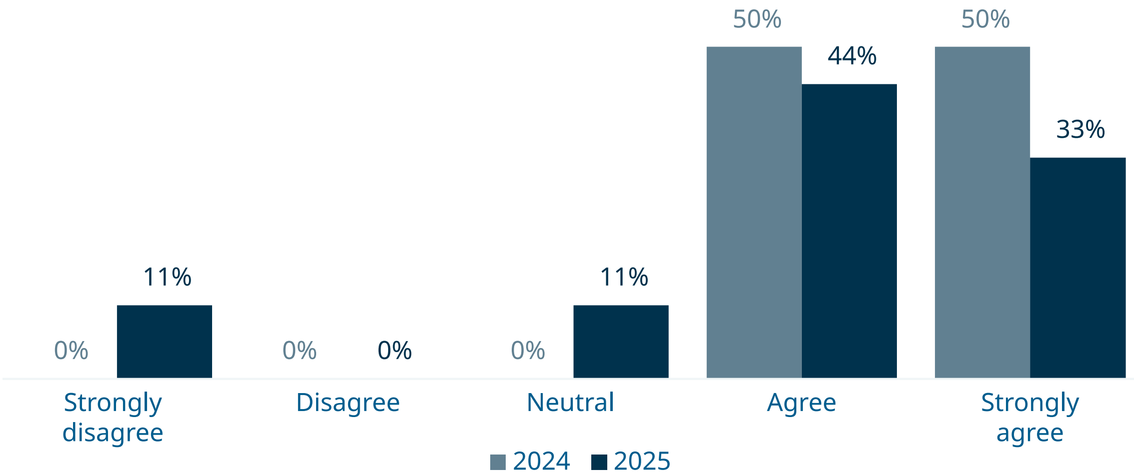

Figure 10. Responses from Engaged Buyers to the statement "My organization wants to be a leader in accelerating the CDR market."

But the story doesn't end there: Engaged Buyers are also watching regulatory horizons and anticipate that, beyond high-quality emissions reductions, carbon removal strategies may be required under future regulations related to ESG and net-zero goals. This was a factor mentioned by several respondents, indicating that Engaged Buyers are watching compliance infrastructure in the making. For them, entering the market is a calculated prediction about where policy is headed.

They also see an **opportunity to become a critical player in the early stages of the industry**. They want to play a catalytic role in accelerating CDR technology commercialization and innovation to make it more accessible to the market. They recognized that enabling scale-up and cost reduction not only benefits their own future procurement but also maximizes the climate impact of their actions.

The CDR Centre's recent report, ***Patchy but Promising***, examines the current inclusion of CDR in the Canadian compliance market in detail.

Project location

The location of a CDR project continues to be an important consideration among Engaged Buyers but carries slightly less weight this year compared to 2024 (Figure 11).

This year, 88% of Engaged Buyers consider purchasing from a Canadian CDR project important (ranging from slightly important to very important). The plurality (44%) rate this as important. By contrast, in 2024, all Engaged Buyers considered this metric important to some degree.

The fact that some Engaged Buyers don't deem buying from Canadian projects to be important at all in 2025 would require further examination to understand what is driving the shift. One possible explanation is a perception of fewer viable CDR projects in Canada compared to other jurisdictions. Stronger communication about ongoing developments in the Canadian CDR space and the co-benefits these projects provide to local communities could help to attract more interest in buying from local CDR projects.

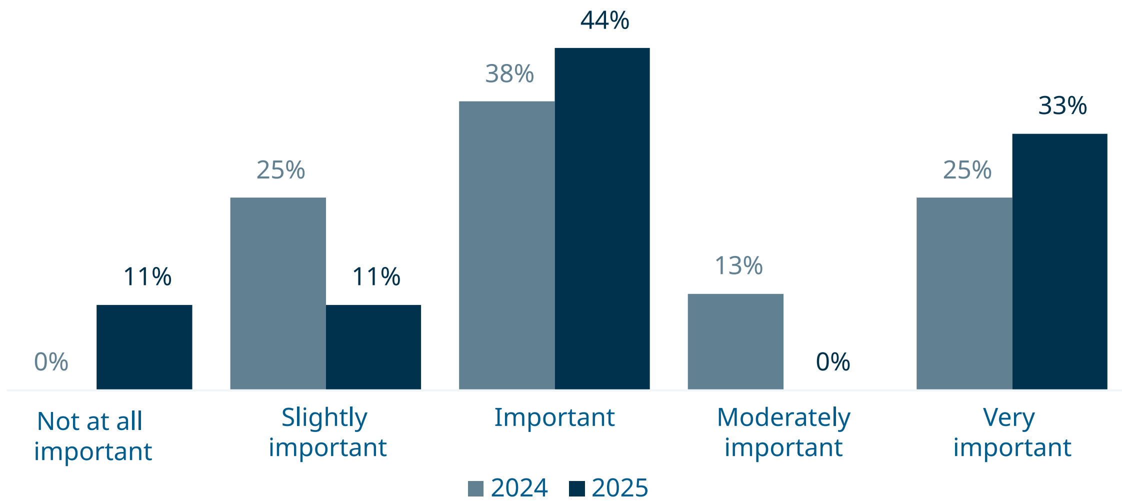

Figure 11. Comparison of responses from Engaged Buyers to the question, "Evaluate the level of importance of buying from a Canadian CDR project." in 2024 and 2025

Similarly, the importance Engaged Buyers place on a project's specific location has also slightly dropped relative to last year (Figure 12). This shift may indicate that newer buyers are prioritizing other factors that could include Indigenous involvement, readiness of technology, monitoring and verification, market risks or compliance with future regulations. Future research could investigate the relative importance of these factors and their impact on purchasing decisions among new buyers.

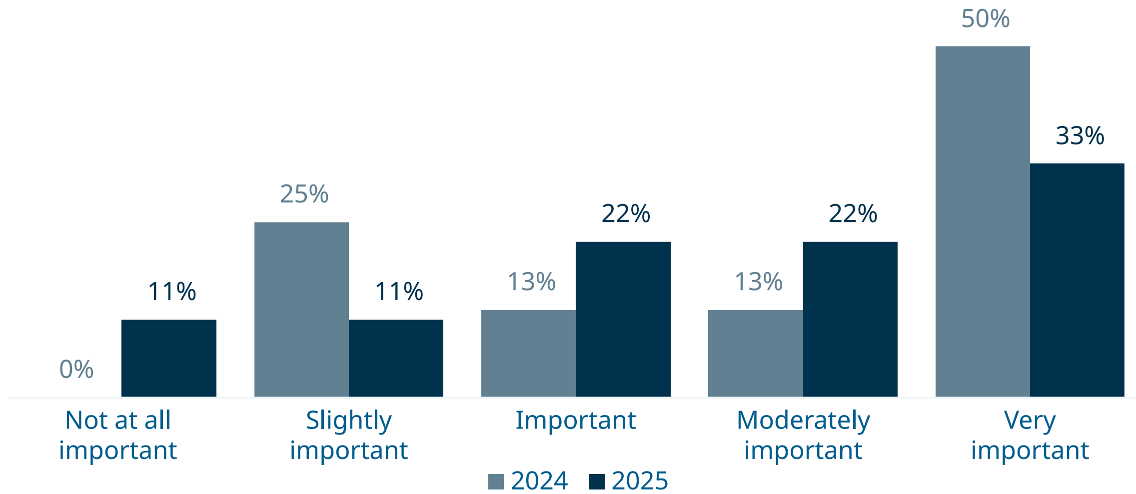

Figure 12. Comparison of responses from Engaged Buyers to the question, "Evaluate the level of importance of the specific location of the CDR project." in 2024 and 2025.

Indigenous community involvement

Incorporating Indigenous communities into a CDR project and aligning it with the United Nations Declaration on the Rights of Indigenous Peoples supports economic reconciliation and upholds ethical and legal norms.

Forming economic partnerships with Indigenous communities remains an important consideration for Engaged Buyers, and all respondents viewed free, prior and informed consent from Indigenous communities as an essential factor for purchase decisions (Figure 13). Notably, 89% of respondents ranked this metric as between important and very important, with nearly half of Engaged Buyers considering it very important.

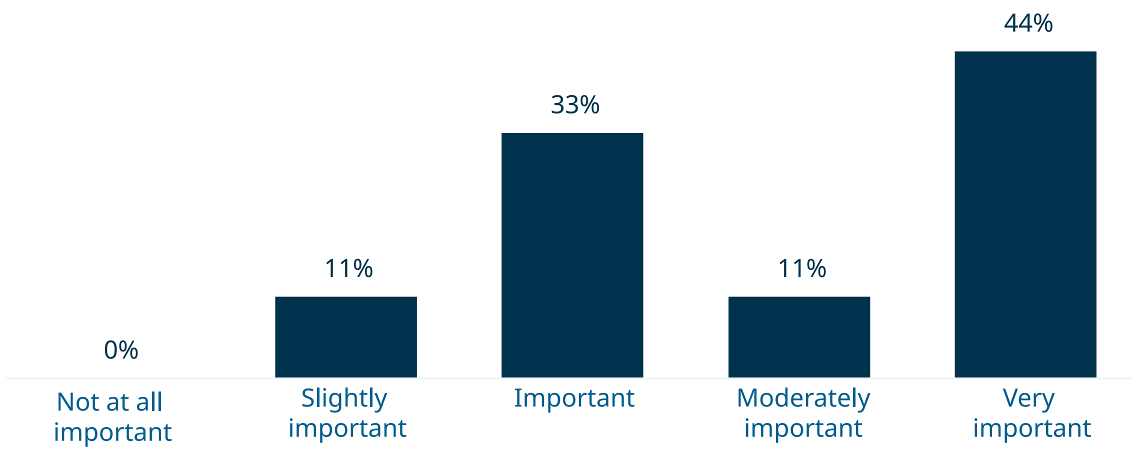

Figure 13. Responses from Engaged Buyers to the question, "Evaluate the level of importance of ensuring the project has received free, prior and informed consent from Indigenous communities."

The expectation of Indigenous involvement in CDR projects resonates with trends in other industries, such as the renewable energy sector, where such engagement has become a standard practice. Given how consistently buyers value these partnerships year-over-year, the CDR industry has an opportunity to establish meaningful economic partnerships from the outset.

Curious Newcomers

Curious Newcomers are the organizations that responded to the questionnaire with no current plans to purchase CDR credits. This segment comprises 69% of the respondents spanning multiple industries, including retail, education and real estate. They are primarily located in Ontario and Alberta, with minor representation from British Columbia and Quebec. It is interesting to note that although this group does not have current plans to purchase CDR credits, almost half of the respondents highlighted that they are not fully certain purchases are entirely off their agenda, meaning some respondents in this group might be closer to committing to a purchase than others.

Experience in carbon markets

Last year, most Curious Newcomers exploring carbon removal already had some experience in carbon markets and were able to use that familiarity as a starting point to learn about CDR.

In 2025, however, the data tells a different story (Figure 14). **More than half of the respondents had never purchased any type of carbon credit before, which is another positive signal of a widening market.** It suggests that carbon removal is no longer limited to companies already versed in carbon markets and that it is now capturing the attention of a broader range of companies.

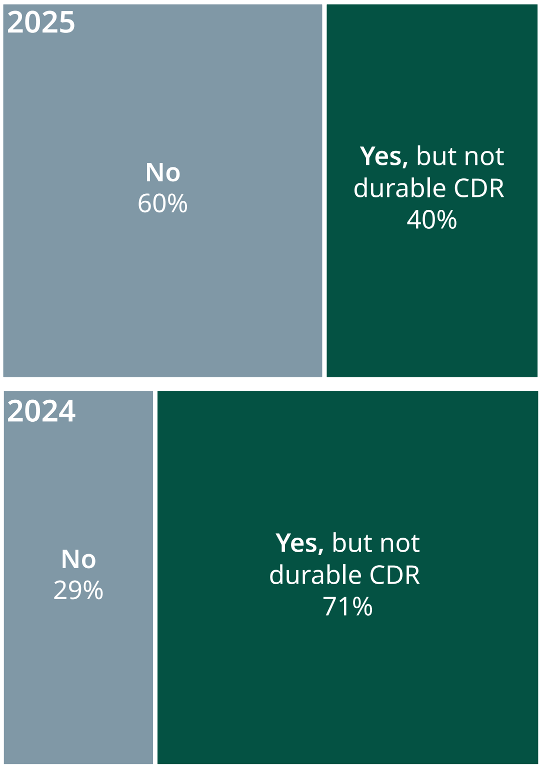

Figure 14. Responses from Curious Newcomers to the question, “Has your organization purchased carbon credits of any type in the past?”

This new wave of buyers provide an opportunity to distinguish carbon removal from avoidance and reduction credits at the beginning of their engagement with carbon markets. As Curious Newcomers enter the space without prior experience in carbon markets, clarity is crucial. Framing CDR as a distinct tool for addressing historical and hard-to-abate emissions rather than a substitute for feasible emission reduction efforts can build trust early. Clear step-by-step guidance on evaluating suppliers, structuring agreements and managing risk will be essential to turn curiosity into confident participation.

Cues prompting Curious Newcomers

Since CDR is relatively new to this segment, it is important to understand what might prompt them to consider purchasing credits or even shift their position on CDR.

Based on the questionnaire, **65% of the Curious Newcomers pointed to regulatory mandates and voluntary frameworks — such as SBTi standards — as the main drivers to consider purchasing carbon removal credits in the near future** (Figure 15). In other words, policy clarity could turn passive interest into concrete demand. Others within this segment also highlighted the need for funding and more education on CDR — particularly around benefits, costs and ROI — as potential drivers for future purchases.

For many, emissions reductions remain the singular focus. This underscores the opportunity to communicate CDR's role as a complement to emissions reductions — a tool that can be pursued in parallel.

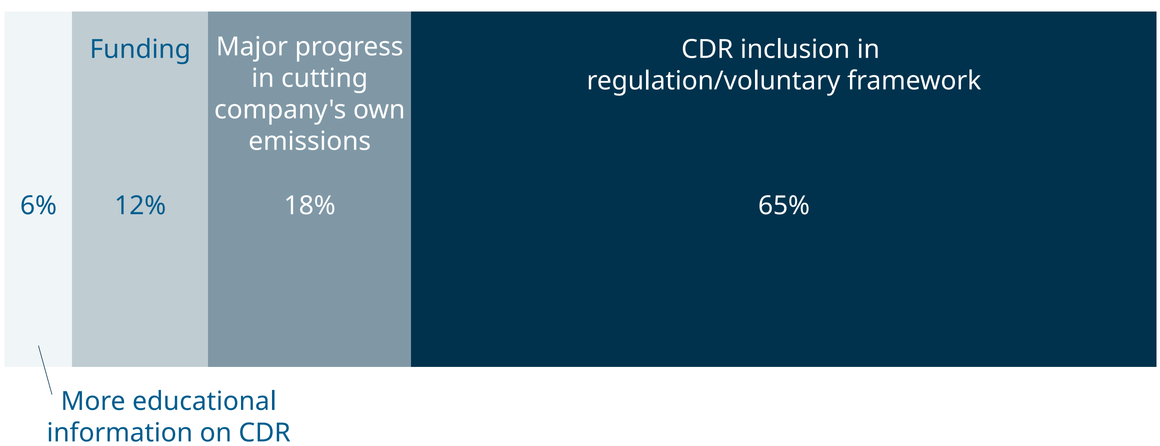

Figure 15. Responses from Curious Newcomers to the question, "What might change this position [Not planning on buying CDR] in the next two years?"

Perceived barriers from Curious Newcomers

Curious Newcomers were asked to choose the three most significant barriers (from a list of seven) to purchasing carbon removal credits, revealing their main perceived challenges (Figure 16).

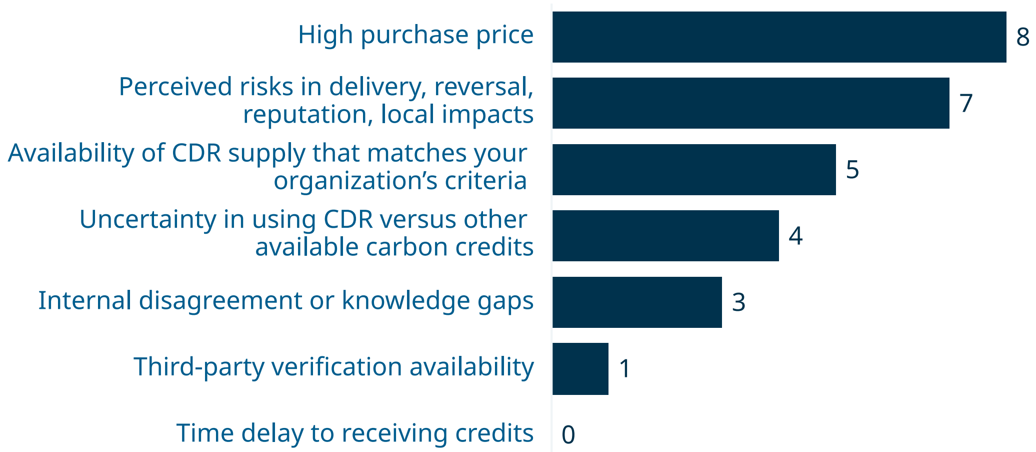

Figure 16. Responses from Curious Newcomers to the question, “What do you see as the largest barriers to purchasing?”

Many of the barriers faced by the Curious Newcomers are consistent with those reported in 2024, though with two notable exceptions that indicate an increased awareness of CDR technologies and their potential role in sustainability strategies among the group. While “high purchase price” and “perceived risks in delivery, reversal reputation and local impacts” remained as the biggest barriers in 2025, “internal disagreement on CDR’s role in sustainability strategy” is no longer reported as a major concern. Instead, the “lack of available CDR supply that matches organization’s criteria” has become more prominent, indicating newcomers are progressing past internal coordination hurdles and are now more focused on navigating the realities of the market. Educational resources targeting this shifting knowledge gap can help to accelerate market activity.

Other perceived barriers mentioned by Curious Newcomers were:

- Strategy priority
- Technology risks
- Lack of urgency and/or business need
- Immediate focus on value-chain emissions reductions

Educational resources

Knowledge in CDR and buying intent

We previously established that knowledge in CDR is linked to buying intent simply by observing the trends among Engaged Buyers and Curious Newcomers when it came to their understanding of CDR. This observation remains consistent in 2025: 56% of Engaged Buyers agree their organization has a strong understanding of CDR when compared to only 30% of Curious Newcomers (Figure 17).

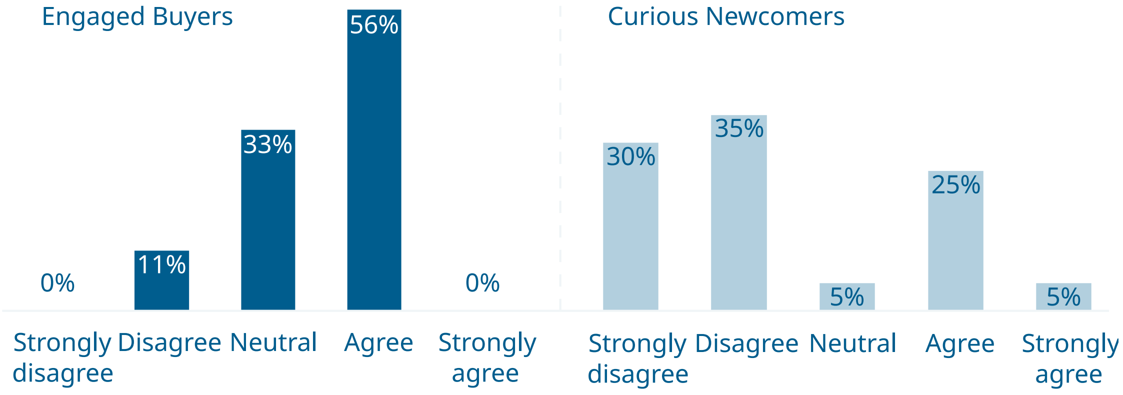

Figure 17. Responses from both Engaged Buyers and Curious Newcomers to the statement, "There is a strong understanding of CDR within my organization."

As discussed in the previous section, new priority knowledge gaps have emerged within the Curious Newcomers group (Figure 18). Educational resources can target these areas to reduce barriers to purchase:

- Market analysis around price forecasts across different types of CDR, and comparisons to costs of emissions reduction solutions.
- Guidance on how to assess and manage risks in a CDR transaction.
- Current state assessment of credit availability and future supply.

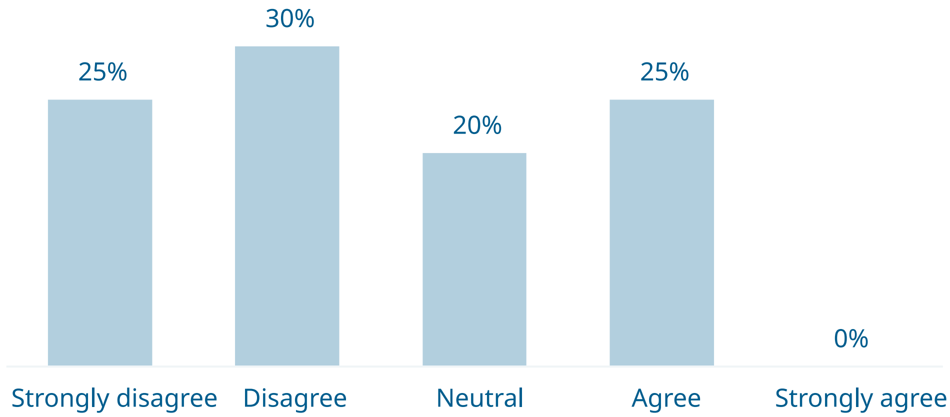

Figure 18. Responses from Curious Newcomers to the statement, “My organization has the knowledge, tools and ability to purchase CDR credits right now.”

Advanced tools and resources

One of the primary objectives of the scan was to identify the various types of tools and resources that different groups in the CDR market require to enhance their activity. For this reason, we asked the participants to indicate the importance of different types of resources (Figure 19).

Nearly half of both segments, the Curious Newcomers and the Engaged Buyers, value learning from other organizations that have already made CDR purchase commitments. This suggests that **while there is strong interest in CDR, many companies remain uncertain about how to navigate the process, from determining a CDR strategy to completing the purchase**. Resources that showcase how companies navigate advanced commitments and prepare for potential regulatory requirements offer valuable guidance. Such materials reassure organizations considering similar steps, helping scale up CDR deployment.

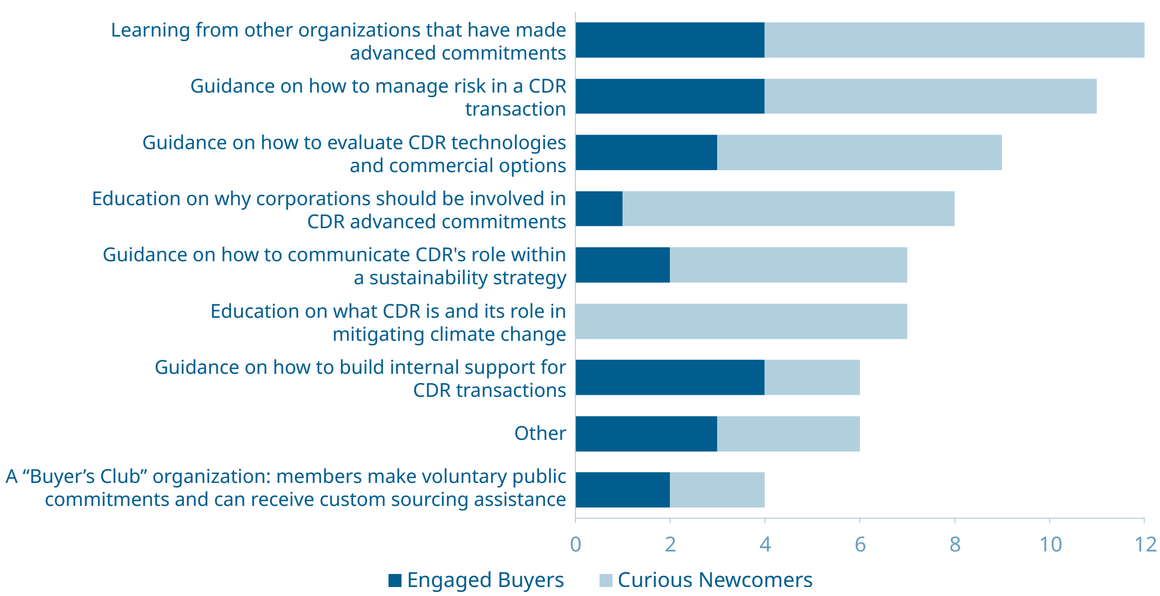

Figure 19. Responses from both Curious Newcomers and Engaged Buyers to the question, “What resources would best support your organization’s procurement journey?”

Among the Engaged Buyers, resources helping them understand how to build internal support and navigate risk in CDR purchases are more requested, indicating they have moved past understanding the basics of CDR and are now seeking tactical support in carrying out transactions.

On the other hand, Curious Newcomers still need more support in understanding "what" CDR is and "why" they should be involved in advancement commitments, as they don't recognize a strategic advantage in entering the CDR market this year. This reinforces previous sentiments among the Curious Newcomers who are not yet ready to invest in CDR but are eager to learn more and understand the significance of CDR versus focusing solely on emissions reductions. They place a high importance on learning from other organizations that are leading the market. Moreover, they consider the perceived risks related to CDR projects as one of their biggest barriers to purchasing credits, suggesting that resources focused on risk assessment and management would address a critical need for this group.

The questionnaire also revealed another way to support Curious Newcomers: helping convene a community of CDR buyers that increases their comfort with carrying out transactions (Figure 20). However, this interest does not necessarily translate into a desire to join a formal "buyer's club," which suggests that Curious Newcomers are not yet ready to make that level of commitment, but still value opportunities to connect, learn and share experiences with peers in a less formal setting.

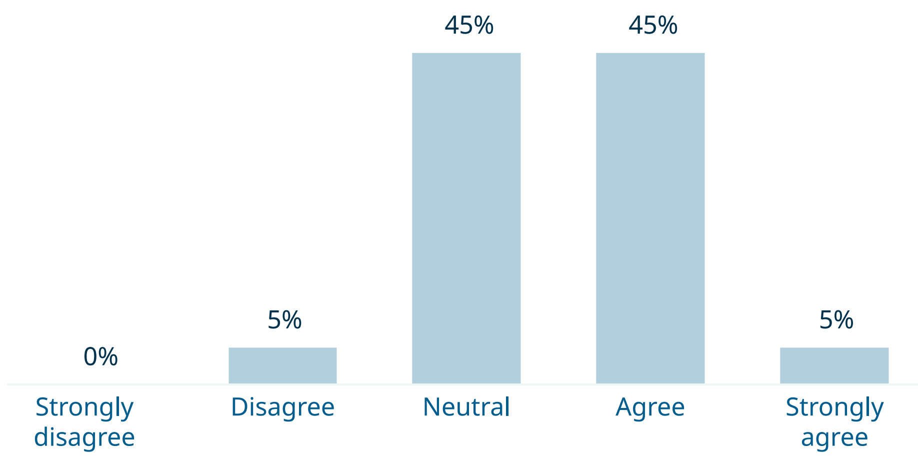

Figure 20. Responses from Curious Newcomers to the statement, "Convening organizations in a community of CDR buyers would increase our organization's comfort to make a transaction."

Leading the way

There is a strong reliance on leaders to pull other buyers forward and accelerate broader market participation. Possibly reflecting a general desire to minimize risk, 59% of all respondents said they are more likely to make a transaction if a leading Canadian organization publicly commits to making one (Figure 21).

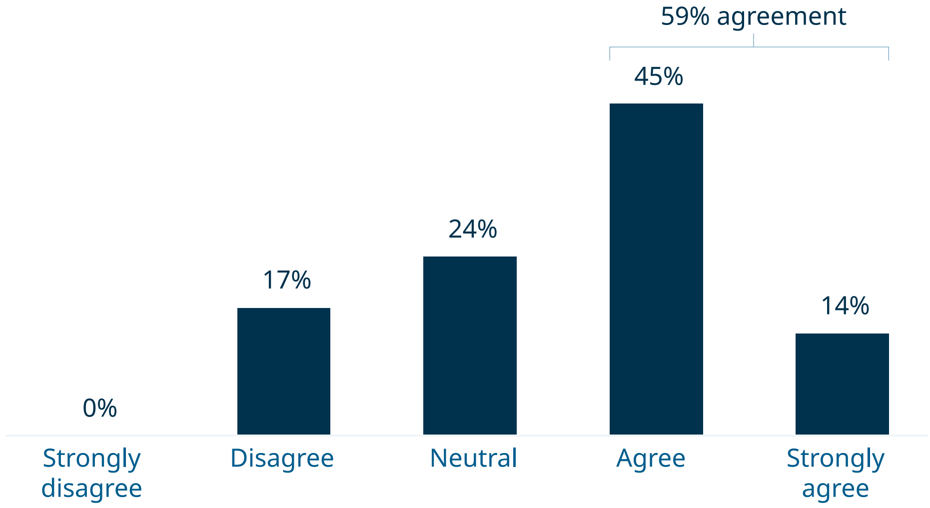

Figure 21. Agreement to the statement: “My organization would be more likely to make a transaction if other leading Canadian organizations publicly committed to making transactions.”

When looking at Engaged Buyers specifically, 67% are likely to make a purchase from a particular supplier if they see another organization do so, further emphasizing the influence of early movers (Figure 22).

The message is clear: Frontrunners continue to shape the CDR market. The projects they validate, the methodologies they endorse, and the risk frameworks they accept will shape what "credible CDR" means in Canada, having an enormous influence on the trajectory of the industry.

This also represents an opportunity for suppliers. Those that successfully deliver on high-quality removals, proving they can manage risk, meet timelines, maintain permanence and be transparent about any setback, will build reputations that compound over time. They'll become a preferred choice for risk-averse buyers who follow leaders into the market, building lasting competitive advantage.

The CDR Centre will support shared learning and collaborative approaches that can build confidence to speed up participation and ease hesitation for Curious Newcomers.

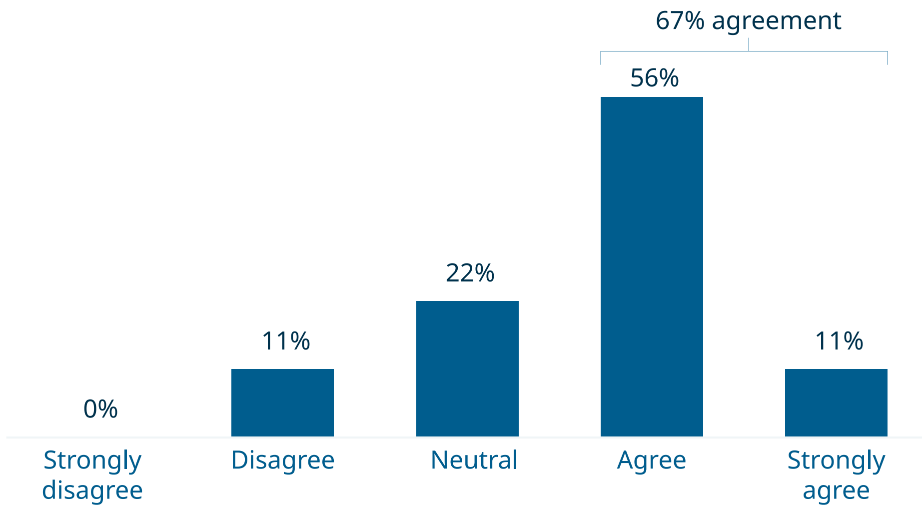

Figure 22. Engaged Buyer agreement to the statement: "My organization would be more likely to make a purchase from a specific supplier if another organization made a purchase from them first."

Conclusion

Shifts in motivation and supporting tools

Interest in CDR has increased compared to 2024. As carbon removal gains more visibility and recognition in reputable net-zero standards and national policies, momentum is building among investors looking to purchase carbon removal credits.

The CDR market in Canada is expanding across various industries and buyer types, creating distinct entry points for organizations at different stages of their CDR journey. With the right resources and guidance, curiosity can quickly translate into confident action.

The Centre will continue building the CDR knowledge base, developing targeted resources to attract more Curious Newcomers and support Engaged Buyers across Canada.

Resources for **Curious Newcomers**

Curious Newcomers are interested in CDR for more than just meeting net-zero commitments. They are watching closely, keeping an eye on regulatory developments that may lead them to engage more closely with CDR. They understand what CDR is but need to see why early action matters.

The CDR Centre will prioritize educational content that highlights not only the urgency of CDR but also the strategic importance of entering the space early to mitigate future obligations.

Resources for **Engaged Buyers**

Engaged Buyers are now more diverse. New entrants outnumber repeat purchasers, bringing fresh perspectives and expanding industry representation. They are ready to invest in CDR within the next two years and want practical, action-oriented resources to support them during their first purchases with confidence.

The CDR Centre will continue to foster knowledge sharing from organizations with experience in carbon removal purchase agreements through events like Carbon Catalyst, as well as the development of resources that distill different procurement approaches.

Closing

We are still in the early days of CDR development. Engaged Buyers are motivated by the opportunity to lead and help advance the industry. Meanwhile, Curious Newcomers — though increasingly aware of CDR — are paying attention, asking questions and evaluating their entry points.

To move to a much faster pace, we need to provide organizations with practical tools so they can navigate the space with the lowest risk possible. The Pembina Institute's CDR Centre will focus on fostering collaboration and knowledge sharing in the upcoming months, in the form of written resources, convening opportunities and expert advice.

If you are interested in learning more about carbon dioxide removal, visit pembina.org.

Appendix A. Buyer scan design

Design

The questionnaire featured two branching paths depending on whether the respondent's organization already intended to purchase durable CDR. Those who did not intend to purchase were asked about barriers to purchasing and potential influences to increase their likelihood to purchase. Those who did intent to purchase were asked about preferences around details of their purchase plans. Both groups were asked about resources that would improve their ability to make a purchase.

The questionnaire was anonymous, with the option to share contact information. Demographic information, including home province and industry, was requested.

Outreach

The questionnaire was sent via email to 247 corporate companies and public institutions. The outreach list was created by first identifying target organizations. These included some of the largest organizations operating in Canada who have join the federal Net-Zero Challenge; the largest Canadian organizations based on market cap; the largest international organizations by market cap with a presence in Canada; and municipalities and other public institutions. Then, contacts were identified within those organizations. Since corporate emissions management typically falls within sustainability, environmental affairs or ESG departments, contacts within these teams were sought. Multiple offices within the organization were contacted. Organizations where an appropriate contact could not be identified were omitted from the outreach.

Questionnaire

For the questions below, durable CDR refers to CDR options that offer permanence of hundreds of years or more, including but not restricted to methods like biochar, direct air capture, direct ocean capture, enhanced rock weathering and ocean alkalinity enhancement. It does not include methods like afforestation or reforestation.

1. Does your organization have a net-zero / carbon neutral goal?
2. Is it a validated net-zero target through the Science Based targets initiative?
3. Has your organization purchased carbon credits of any type in the past?
4. Has your organization purchased durable (+100 year permanence) carbon dioxide removal credits in the past?
5. Does your organization intend to purchase durable carbon dioxide removal credits?

If Yes on Q5:

6. Why is your organization interested in purchasing carbon dioxide removal credits?
7. When is the soonest your organization intends to make a purchase?
8. In Canadian dollars, how much is allocated towards durable CDR purchases in total across the next five years?
9. Approximately what percentage of your organization's carbon credit purchasing budget is allocated towards durable CDR across the next five years?
10. How many tonnes of durable CDR is your organization planning to purchase in the next five years?
11. Please evaluate the level of importance of the following factors in your purchasing decision:
    a. The specific location of the CDR project
    b. Buying from a Canadian CDR project
    c. Ensuring the project has received free, prior and informed consent from Indigenous communities
    d. Ensuring the project has formed an economic revenue/equity/employment partnership with nearby Indigenous communities

If No or Not Sure on Q5:

12. What might change this position in the next two years?
13. What do you see as the largest barriers to purchasing?
    a. Availability of CDR supply that matches your organization's criteria
    b. Time delay to receiving credits
    c. High purchase price
    d. Internal disagreement or knowledge gaps
    e. Perceived risks in delivery, reversal, reputation, local impacts
    f. Third-party verification availability
    g. Uncertainty in using CDR versus other available carbon credits
    h. Other

For all respondents:

14. What resources would best support your organization's procurement journey?
15. Please rate your agreement of the following statements:
    a. There is a strong understanding of CDR within my organization.
    b. My organization has the knowledge, tools and ability to purchase CDR credits right now.
    c. Convening a community of CDR buyers would increase our organization's comfort to make a transaction.
    d. My organization would be more likely to make a transaction if other leading Canadian organizations publicly committed to making transactions.
    e. My organization would be more likely to make a purchase from a specific supplier if another organization made a purchase from them first.
    f. My organization wants to be a leader in accelerating the CDR market.
    g. My organization wants to learn more about CDR.
    h. My organization sees a strategic advantage in entering the CDR market this year
    i. Guidance from the Science-Based Targets Initiative Corporate Net Zero Standard plays a significant role in my organization's sustainability strategy.
16. Location of main office in Canada (province)
17. What industry does your organization fall within?
18. Approximately how many staff members are in your organization?

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