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# Climate Policy as Territorial Development

# Author

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# Foreword

The Pacific Institute for Climate Solutions (PICS) was created in 2008 with an endowment from the Government of British Columbia to support evidence-based climate policy. This investment in our university-based network was groundbreaking and remains a core strength of the organization.

In fulfilment of PICS' mandate, this Insights Series elevates leading evidence at a pivotal moment for climate policy in B.C. Drawing on academic expertise from across the province, the series is designed to inform the 2025 independent review of CleanBC, British Columbia's plan to reduce greenhouse gas emissions and combat climate change.

When CleanBC was launched in 2018, climate action was a public and political priority. While concern about climate change remains widespread, it has increasingly been overshadowed by more immediate pressures, such as rising costs of living, strained public services, and growing geopolitical instability. Intensifying climate impacts exacerbate each of these challenges, which increases the complexity and opportunity for bold climate solutions. Now is not a time to retreat from ambition. Rather, it is a time for integrated solutions and public policy that unlock energy transformation, reduce climate risk, and increase prosperity at local, regional, and global scales.

The Insights Series highlights the deep connections between climate action and other top issues facing British Columbians: housing, affordability, economic competitiveness, Indigenous reconciliation, regional economic development, and fiscal efficiency.

B.C.'s climate leadership can be renewed—not by repeating the strategies of the past, but by evolving CleanBC to meet the realities of today.

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Blue hour at Port Alberni's working waterfront. *iStock*

## Executive summary

Climate interventions inherently reshape regional economies, alter patterns of investment, and transform territorial relationships. Recognizing this, climate policy should be reframed as territorial development: a strategy for integrating environmental, economic, and social objectives at the regional level by explicitly addressing the unique assets, vulnerabilities, and opportunities of diverse regions. The conventional approach, which treats environmental goals as primary and regional development as a secondary spillover, is both analytically flawed and practically counterproductive.

*“This approach promises more effective climate outcomes, strengthened democratic governance and community empowerment.”*

The rationale for B.C. to frame its climate policy as territorial development stems from the uneven regional impacts of B.C.'s greenhouse gas (GHG) emissions and climate risks. Resource-dependent and remote regions face higher compliance costs, limited diversification opportunities, and greater exposure to economic and climate shocks. Urban and service-oriented regions, by contrast, are better positioned to benefit from the low-carbon transition. A territorial development approach helps to overcome these divides through the twin concepts of territorial cohesion (reducing regional imbalances and fostering cooperation) and territorial competitiveness (building region-specific economic strengths). It includes better coordination between provincial ministries, federal agencies, First Nations, and regional institutions to support integrated development and climate action and overcome the governance gaps created by current sectoral approaches. Proactive, participatory transition management frameworks

also support workers, communities, and industries through industrial transformation, phase-out, and diversification.

This paper proposes five key actions to frame B.C.'s climate policy as territorial development:

» **Embed climate policy in regional development:**

Integrate climate objectives into regional development funding, planning, and governance processes, making climate action a core criterion for investment and policy decisions.

» **Strengthen multi-level and cross-sectoral governance:**

Formalize mechanisms for coordination among provincial ministries, federal agencies (e.g., PacifiCan), First Nations, regional districts, and economic trusts to align climate and development goals.

» **Enhance place-based support:**

Tailor incentives, investments, and transition supports to the specific needs of regions, especially those most vulnerable to economic and climate risks. Empower local institutions to lead experimentation and adaptation.

» **Promote social infrastructure and equity:**

Expand social supports and community benefit-sharing programs to address the broader impacts of industrial transition, particularly in rural, remote, and Indigenous communities.

» **Adopt adaptive management:**

Implement monitoring and evaluation systems that track both climate and socio-economic outcomes, enabling continuous learning and adjustment of strategies.



Port Edward, located near Prince Rupert, has been considered a hub for LNG operations. *iStock*

By framing climate policy as territorial development, B.C. can simultaneously advance emissions reduction, regional equity, and economic resilience. This approach promises not only more effective climate outcomes, but also strengthened democratic governance and community empowerment, positioning B.C. as a model for just, place-based climate action.



Left: Wood chips at a Princeton mill will be made into pellet fuel.  
Right: A volunteer and emergency response worker make sandbags at a flood preparation station in Kelowna in 2017. *iStock*

# Introduction

**The Government of B.C. has long been hailed as a climate leader.** It was the first province in Canada to adopt a comprehensive climate action plan and the first jurisdiction in North America to adopt a broad-based carbon tax.<sup>1</sup> Since that time, efforts have expanded. Today CleanBC implements a comprehensive set of climate actions to reduce GHG emissions by 40 per cent below 2007 levels by 2030. These actions span several interconnected areas: emissions reductions strategies targeting major sectors like transportation, industry, and buildings through electrification, fuel-switching, and efficiency standards; natural ecosystem protection centered on conserving forests, wetlands, and agricultural lands to enhance carbon sequestration; support for green innovation, including incentives for clean technology adoption and support for low-carbon industrial processes; and a host of financial incentives (e.g., for home retrofits, EV purchases, and industrial upgrades).

**“GHG emissions in B.C. have remained virtually unchanged since 2007, despite \$3.5 billion invested in CleanBC since 2018.”**

**Today’s independent review of CleanBC’s programs is an opportunity to reflect on what’s working and what can be improved at a critical time: B.C. is not meeting its climate objectives despite significant investments and policy commitments.** GHG emissions have remained virtually unchanged since 2007, despite \$3.5 billion invested in CleanBC programs since 2018.<sup>2</sup> The government’s latest [Climate Change Accountability Report](#) notes that only half of its 2030 target has been met, projecting a 20 per cent reduction below 2007 levels instead of the promised 40 per cent.<sup>3</sup> There are stagnant or rising emissions in key sectors, underreporting of major

emission sources, policy gaps and delayed implementation and ongoing fossil fuel expansion, especially LNG. Meanwhile, the province's population continues to grow, with resulting pressure on infrastructure and energy demand. We risk falling behind at a time when the consumer carbon tax has been eliminated, previous approaches are being questioned in the face of economic constraints and there is great deal of uncertainty.

*“Climate policy interventions inherently reshape regional economies, alter spatial patterns of investment and employment, and transform territorial relationships.”*

**Framing climate policy as territorial development can help overcome these challenges.**

The conventional approach to climate policy treats environmental objectives as primary, with territorial development benefits considered secondary spillovers. However, scholarship in regional development theory and place-based climate action demonstrates that this hierarchy is both analytically flawed and practically counterproductive.<sup>4-6</sup> Climate policy interventions inherently reshape regional economies, alter spatial patterns of investment and employment, and transform territorial relationships—making them fundamentally territorial development policies regardless of their stated primary purpose. This is not to say that regional development should be the sole focus of climate policy, but that it should be a key part of it and that doing so can help produce more effective, durable, socially acceptable and place-based climate solutions.

**A territorial development approach addresses the unique economic assets, vulnerabilities, and opportunities of different regions while reducing territorial disparities that have long characterized B.C.'s economic landscape.**

This encompasses a suite of initiatives, policies, and strategies designed to promote economic growth, social well-being, and environmental sustainability in specific places. It can be thought of as the glue that connects the different CleanBC measures to social and economic development and “place”. Such an approach aims to reduce disparities between regions and foster innovation, improve infrastructure, support local industries, and enhance quality of life by taking into account



LNG carrier GasLog Glasgow at the Canada site in Kitimat. [Source](#)

the unique characteristics, resources, and needs of each area. Doing so helps regions serve as laboratories to test new governance models, technologies, and policies and scale them where they've proven to be effective. It demands identifying and acknowledging place-based differences, e.g., climate risks, industrial transitions, or demographic changes, and providing targeted interventions. It entails working in new ways, forging alliances, and foremost, developing a vision of what can be achieved that is responsive and community-grounded. Essentially, it's an approach that seeks both territorial **competitiveness** and territorial **cohesion**.

**CleanBC already provides the foundations for such an approach, it just needs to be strengthened.** This paper presents a framework for climate policy as territorial development. It describes the twin concepts of territorial cohesion and competitiveness and outlines why these are critical for effective climate policy. It presents a framework for action, outlining multiple pathways by which climate policy mechanisms can generate regional development outcomes, integrating climate policy interventions with broader place-based development objectives.



Some distinct landscapes of British Columbia, touched by different forms of development. From left: downtown Vancouver; agriculture in Oliver in the Okanagan Valley; logged area of Vancouver Island. *iStock*

# Territorial cohesion and competitiveness

**B.C.'s GHG emissions policies pose uneven risks across its diverse regions due to differences in geography, remoteness, and economic structure.** The province's emissions profile is dominated by transportation, which accounts for more than 40 per cent of total emissions, followed by industrial sectors including oil and gas production.<sup>7</sup> The Mainland South-West, the province's economic hub dominated by knowledge-based and service industries, faces relatively low direct risks since its low-carbon economy benefits from growing demand for clean technologies and services. Coastal Vancouver Island, with its balanced mix of forestry and tourism, experiences a more moderate impact where increased regulations raise costs for resource sectors but also enhance the value of intact ecosystems and nature-based tourism. In contrast, the interior regions—including north east, Cariboo, north coast and Nechako—are heavily reliant on resource extraction industries such as oil and gas, mining, and forestry, which are emissions-

intensive and geographically remote. These factors amplify the costs of compliance with stricter emissions regulations, limit diversification opportunities, and increase the risk of economic disruption. Smaller regional centers like Kootenay and Thompson Okanagan have more diversified economies blending agriculture, tourism, and light manufacturing, which provide some resilience, but their rural nature means higher per capita emissions and greater sensitivity to carbon pricing. The greatest risks concentrate in the resource-dependent, remote interior, while urban and service-oriented regions face fewer direct economic threats. B.C. has one of the highest disparities in sub regional GHG emissions in Canada.<sup>8</sup>

**Climate initiatives risk reproducing existing patterns of injustice if they do not address the unique realities and historical marginalization of peripheral, resource-dependent regions.**<sup>9</sup> The province's economic structure reflects a classic core-periphery dynamic<sup>10</sup>, with the Mainland/

southwest region producing around 70 per cent of provincial GDP while resource-dependent regions remain vulnerable to volatile commodity cycles.<sup>10, 11</sup> These disparities stem from historical resource dependence, metropolitan agglomeration effects, colonial land dispossession, and policy fragmentation that often overlooks higher per-capita costs in sparsely populated areas.

**While this matters for mitigation, it is equally pertinent for adaptation initiatives.** The southern Interior B.C. and coastal First Nations regions face the highest climate exposure levels, while northern B.C., Peace River, and rural/small communities are among the least prepared to manage climate risks.<sup>12</sup> The province shows significant adaptation gaps, with climate impacts outpacing adaptive capacity in most regions outside the Lower Mainland. Heat waves, wildfires, and floods are costing the province billions annually, yet many communities lack adequate resources for effective climate preparedness.<sup>13</sup> The B.C. Government's 2019 Preliminary Strategic Climate Risk Assessment for British Columbia<sup>12</sup> was excellent and comprehensively outlined risks at the community and regional levels. In contrast, the province's Climate Change Accountability Reporting does not include such spatially disaggregated analysis.<sup>3</sup> Some regional districts have created their own reports, but the big picture on regional risks and disparities is missing.

**In the past 20 years, a wide range of policies have been employed to manage transitions in advanced economies with innovation; research and development; labour market planning; and skills development and supports among the most prevalent.**<sup>14</sup> However, the connections of these sectoral policies to “place” and local institutions have often been weak, limiting their effectiveness and many approaches have been reactive instead of proactive.<sup>15</sup> B.C.'s successive climate strategies are largely sectoral in their targets—a place-based lens has been missing.<sup>i</sup> This is in part by design:

*The legislation [Climate Change Accountability Act, 2018] does not explicitly require that the government's plans include specific measures to support workers, communities, and industries impacted by the transition towards a low-carbon economy.*<sup>16</sup>

Neglecting these differences risks alienating a segment of society. An urban-rural divide has long been a feature of Canadian politics.<sup>17</sup> B.C.'s last election shows that this divide may be growing<sup>18</sup> with the potential to create “geographies of discontent”.<sup>19</sup>

**A territorial development approach can help overcome these divides. Such an approach centres the assets, vulnerabilities, and opportunities of different regions, identifying the resources and investments that they need to successfully meet their development objectives.** It is not a singular approach, but a way of governing, planning and strategically directing resources. While “region” forms the central organising concept for action, it is a flexible concept. The institutions that support regional development may differ; a water management board may be part of regional development and scaled differently than a regional transportation body or a regional economic development agency, but all play their part in supporting regional development.

“*The connections of sectoral climate policies to ‘place’ and local institutions have often been weak.*”

**The twin concepts of territorial cohesion and competitiveness can help to reframe climate policy around a territorial development agenda.**<sup>ii</sup> Both concepts have been foundational to EU policy but hold relevance for Canadian and B.C. contexts.<sup>20</sup> Territorial cohesion can be conceptualised as “the process of promoting a more cohesive and balanced territory” through four essential dimensions: supporting the reduction of socioeconomic territorial imbalances, promoting environmental sustainability, reinforcing territorial cooperation and governance processes, and establishing



Peace River viewpoint. iStock



Aerial view of Burrard Inlet and its port facilities in the Lower Mainland. *iStock*

polycentric urban systems.<sup>23</sup> Territorial competitiveness represents the capacity of cities and regions to compete in a globalized economy based on absolute advantage principles, distinguishing it fundamentally from national competitiveness which operates under comparative advantage.<sup>21</sup> These concepts are mutually reinforcing, where cohesion policies serve as prerequisites for achieving territorial competitiveness. This integration recognizes that market forces, driven by globalization, tend toward geographical concentration and acceleration of activity relocation, leading to greater territorial disparities that can only be addressed through coordinated territorial approaches. A focus on territorial cohesion ensures that climate policy addresses environmental sustainability while reinforcing territorial cooperation and governance processes. This is particularly crucial for B.C., where complex jurisdictional relationships between federal, provincial, local, and Indigenous governments and rightsholders require coordinated approaches to climate action. The polycentric urban development component of territorial cohesion supports the

development of multiple centers of climate innovation and adaptation, reducing dependence on single urban centers while building resilience across the provincial territory.

**By organising B.C. climate policy around these twin concepts, the province can move beyond sector-based approaches toward integrated territorial strategies that recognize climate action as simultaneously an economic development opportunity and a cohesion imperative.**

Table 1 outlines a framework for the implementation of each dimension. This framework ensures that climate policies contribute to reducing regional disparities while building competitive advantages based on each territory's unique assets and capabilities. It addresses some of the critiques of "green growth" wherein "the negative environmental impacts arising from a strong economy together with the tendency of spatial policies to overlook localised social and environmental inequities, dysfunctional growth dynamics are likely to consolidate."<sup>24</sup> The remainder of this paper explains what is meant by such an approach, with references to examples of how this can be implemented.

**TABLE 1: TERRITORIAL COHESION AND COMPETITIVENESS OBJECTIVES FOR CLIMATE POLICY**

Dimension	Territorial Cohesion	Territorial Competitiveness
<i>Policy Objective</i>	<ul style="list-style-type: none"> <li>» Reduce regional disparities in economic, social, and environmental outcomes</li> <li>» Ensure fair access to climate benefits and opportunities across all regions</li> <li>» Foster social inclusion and balanced development</li> </ul>	<ul style="list-style-type: none"> <li>» Enhance regional economic strengths and innovation capacity</li> <li>» Promote productivity and growth in clean sectors</li> <li>» Position regions to attract investment and talent in the green economy</li> </ul>
<i>Mechanisms</i>	<ul style="list-style-type: none"> <li>» Place-based policy design tailored to local vulnerabilities and needs</li> <li>» Equity-oriented funding formulas</li> <li>» Support for communities facing transition, disruption or decline</li> <li>» Inclusive governance and participatory planning, social dialogue</li> </ul>	<ul style="list-style-type: none"> <li>» Investment in regional innovation hubs and clean technology</li> <li>» Support for sectoral transformation (e.g., forestry, manufacturing)</li> <li>» Infrastructure for connectivity and market access (supports economic diversification)</li> <li>» Skills training for green jobs</li> </ul>
<i>Key Interventions</i>	<ul style="list-style-type: none"> <li>» Community-owned renewable energy projects</li> <li>» Structural adjustment assistance</li> <li>» Comprehensive adaptive support</li> <li>» Transition agreements ensuring support for affected workers and communities and service delivery hubs</li> </ul>	<ul style="list-style-type: none"> <li>» Clean energy infrastructure aligned with regional economic priorities</li> <li>» Commercialization of clean technologies</li> <li>» Support for industrial transformation and diversification</li> <li>» Strategic investments in competitive sectors (e.g., hydrogen, bioeconomy)</li> </ul>
<i>Governance Structures</i>	<ul style="list-style-type: none"> <li>» Regional transition coalitions with broad representation (municipalities, First Nations, labour, civil society)</li> <li>» Multi-level coordination to ensure balanced development</li> <li>» Mechanisms for monitoring and accountability to ensure equitable outcomes</li> <li>» Transition agreements (funded multi-level government agreements)</li> </ul>	<ul style="list-style-type: none"> <li>» Regional innovation ecosystems involving industry, academia, and government</li> <li>» Public-private partnerships for clean investment</li> <li>» Regional economic trusts and development agencies focused on competitiveness</li> </ul>
<i>Expected Outcomes</i>	<ul style="list-style-type: none"> <li>» Reduced urban-rural and core-periphery divides</li> <li>» Greater social acceptance and legitimacy of climate action</li> <li>» Enhanced resilience and well-being in vulnerable regions</li> </ul>	<ul style="list-style-type: none"> <li>» Increased regional productivity and economic growth</li> <li>» Attraction of investment and skilled labor</li> <li>» Leadership in clean technology and sustainable industries</li> </ul>

Source: Author's own elaboration.



The Highland Valley Copper mine near Logan Lake is one of the largest copper mines in the world. Copper is an essential resource in electrification. *iStock*

# A territorial development framework for climate action

**There are multiple pathways by which climate policy mechanisms can generate regional development outcomes.** The table on the next page illustrates this across five dimensions spanning cohesion and competitiveness objectives. Viewed collectively, the pathways illustrate a single insight: climate policy is most durable and effective when it is simultaneously economic, social and spatial policy. By embedding clean-energy incentives within regional diversification plans, tailoring support to vulnerable workers, knitting territories together with shared infrastructure and empowering local institutions to experiment and learn, governments convert decarbonisation from a cost-centric mandate into a broad-based development agenda.

**“Climate policy is most durable and effective when it is simultaneously economic, social, and spatial policy.”**

**B.C.’s framework for regional development operates through a collaborative multi-level governance structure. These could be better connected to climate policy:**

- » At the federal level, Pacific Economic Development Canada (PacifiCan) could play a more strategic role in linking regional economic diversification with climate objectives. Currently, PacifiCan’s Regional Economic Growth through Innovation program supports business scale-up and regional innovation ecosystems, but these initiatives could be more explicitly oriented toward clean technology

development and low-carbon economic transitions. The agency's mandate to foster economic development and competitiveness aligns naturally with climate policy goals when regional investments prioritize sectors like renewable energy, clean technology, and sustainable resource management. Enhanced federal-provincial coordination could ensure that PacifiCan's funding streams actively support the implementation of the CleanBC Roadmap to 2030 at the regional level. The federal-provincial Regional

Energy and Resource Table could be a key mechanism for this; presently it is structured in a very sectoral manner and seems poorly connected to regional development.

- » The provincial ministries responsible for regional development, the Ministry of Housing and Municipal Affairs and the Ministry of Jobs, Economic Development and Innovation, represent critical leverage points for climate-development integration, yet their coordination with the

**TABLE 2: CLIMATE POLICY AS TERRITORIAL DEVELOPMENT STRATEGY: FRAMEWORK FOR ACTION**

Pathway/Mechanism	Regional Development Outcome
<i>Economic Development</i>	
Clean technology investment and deployment	Regional economic diversification
Green job creation and workforce transition	Local employment growth; skills upgrading
Regional innovation and entrepreneurship	New business formation; local economic resilience
Value-added processing and local supply chains	Increased local value capture; supply chain integration
<i>Social Equity</i>	
Just transition programs for affected workers	Reduced inequality; inclusive economic participation
Community energy ownership models	Community wealth-building; local empowerment
Indigenous self-determination and climate leadership	Enhanced Indigenous governance; reconciliation
Affordable clean energy access	Reduced energy poverty; equitable service provision
<i>Territorial Cohesion</i>	
Rural-urban, rural-rural, FN-local government partnership development	Balanced growth; reduced regional disparities
Inter-regional collaboration and knowledge sharing	Shared best practices; capacity building
Infrastructure connectivity and service integration	Improved access; regional integration
Balanced regional development outcomes	Territorial cohesion; reduced polarization
<i>Innovation Systems</i>	
Clean technology R&D hubs	Regional innovation ecosystems; tech leadership
Knowledge transfer and commercialization	Accelerated deployment; economic spillovers
Skills development and training programs	Workforce adaptability; higher productivity
Demonstration projects and pilot initiatives	De-risked investment; local learning
<i>Enhanced Governance</i>	
Multi-level collaborative frameworks	Coordinated action; policy coherence
Participatory planning processes	Democratic legitimacy; community buy-in
Indigenous co-governance structures	Shared authority; culturally relevant solutions
Regional capacity building	Local empowerment; sustained implementation

Source: Author's own elaboration.

Climate Action Secretariat remains underdeveloped. These ministries could establish formal mechanisms to ensure that all regional development funding and policy decisions undergo climate lens analysis, similar to approaches being implemented in other jurisdictions. This would involve embedding climate considerations into housing strategies, infrastructure investments, and economic development programs from the outset, rather than treating climate action as an add-on consideration.

- » First Nations governments and Tribal Councils, as rights-holders and key regional development actors, bring unique perspectives and governance models that could significantly enhance climate-regional development integration.<sup>25</sup> The BC First Nations Climate Strategy and Action Plan provides a comprehensive framework that emphasizes the inseparability of decolonization from decarbonization, offering pathways for collaborative climate action that respect Indigenous jurisdiction while advancing regional economic development goals. Enhanced partnerships between First Nations and other regional development actors could leverage Indigenous knowledge systems and governance approaches that have historically integrated environmental stewardship with economic activity.<sup>26, 27</sup>
- » The 27 regional districts and their governance structures present perhaps the greatest opportunity for improved climate-regional development integration. The ten Regional Growth Strategies that currently exist could serve as primary vehicles for embedding climate considerations into long-term regional planning. These 20-year strategic plans already address housing, transportation, services, parks and natural areas, and economic development, all sectors central to climate action, but they vary significantly in how comprehensively they integrate climate mitigation and adaptation objectives. Regional districts could adopt climate resilience indicators, and low-carbon development pathways that align with provincial climate goals while addressing local economic development priorities.
- » The four territorial-specific economic trusts, Columbia Basin Trust, Economic Trust of the Southern Interior, Island Coastal Economic Trust, and Northern Development Initiative Trust, represent unique institutional innovations that could be leveraged more effectively for climate-regional development

integration. These trusts already demonstrate climate leadership through various initiatives: Columbia Basin Trust's comprehensive Climate Action Program supports community-level emission reductions and adaptation projects, while Northern Development Initiative Trust has invested in clean technology ventures and community energy efficiency projects. However, these efforts could be significantly amplified through enhanced inter-trust collaboration and coordinated regional climate strategies that leverage the collective \$300+ million in assets these institutions manage. Cross-trust partnerships could support large-scale regional climate infrastructure projects, clean technology commercialization, and just transition initiatives for communities dependent on carbon-intensive industries.

- » The broader ecosystem of regional actors, including higher education institutions, NGOs, industry associations, and businesses, could be more systematically engaged in climate-regional development planning through enhanced governance mechanisms. Multi-stakeholder regional climate collaboratives, similar to successful models in other jurisdictions, could bring together diverse actors to develop shared climate-development visions and coordinate implementation efforts. These collaboratives could serve as platforms for pooling resources, sharing knowledge, and scaling up local innovations while ensuring that climate action contributes to broader regional competitiveness and social equity goals. Networks like the Northern BC Climate Action Network and the Vancouver Island and Coastal Communities Climate Leadership Plan demonstrate the appetite for such initiatives.

*“Embed climate considerations into housing strategies, infrastructure investments, and economic development programs from the outset, rather than as an add-on consideration.”*

**The institutions that “carry” this work forward in different parts of the province differ.** Metropolitan areas tends to be institutionally “thick” with a wide range of critical actors such as higher education, business and industry groups, innovation hubs and accelerators, a strong social and non-profit sector, and many

other resources that benefit from proximity and scale. In lower density areas, this landscape will typically look different and some of the key drivers of regional development may be absent. It is important to recognise these institutional contexts in the design of interventions and supports. In rural, remote and northern contexts, it becomes all the more important to share resources and scale initiatives wherever possible through partnerships, shared services, and joint investments to increase capacity. Many government programs promote a “competitive” approach, for example where municipalities apply for funding individually in competition with their neighbours. This is a missed opportunity. Rural, remote and northern communities would be better served by rural-rural, rural-urban, and FN-local government partnerships: these can be encouraged through policy design. The EU’s Integrated Territorial Investment instrument offers an example of how to achieve this. The governance framework could also benefit from adaptive management approaches that enable regions to respond flexibly to changing climate conditions and economic circumstances. This would involve building monitoring and evaluation systems that track both climate **and** social and economic development outcomes, enabling continuous learning and adjustment of strategies based on emerging evidence and changing regional priorities. Such approaches are particularly important given the increasing frequency and intensity of climate-related disruptions that require rapid regional responses while maintaining long-term development trajectories.

**A territorial development approach also requires a framework to understand and target place-based transitions.** Consider for example the following simplified typology of net zero transitions in the industrial sector (a key sector for B.C.’s emissions reductions commitments) spanning five types:

- i. The first type, **new and emerging industries**, such as critical minerals and hydrogen industries, entails innovation, investments, and infrastructure which may be proximate to existing related activities (e.g., innovation clusters) or take place in entirely new ones. In the case of mining, these activities disproportionately take place in rural and remote territories.
- ii. The second type, **transformation**, refers to innovations and investments needed to reduce the GHG emissions of a specific sector or industry (e.g., decarbonization of steel production).

In this type, the industry is not being replaced, but transformed and as such, may require support for innovation/R&D/capital investments in order to meet decarbonization objectives. Such transformation may impact the nature of the local/regional economy and community wellbeing, but much of the economic activity may continue in place.

- iii. The third type, **industry phase-out and replacement**, describes a clear shift from one industry to another related industry (e.g., from oil and gas production to clean hydrogen). In such instances, the policy interventions to manage such a transition are commonly targeted to workers and industry and while the broader community may be impacted, economic activity remains within the region. Industry phase-out and replacement requires large capital investments and can have large impacts on land and the environment.
- iv. In the fourth type, an **industry is phased-out and economic diversification** is pursued (e.g., coal industry phase out). In communities where there is a large share of employment in the industry, there can be major impacts on the local/regional economic and community wellbeing. Such transitions are risky for people/places/firms and require longer-term strategies and investments and a regional development approach and environmental remediation.
- v. Finally, an **industry can be phased-out with no or little potential for alternative industries/businesses**. This scenario has played out in hundreds of rural and remote towns in Canada, such as Pine Point, Northwest Territories, and Schefferville, Quebec, which experienced mine closures.<sup>28, 29</sup>



The abandoned locality of Pine Point, Northwest Territories, built to serve the work force at the open-pit mine producing lead and zinc ores. *Google Maps*



The small northern B.C. town of Atlin near the Yukon border. *iStock*

These ideal types have a clear relation to 'place' with heightening vulnerability across the spectrum. The creation of new sustainable industries or the transformation of high GHG emitting ones requires investments in innovation, human resources, infrastructure and capital investment to make these transformations feasible. Urban locales are more likely to have these investments in place than rural and remote ones, where they may need to be brought in, or developed. For phase-out and economic diversification, this is again much more likely in an urban economy than a rural or remote one where specific industries are more likely to dominate economic activity and employment. Phase-out with no replacement economic activity is again a rural and especially remote occurrence.

**Each transition type has implications for the scale and scope of interventions alongside governance and accountability frameworks that support it.** There can be overlap between transition types wherein new regulatory requirements have whole economy-society impacts, but also impact specific regional/local industries, thus necessitating a combination of broad and targeted policy responses. The drivers for change across each of the transition types can stem from such factors as regulatory requirements, new innovations/competition, exogenous shocks, etc. Where drivers may be anticipated, transitions can be planned in advance in order to reduce negative effects. Where transitions are unanticipated, emergency responses are needed. B.C.'s Community Transition Services are critical for this work. They are a dedicated team within the provincial government coordinates across government departments and with other levels of government to provide: workers transition supports;

community and local government supports; and economic development and diversification.<sup>30</sup> Ideally, governments will be able to provide supports on the basis of proactive planning. However, where that is not possible, a reactive approach is important. Addressing territorial disparities requires sustained commitment to regionally differentiated strategies, equity-oriented funding formulas, and explicit spatial justice approaches to prevent B.C from becoming a two-track province where prosperity concentrates along the Pacific corridor while peripheral and Indigenous regions bear disproportionate social and economic costs.

*“The creation of new sustainable industries or the transformation of high GHG emitting ones requires investments in innovation, human resources, infrastructure and capital investment.”*

**A central feature of transition management is the "transition arena," a participatory space where diverse actors collaborate to identify systemic problems, develop shared visions, and design experimental pathways.<sup>31, 32</sup>**

This process involves four key governance activities: strategic (long-term visioning and planning), tactical (designing programs and partnerships), operational (implementing action plans), and reflexive (monitoring and evaluating progress).<sup>33</sup> Regional and community economic transition planning in Europe has evolved into such a structured framework. The European Union's Territorial Just Transition Plans (TJTPs) serve as the cornerstone, requiring member states to outline pathways for phasing out carbon-intensive industries while fostering sustainable growth. These plans emphasize multi-level governance, public participation, and alignment with broader EU climate objectives, such as the European Green Deal. Among Canadian provinces and territories, B.C. has many leading practices for transitions management and is one of the few jurisdictions to have a transitions management unit. However, transitions management is not generally integrated into regional development processes. It is important to proactively identify types of transitions in order to ensure that the correct suite of supports is available with higher levels of upper level government interventions required in some types. Ideally, there

can be anticipatory planning for economic/industry transitions. There is a real hesitancy to do this in Canada in general.<sup>34</sup> Some key elements of regional planning in a European context of course do not translate well to B.C. A key challenge is how to address transition planning in lower density places where there are thinner institutions. Building scale and capacity through partnership and shared investments are an important strategy in this regard.

**Transition management is not just about reducing harm, it is also about leveraging opportunities, for example, through *social co-benefits*.** New investments are a chance to enhance community capacity and resilience. For example, community benefit-sharing programs in areas with large-scale investments in green infrastructure/renewables, etc. have been used to fund community and social supports. There are a wide variety of ways to structure benefits: see for example a typology of the spectrum of potential arrangements in the UK developed by Keir, Johnson, and Weir.<sup>35</sup> There are also cautionary examples of community benefit agreement failures. For example, in Detroit, the Community Benefits Agreement ordinance in the city of Detroit failed to protect the

interests of the impacted community and was instead mired in recriminations of environmental racism.<sup>36</sup> Governments can facilitate community benefit programs by establishing legal structures and templates to support them. Communities can also benefit by repurposing infrastructure or accessing funding in the event of industry closure. Framework agreements/legislation to ensure that communities are not left with environmental and fiscal liabilities and receive benefits facilitate this.

*“A key challenge is how to address transition planning in lower density places where there are thinner institutions.”*

# Conclusion

**B.C.'s climate challenge is also a regional development opportunity.** By viewing climate action through the lens of territorial development, the province can address both its emissions reduction goals and its persistent regional disparities. This includes providing pathways for resource-dependent communities to diversify their economies while building on existing assets, just transition governance mechanisms to help bridge core-periphery divides, and a community-grounded approach that centers Indigenous knowledge and rights, supporting reconciliation while enhancing climate effectiveness.

*“Success will require moving beyond sectoral silos toward integrated approaches that recognize the interconnected nature of climate, economic, and social challenges.”*

**Framing CleanBC as a territorial development strategy represents more than a semantic shift—it requires fundamental reconceptualization of climate policy as inherently territorial and developmental.** Success will require moving beyond sectoral silos toward integrated approaches that recognize the interconnected nature of climate, economic, and social challenges. Most importantly, it will require developing a vision of climate action that communities across B.C. can see themselves in—one that promises not just emissions reductions but also economic opportunity, social well-being, and community empowerment. A major part of regional development are the stories we tell ourselves about our communities and economy and what we want them to be: social dialogue. **Progress happens at the speed of trust, as they say.** Climate policy as regional development means working in a way that involves stronger social coalitions and leveraging place-specific assets while building institutional capacity for long-term transformation. Such an approach can help address territorial disparities that undermine political sustainability while creating more democratic and participatory approaches to climate governance.

**British Columbia has the opportunity to lead territorial climate governance by demonstrating how place-based development strategies can achieve both climate, cohesion, and competitiveness objectives.** This would position B.C. as a model for just and democratic climate actions. The path forward requires institutional innovation, genuine power-sharing, and sustained commitment to territorial equity and innovation as a core climate objective. The potential benefits—enhanced climate effectiveness, reduced territorial polarization, strengthened democratic governance, and more sustainable regional development—make this transformation both necessary and achievable.

**It is easy to give advice but of course much harder to implement it.** As a comparativist, I draw inspiration from the many regions I've studied that demonstrate the effectiveness of such approaches while recognising that anything in B.C. needs to be home grown and especially, to be grounded in Indigenous governance systems. I also see that there is already a strong basis for operating in this way here, with successful examples. In the past year I've co-led a research team conducting fieldwork across northern B.C. that demonstrates the appetite and utility of such approaches (Northern Regional Energy Dialogues project with Kara Shaw and Sinead Earley, part of the Accelerating Community Energy Transformation initiative). As a university researcher I'm part of the regional development landscape and am committed to continuing to work in partnership with others towards this vision of climate policy as territorial development. So, I'll end this by throwing my hat in the ring to emphasise that this not just a task for the provincial government, but something we do together.

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## Endnotes

- i Beyond climate policy, across all B.C. strategies, plans and programs, the majority (64 per cent) are sector specific; 18 per cent mention rural areas and the remaining 18 per cent include some targeted rural interventions<sup>15</sup>.
- ii The concept of territorial cohesion originated in French spatial planning traditions and entered EU policy discourse in the late 1990s, gaining formal status in the Lisbon Treaty (2007) as a pillar of cohesion policy.<sup>21, 22</sup> Territorial competitiveness emerged around the same time, influenced by economic theories emphasizing regional innovation and global competition. Both concepts were synthesized in EU policy documents like the Territorial Agenda and Europe 2020 strategy, reflecting a shift towards integrated, place-based approaches. Together, they aim to balance reducing regional disparities with enhancing the economic dynamism and competitiveness of all European regions.



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