



# Canadian Environmental Assessment Agency

## Performance Report

For the period ending  
March 31, 2002

Canada

## The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament.

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of funds.

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## Foreword

In the spring of 2000, the President of the Treasury Board tabled in Parliament the document “Results for Canadians: A Management Framework for the Government of Canada”. This document sets a clear agenda for improving and modernising management practices in federal departments and agencies.

Four key management commitments form the basis for this vision of how the Government will deliver their services and benefits to Canadians in the new millennium. In this vision, departments and agencies recognise that they exist to serve Canadians and that a “citizen focus” shapes all activities, programs and services. This vision commits the Government of Canada to manage its business by the highest public service values. Responsible spending means spending wisely on the things that matter to Canadians. And finally, this vision sets a clear focus on results – the impact and effects of programs.

Departmental performance reports play a key role in the cycle of planning, monitoring, evaluating, and reporting of results through ministers to Parliament and citizens. Departments and agencies are encouraged to prepare their reports following certain principles. Based on these principles, an effective report provides a coherent and balanced picture of performance that is brief and to the point. It focuses on outcomes - benefits to Canadians and Canadian society - and describes the contribution the organisation has made toward those outcomes. It sets the department’s performance in context and discusses risks and challenges faced by the organisation in delivering its commitments. The report also associates performance with earlier commitments as well as achievements realised in partnership with other governmental and non-governmental organisations. Supporting the need for responsible spending, it links resources to results. Finally, the report is credible because it substantiates the performance information with appropriate methodologies and relevant data.

In performance reports, departments and agencies strive to respond to the ongoing and evolving information needs of parliamentarians and Canadians. The input of parliamentarians and other readers can do much to improve these reports over time. The reader is encouraged to assess the performance of the organisation according to the principles outlined above, and provide comments to the department or agency that will help it in the next cycle of planning and reporting.

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This report is accessible electronically from the Treasury Board of Canada Secretariat Internet site:  
<http://www.tbs-sct.gc.ca/rma/dpr/dpre.asp>

Comments or questions can be directed to:

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# Canadian Environmental Assessment Agency



## PERFORMANCE REPORT

For the Period  
Ending  
March 31, 2002

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Minister of the Environment



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***SECTION I***  
**MINISTER'S  
MESSAGE  
AND  
EXECUTIVE  
SUMMARY**





## MINISTER'S MESSAGE

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I am pleased to present the *2001-2002 Performance Report* of the Canadian Environmental Assessment Agency (the Agency). This report outlines key results achieved by the Agency during the 2001-2002 fiscal year.

It is no accident that Canada has become recognized as one of the best countries in the world in which to live. Canadians are proud of the high quality of life that they enjoy. This quality of life, however, depends in large part on maintaining our clean air, water and soil. At the same time, our economic health depends on natural resources, such as energy, forestry and mining. It is vital that we wisely manage this balance with our natural resources in ways that do not compromise our quality of life now or in the future.

This is the core of environmental assessment and, more broadly, sustainable development. It makes us think about the environmental implications of any human activity — where it takes place, when and how. Given the possibility of adverse and irreversible effects, environmental assessments are essential to making informed decisions in support of sustainable development.

During the past year, the Agency has been working hard to anticipate and prepare for the changes proposed in Bill C-19, *An Act to amend the Canadian Environmental Assessment Act*, which is expected to come into force next year.

In an effort to ensure more meaningful public participation, the Agency has been developing an electronic registry that will give users access to timely and effective information about the environmental assessments that affect them.

The Agency is committed to promoting high-quality environmental assessments. To help facilitate this, the Agency's Research and Development Program is steadily building a solid knowledge base in the area of environmental assessment in Canada. The Agency also delivered 92 training sessions and workshops to more than 1,800 participants representing federal departments, Aboriginal groups, industry, non-government organizations and academia across Canada in 2001-2002.

Extensive work was undertaken to streamline the environmental assessment process for routine screening projects — bringing a greater measure of consistency and predictability to the process, for all participants.

Since its inception seven years ago, the Agency and its partners have been at the forefront of making environmental assessment an integral part of public policy and decision making at all levels of government. The Agency will continue to draw on its accumulated and growing experience to chart a renewed path for environmental assessment in Canada.

**David Anderson, P.C., M.P.**  
**Minister of the Environment**

## EXECUTIVE SUMMARY

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The Canadian Environmental Assessment Agency (the Agency) promotes environmental assessment nationally as a planning tool to protect and maintain a healthy environment that is in harmony with a strong and growing economy. The Agency has an annual budget of approximately \$12 million and a staff of 100 dedicated employees, helping to ensure high-quality environmental assessments that contribute to informed decision making in support of sustainable development.

The Agency actively contributes to the environmental assessment of proposed projects throughout Canada and promotes strategic environmental assessment in government policy and program planning. It also participates in the negotiation of environmental assessment agreements with other levels of governments, Aboriginal groups and other countries.

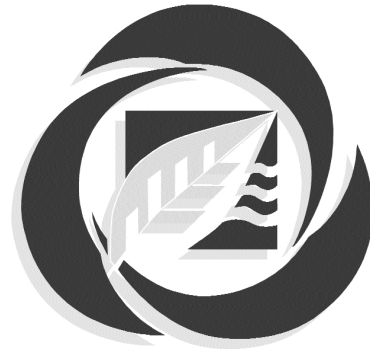
Today, environmental assessment is an integral part of public policy and decision making at all levels of government in Canada. To remain effective and efficient in this capacity, environmental assessment processes must continually adapt and evolve. In this regard, the Agency also plays a leadership role at the federal level to ensure that environmental assessment maintains its importance and relevancy as a tool in achieving sustainable development.

During 2001-2002, the Agency contributed to sustainable development through several key activities, for example:

- supporting Parliament's examination of Bill C-19, *An Act to amend the Canadian Environmental Assessment Act*, including appearances before the Standing Committee on Environment and Sustainable Development from December 2001 to March 2002;
- establishing and promoting the Research and Development Program, which is designed to meet future challenges and improve the practice of environmental assessment;
- providing guidance and advice on the completion of four comprehensive study environmental assessments, as well as the conduct of a further 20 active studies. This support contributed to improved project design and mitigation measures to reduce or eliminate potential adverse environmental effects; and

- consulting and advising on 28 land claim negotiations, negotiating several environmental assessment harmonization agreements with provincial governments, and taking a leadership role in the harmonization of environmental assessment and regulatory requirements for potential northern pipeline development.

This report reviews the Agency's performance for the 2001-2002 fiscal year against plans stated in its *2001-2002 Report on Plans and Priorities*.



***SECTION II***  
**STRATEGIC  
CONTEXT**



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## WHO WE ARE

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The Canadian Environmental Assessment Agency (the Agency) provides leadership and serves as a centre of expertise in its role as the administrator of the federal environmental assessment process. The Agency has one program objective, which serves as its mission.

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**The Agency's Mission:  
To provide Canadians with high-quality environmental assessments  
that contribute to informed decision making in support  
of sustainable development.**

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Headed by the President, who reports directly to the Minister of the Environment,<sup>1</sup> the Agency is mandated by the following instruments:

- the *Canadian Environmental Assessment Act* (the Act) and its accompanying regulations;
- the Canada-Wide Accord on Environmental Harmonization and bilateral agreements with provincial governments that set out mutually agreed upon arrangements for cooperative environmental assessments; and
- international agreements containing environmental assessment provisions to which Canada is a party, the most notable being the United Nations *Economic Commission for Europe Convention on Environmental Impact Assessment in a Transboundary Context* (ratified in May 1998).

In addition, the Agency assists the Minister of the Environment in implementing *The 1999 Cabinet Directive on the Environmental Assessment of Policy, Plan, and Program Proposals* by providing guidance to federal authorities on environmental assessment considerations and requirements in respect of proposed policies, plans and programs.

**For more on the Agency, its business and a complete list of available publications, visit:  
[www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca)**

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<sup>1</sup>The reporting structure to the Minister of the Environment can be found in Figure 1, Annex 3.



## PARTNERS IN ENVIRONMENTAL ASSESSMENT

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Federal environmental assessment is based on the principle of self-directed assessment. This means that the federal department or agency responsible for regulating, funding or supporting the relevant project or activity must ensure that an environmental assessment is conducted. The Agency provides these departments and agencies (known as responsible authorities) with training, advice, guidance and support in fulfilling their environmental assessment responsibilities under the Act.

For the environmental assessment of projects with greater potential to cause significant environmental effects, the Agency is more involved. It manages the review panel process and the public comment period for comprehensive studies, provides opportunities for public participation, and provides advice and support to decision makers.

### **Shared Responsibilities for Environmental Assessment**

Responsibility for environmental assessment is shared among the federal government, provincial, territorial and municipal governments and Aboriginal communities. The Agency works cooperatively with other levels of government and Aboriginal organizations to ensure that assessments are conducted in an effective and consistent manner, and to promote efficient environmental assessment regimes that meet the objectives of all affected parties.

### **Non-Government Organizations, Businesses, Citizen and Industry Groups**

Environmental non-government organizations, citizens groups and representatives from industry are important consultative partners and sources of input during the development of policies, programs and regulations aimed at improving the environmental assessment process.

The Agency promotes effective channels for stakeholder communication through its support for several consultative committees. In 2001-2002, the Agency chaired the committees, listed in the following Table 1, to share information and strengthen environmental assessment.

**Table 1: Building Strong Partnerships**

<b>Committee</b>	<b>Membership</b>	<b>Purpose</b>
Regulatory Advisory Committee (RAC)	<ul style="list-style-type: none"> <li>• federal and provincial government representatives</li> <li>• Aboriginal, industry and environmental non-government organization members</li> </ul>	<ul style="list-style-type: none"> <li>• consult on federal environmental assessment regulatory and policy matters</li> </ul>
Senior Management Committee on Environmental Assessment (SMCEA)	<ul style="list-style-type: none"> <li>• senior federal government managers representing various departments and agencies</li> </ul>	<ul style="list-style-type: none"> <li>• share information on current and upcoming environmental assessment issues pertinent to the federal government</li> </ul>
Federal-Provincial Environmental Assessment Administrators Group	<ul style="list-style-type: none"> <li>• senior federal and provincial environmental assessment representatives</li> </ul>	<ul style="list-style-type: none"> <li>• discuss environmental assessment issues of cross-jurisdictional interest</li> </ul>
Regional Environmental Assessment Committees (REAC)	<ul style="list-style-type: none"> <li>• regional environmental assessment representatives from various federal and provincial government departments</li> </ul>	<ul style="list-style-type: none"> <li>• share information and discuss coordinated approaches to environmental assessment among jurisdictions within a geographic region</li> </ul>

## FACTORS INFLUENCING AND DRIVING PERFORMANCE

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The Agency operates in a dynamic, complex and evolving environment. Its capacity to carry out its mission is based on its ability to meet new challenges and adapt to emerging trends. Environmental assessment is at the forefront of many sensitive issues affecting socio-economic development, environmental protection, Aboriginal interests and federal-provincial-territorial relations. The complexity and profile of projects undergoing assessments have increased and involve competing stakeholder interests. This requires constant adaptation and adjustment to emerging trends and new challenges.

### Government Commitments

Canada is committed to a **clean and healthy environment**. Domestic and international commitments in areas of global environmental change continue to challenge the Agency to further improve environmental assessment as a tool to achieve sustainable development.

The federal government is placing increased importance on **managing for results and modern comptrollership**. In this regard, the Agency must continuously improve and clearly demonstrate the value and contribution that environmental assessment makes to government priorities and the lives of Canadians.

Canada is committed to creating opportunities through **innovation**. Science has a key role in advancing this agenda. As such, the Agency must continue to take steps to enhance scientific research in the field of environmental assessment.

The government is also committed to strengthening its **information infrastructure and connecting Canadians**. In line with this, the Agency has recognized the need to use new technologies to continually improve the access, quality and timeliness of information that it offers to Canadians.

## Shared Environmental Management Responsibility

Under the Canadian Constitution, responsibility for environmental management is shared among the federal, provincial and territorial governments. Although this arrangement can give rise to potential duplication and inconsistent application of environmental assessment, a spirit of cooperation exists among the federal, provincial and territorial governments, ensuring consistency, harmonization and efficiency of the process. The Agency **works closely with interested parties** to foster environmental assessment processes that remain predictable, consistent and effective. The Agency promotes cooperation through bilateral agreements and clear communication.

## Globalization

An important development in the last decade has been the globalization of the economy. In a global economy, public policies must be scrutinized for their impacts on competitiveness. Globalization draws attention to the potential for Canada's environmental assessment laws and regulations to adversely affect the private sector, particularly when compared to the processes of our trading competitors. Several studies have concluded that the cost of environmental assessment in Canada is a very low percentage of the total cost of a project. Effective environmental assessment processes provide net economic benefits to society, and greater certainty in the process is key to competitiveness.

## Balancing Competing Interests

Environmental assessment is at the forefront of many sensitive issues affecting environmental protection, Aboriginal interests and federal-provincial-territorial relations. The complexity and profile of projects undergoing assessments are increasing and involve competing stakeholder interests. The challenge is to balance these interests while maintaining productive relationships and delivering high-quality services to all stakeholders.

## **Aboriginal Self-Governance**

Through comprehensive land claims and self-government agreements, Aboriginal-based environmental assessment regimes are being established, reshaping the conduct of assessments throughout Canada. Aboriginal peoples have strong interests in environmental assessment issues, such as more effectively participating in the environmental process; incorporating traditional knowledge in the conduct of environmental assessments on their lands; participating in environmental assessments where the exercise of Aboriginal or treaty rights may be negatively impacted by development; and ensuring minimal disruption of traditional lifestyles and the natural environment. The Agency must ensure that these new regimes respect the self-determination objectives of Aboriginal communities, continue to maintain environmental integrity and achieve sustainable development goals.

## **Litigation**

A powerful recent trend in Canadian public policy has been the role of the courts in shaping many areas of public policy, from human rights to federal-provincial-territorial relations. Environmental assessment has also been affected by recent court decisions. This is a natural evolution for any new legislation. Over the long term, however, these initial growing pains provide the clarification and direction needed to increase the certainty and predictability of the environmental assessment process.

## **Dispute Resolution**

Dispute resolution is an effective means to improve the potential of the environmental assessment process to meet its objectives. It can serve to enhance the quality and durability of federal decisions and may improve the timeliness of the process. The Agency recognizes the benefits of using a dispute resolution approach more informally throughout the environmental assessment process. The anticipated changes resulting from the review of the Act will provide a clearer mandate and role for the Agency with regard to the use of dispute resolution.



***SECTION III***

***REVIEW OF THE  
CANADIAN  
ENVIRONMENTAL  
ASSESSMENT  
ACT***



## CONTEXT

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The Act requires that a comprehensive review of the legislation be undertaken five years after its coming into force. In response to this requirement, the Five Year Review of the Act was launched in December 1999 by the Minister of the Environment. On March 20, 2001, the Minister tabled his report to Parliament and introduced Bill C-19, *An Act to amend the Canadian Environmental Assessment Act*.

During the reporting period, the Agency provided support to the Minister of the Environment and to members of Parliament in their consideration of Bill C-19, and began preparations for implementation of proposed changes to the Act. Direct expenditures on this initiative, including salaries, were approximately \$1,322,000 in 2001-2002. However, as in past years, all sections of the Agency, including the regional offices, contributed to this initiative.

Bill C-19 passed second reading in the House of Commons on June 4, 2001, and was referred to the Standing Committee on the Environment and Sustainable Development for review. Hearings before the Standing Committee began in December 2001 and were still in progress at the end of March 2002.

## WHAT WE ACCOMPLISHED IN 2001-2002

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In its continuing efforts to support the Minister of the Environment's review of the Act, the Agency accomplished the following in 2001-2002:

- Further discussions on the implementation of proposed improvements to the Act were held with various partners, including:
  - the federal government's Senior Management Committee on Environmental Assessment;
  - environmental practitioners within the federal government;
  - provincial environmental assessment administrators;
  - the Minister's Regulatory Advisory Committee;
  - the environmental assessment caucus of the Canadian Environmental Network;
  - representatives of national Aboriginal organizations; and
  - key industry associations.



- The Five Year Review Web site was maintained to provide ongoing information on the review of Bill C-19 by the Standing Committee and to provide Canadians with access to the Minister's report to Parliament and the Bill. The Web site received approximately 600 visits per month during the year.
- The Agency initiated work concerning the development of new regulations to respond to anticipated amendments to the Act, as well as improvement to the existing *Exclusion List Regulations*. The completion of some of this work will depend on the outcome of the proposed amendments in Bill C-19.
- The Agency also began to develop several policy documents and guidance materials to assist departments and agencies in implementing new provisions that may result from the approval of Bill C-19. In addition, some existing guidance documents are being updated. This work is ongoing and involves staff in all sections of the Agency.

As a result of the Agency's work in 2001-2002 related to the review of the Act, federal environmental assessment practitioners and all other persons interested in the operation of the assessment process gained a better understanding of how an improved Act would result in more effective procedures and greater accountability to the public.

Similarly, the Agency's preliminary work on developing new and updated policy and guidance documents will enable prompt completion of that work once the final contents of Bill C-19 are known. This preliminary work will speed up the learning process for environmental assessment practitioners in all federal departments and agencies, so they will be ready to implement the improved version of the Act as soon as the Bill becomes law.

**For more on the Five Year Review of the Act, visit:  
[www.ceaa-acee.gc.ca/0001/index\\_e.htm](http://www.ceaa-acee.gc.ca/0001/index_e.htm)**

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**The Five Year Review Team received the  
Public Service Award of Excellence for 2002.**

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## ***SECTION IV***

### **AGENCY PERFORMANCE**



## STRATEGIC OUTCOMES

This Departmental Performance Report is organized by Strategic Outcomes — the long-term, enduring benefits to Canadians derived from the Agency’s mission. Strategic Outcomes, the primary means to discuss future plans and priorities, are equivalent to “business line objectives” and “key results commitments” used in past Agency Departmental Performance Reports. The planning framework presented in this report is consistent with that presented in the *2002-2003 Report on Plans and Priorities*.

Under each Strategic Outcome, there are two or three supporting Intermediate Outcomes, which also serve as many of the Agency’s Sustainable Development Strategy objectives.

**Table 2: Summary of the Agency’s Strategic Outcomes**

<b>Strategic Outcomes</b>	<b>Intermediate Outcomes – Sustainable Development Strategy Objectives</b>
<b>1. Effective and efficient environmental assessment</b>	1.1 Be recognized as a credible advocate of high-quality environmental assessment.
	1.2 Advance the science and practice of environmental assessment.
	1.3 Learn from experience and share results.
<b>2. Coordinated and harmonized environmental assessments</b>	2.1 Clarify and improve environmental assessment processes with other jurisdictions and other federal partners.
	2.2 Strengthen relationships with partners and stakeholders.
<b>3. Consistent and predictable application of environmental considerations in federal decision making</b>	3.1 Improve the Agency’s capacity to monitor, assess and foster compliance with the <i>Canadian Environmental Assessment Act</i> .
	3.2 Address gaps in the application of the <i>Canadian Environmental Assessment Act</i> .



## STRATEGIC OUTCOME 1: EFFECTIVE AND EFFICIENT ENVIRONMENTAL ASSESSMENT

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**The Agency is committed to providing Canadians with environmental assessments that are effective, efficient, involve public participation and support the principles of sustainable development.**

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### Context

The Agency plays an important role in providing relevant and timely advice, guidance, training and recommendations to federal department and agency decision makers. This helps to ensure that environmental assessment decisions comply with the Act, reflect effective and efficient environmental assessment practices, consider public values and support the principles of sustainable development. The Agency also plays a greater role in the assessment of projects with the potential to cause significant environmental effects by managing elements of the assessment process, providing opportunities for public participation, and providing advice and support to decision makers.

Effective and efficient environmental assessment means many things. It means incorporating environmental factors early in a project's planning stage so that adverse environmental effects and related financial costs are reduced or avoided. It means conducting environmental assessments that are broad enough to consider all potential environmental effects arising from a project. It means ensuring that opportunities are provided in the environmental assessment process for Canadians to express their views, be involved in decisions that affect them and, ultimately, that allow for meaningful public contribution to the decision-making process. Finally, it means that those responsible for making decisions have the information necessary to make informed decisions in support of sustainable development.



## Strategy

The Agency has a responsibility to ensure that its actions contribute to these results. To achieve this Strategic Outcome, the Agency has focused on the following Intermediate Outcomes:

- 1.1 Be recognized as a credible advocate of high-quality environmental assessment.
- 1.2 Advance the science and practice of environmental assessment.
- 1.3 Learn from experience and share results.

## Intermediate Outcome

### **1.1 Be recognized as a credible advocate of high-quality environmental assessment.**

Advocacy is central to the Agency's leadership role in the federal environmental assessment process. For the Agency to be an effective advocate of high-quality environmental assessment, Canadians need to have confidence in a system that is relevant to their needs and is based on sound practices.

Through its interpretive guides and training courses, the Agency informs federal departments, agencies and other organizations as to how they can enhance their environmental assessment practices. The Agency's six regional offices play a key role in disseminating this information and providing ongoing liaison with federal, provincial and territorial governments.

The Agency advocates high-quality environmental assessment in a variety of ways. The Agency provides:

- secretariat support and advice to review panels;
- advice to responsible authorities, proponents and other participants during comprehensive studies, as well as to the Minister of the Environment in determining the next steps of the comprehensive study process; and
- advice to responsible authorities, proponents and other participants during both the screening process and the development of model class screening reports, as well as advice to the President of the Agency in declaring model class screening reports.

The Agency's ability to promote effective and efficient environmental assessment requires that it maintain a high level of internal expertise and be recognized as a provider of quality advice. The Agency has undertaken several activities to strengthen this role and has achieved the following results.



## **2001-2002 RESULT**

### **WE CONTINUED TO PROVIDE ADMINISTRATIVE SUPPORT TO ENVIRONMENTAL ASSESSMENT REVIEW PANELS.**

#### **Environmental Assessment Review Panels**

Review panels are the most visible and public form of environmental assessment. Extensive public participation is a distinguishing feature of review panels. The public is afforded an opportunity to participate in a thorough study of the environmental effects of a project. Review panels have the unique capacity to encourage an open and frank exchange of views, as well as to inform and involve large numbers of concerned groups and individuals in the environmental assessment process.

Review panels are independent from government, with members appointed by the Minister of the Environment. Upon completion of its assessment, the review panel reports to the Minister of the Environment and to the responsible authority. The review panel's recommendations are advisory, and the government responds to the review panel's report.

The panel conducts its assessment in an entirely open and public fashion, with individuals and groups presenting information and views through public hearings. Public participation in review panels is facilitated by the Participant Funding Program, which provides financial assistance to eligible individuals and public organizations with legitimate interests in the project.

The Agency's primary roles in a review panel are to manage the review process, provide technical and administrative support to the panel, administer the Participant Funding Program, and design and implement a public information program.

**For more, visit:**

**[www.ceaa-acee.gc.ca/0009/0001/index\\_e.htm](http://www.ceaa-acee.gc.ca/0009/0001/index_e.htm)**

- Management of various environmental assessment review panels remained an important element of the Agency's business in 2001-2002. Although no panels were completed in 2001-2002, four review panels were active during this period. They are listed in the following Table 3. Two of those panels will continue to be active during the next fiscal year.

**Table 3: Summary of Review Panel Activity**

<b>GSX Canada Pipeline Project</b>	<b>Highwood Storage and Diversion Plan</b>	<b>Canadian Millennium Pipeline Project</b>	<b>Red Hill Creek Expressway Project</b>
<p>The joint review panel was formally initiated in 2001 through an agreement reached between the Minister of the Environment and the National Energy Board. Before the agreement was finalized, the Agency made it available for public review and comment; approximately 70 submissions from the public were received and considered.</p> <p>In October 2001 and January 2002, the joint review panel conducted public information sessions on the process and procedures it would follow, the issues that should be considered during the review process and the information that should be provided by the project proponent. The 12 sessions that were held were well attended, with the panel receiving over 150 submissions and/or presentations.</p> <p>The joint review panel is expected to hold public hearings on the project in the fall of 2002.</p>	<p>The joint review panel continued its review during 2001-2002. Conducted jointly with the Alberta Natural Resources Conservation Board, the panel held public meetings in June and December 2001 to hear updates concerning the progress of the project. The panel received a total of 45 submissions from the public over the two sessions.</p> <p>The joint review panel released its third Issues Progress Report in July 2001 and its fourth Issues Progress Report in March 2002.</p>	<p>In August 2001, the proponents of the project formally withdrew their applications. In early December 2001, the Minister of the Environment announced that the environmental assessment of the project was terminated, and disbanded the joint review panel.</p>	<p>In 1999, a joint review panel was appointed to examine the project. The City of Hamilton, the project proponent, subsequently challenged the application of the Act to the project in the Federal Court. The Federal Court ruled in April 2001 that the Act does not apply to the project and that the referral of the project to a review panel was not warranted. Although the federal government appealed that decision in part, it did not challenge the Court's conclusion that the project should not be referred to a review panel. The Minister wrote to the panel members indicating that the panel no longer had a legal mandate to carry out its review activities. The government lost its appeal in November 2001.</p>

## **2001-2002 RESULT**

### **WE PROVIDED ADVICE AND SUPPORT FOR THE MINISTER'S DETERMINATIONS ON COMPREHENSIVE STUDIES.**

#### **Comprehensive Studies**

Certain projects may have the potential to cause significant adverse environmental effects or generate public concern. These types of projects have been identified and listed on the *Comprehensive Study List Regulations*. A comprehensive study examines the same factors as a review panel, although the assessment itself is managed and conducted by the responsible authority.

Prior to making any decision on a project, the responsible authority submits the comprehensive study report to the Agency for review. The Agency ensures that the report has been prepared in compliance with the Act, and then makes the report available for public review and comment. Following the public comment period, the Minister of the Environment determines the next step in the environmental assessment process, based on the comprehensive study report and the public comments received by the Agency.

The Agency's role in the comprehensive study process is to provide advice to responsible authorities, project proponents and the public; ensure the comprehensive study report complies with the requirements of the Act; manage the public comment period; and provide advice to the Minister of the Environment, in support of the Minister's determination of the potential significance of adverse environmental effects.

**For more, visit:**

**[www.ceaa-acee.gc.ca/0009/0003/index\\_e.htm](http://www.ceaa-acee.gc.ca/0009/0003/index_e.htm)**

- Four comprehensive studies were completed during 2001-2002. They are listed in the following Table 4. A fifth comprehensive study, Decommissioning of the Pyrocel Plant (Public Works and Government Services Canada), was subject to public review and comment in March 2002. It was completed in early April 2002.

**Table 4: Comprehensive Studies Completed During 2001-2002**

<b>Comprehensive Study</b>	<b>Project Proponent</b>	<b>Lead Department</b>	<b>Project Description</b>
<b>White Rose Offshore Oil Development</b>	Husky Oil Ltd.	Canada-Newfoundland Offshore Petroleum Board	Husky Oil Ltd. submitted a proposal to develop the oil reserves of the White Rose offshore discovery area approximately 350 km east of St. John's.
<b>Toulnostouc Hydroelectric Development</b>	Hydro-Québec	Fisheries and Oceans Canada	Hydro-Québec submitted a proposal to construct a 526-MW hydroelectric complex on the Toulnostouc River.
<b>St. Theresa Point/Wasagamack Airstrip and Connecting Road</b>	Manitoba Transportation and Government Services	Indian and Northern Affairs Canada	Manitoba Transportation and Government Services submitted a proposal to construct an airstrip and a 28-km all-weather road connection between St. Theresa Point First Nation and Wasagamack First Nation, located on the western shore of Island Lake, 500 km north of Winnipeg.
<b>Decommissioning of Whiteshell Laboratories</b>	Atomic Energy of Canada Limited	Canadian Nuclear Safety Commission	Atomic Energy of Canada Limited submitted a proposal to decommission the Whiteshell Nuclear Research Laboratories in Pinawa, Manitoba.

**CASE STUDY****Benefits of a Comprehensive Study — White Rose Offshore Oil Development**

Husky Oil Limited, in partnership with Petro-Canada, is proposing to develop the oil reserves of the White Rose offshore discovery area approximately 350 km east of St. John's, Newfoundland. The White Rose offshore oil development will involve recovering an estimated 36 million m<sup>3</sup> of oil from an area of approximately 40 km<sup>2</sup> in the Jeanne d'Arc Basin. The development costs for the project will be approximately \$2.35 billion, with costs to first oil being less than \$2 billion. The full field operating costs are expected to be approximately \$2 billion over the 15-year life of the oil field.

The Canada-Newfoundland Offshore Petroleum Board (CNOBP) is responsible, on behalf of the Government of Canada, and the Government of Newfoundland and Labrador, for petroleum resource management in the Newfoundland offshore area. The CNOBP and the other federal authorities for the project submitted a comprehensive study report to the Agency in April 2001.

The comprehensive study report stated that the project could be implemented without causing significant adverse environmental effects, taking into account the proposed mitigation measures and follow-up program. As a result of the comprehensive study report being completed, the following mitigation measures will be implemented:

- using water-based drilling muds where practical;
- recycling synthetic-based drilling muds and other drilling-related fluids and/or solids;
- treating drill cuttings;
- treating drilling-related fluids, deck drainage, bilge water, sanitary and domestic wastes, cooling water and produced water;
- transporting solid waste to shore;
- developing a waste management plan to provide guidance for addressing all offshore wastes;
- developing a fish habitat compensation plan;
- designing equipment to reduce atmospheric emissions; and
- preparing a contingency plan to mitigate and remediate the effects of offshore oil spills.

The environmental assessment conducted for this project allowed for consideration of environmental factors in the project's planning process, leading to improved environmental management of the project upon implementation.

On March 28, 2002, Husky Oil announced that it would be proceeding with the White Rose project and expects drilling to start by the summer of 2003.

For all comprehensive studies, the public is involved in various ways during the preparation of the comprehensive study report. In addition, the Agency conducts a public review and comment period at the conclusion of the comprehensive study process, prior to the Minister of the Environment's determination of next steps. In many cases, issues of concern to the public are resolved before the report is completed and no issues remain to be raised during the comment period.

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## **2001-2002 RESULT**

### **WE PROVIDED FORUMS FOR SHARING INFORMATION.**

- In 2001-2002, more than 1,800 people attended 92 training sessions delivered by the Agency throughout Canada. These sessions included Orientation to the *Canadian Environmental Assessment Act*, Cumulative Effects Assessment Training and Screenings Under the *Canadian Environmental Assessment Act*.
- The Senior Management Committee on Environmental Assessment (SMCEA), a committee of senior federal managers representing departments and agencies across the National Capital Region, continues to work to promote dialogue between the Agency and its federal partners. The Agency has established a working group on training and guidance as a subcommittee of the SMCEA. The goal of the working group is to help the Agency identify the training and guidance needs of federal departments and agencies, as well as inform them of current Agency training and guidance activities. The information gathered from these sessions has been used to produce a forward-looking training and guidance strategy for 2002-2005.

**For more on training, visit:**  
**[www.ceaa-acee.gc.ca/0010/0002/index\\_e.htm](http://www.ceaa-acee.gc.ca/0010/0002/index_e.htm)**

## **2001-2002 RESULT**

### **WE PROVIDED ADVICE AND SUPPORT FOR THE IMPLEMENTATION OF STRATEGIC ENVIRONMENTAL ASSESSMENT.**

#### **Strategic Environmental Assessment**

Strategic environmental assessment (SEA) is the systematic and comprehensive process of evaluating the environmental effects of a policy, plan or program and its alternatives. The federal government has had a directive in place requiring the assessment of policy proposals since 1990. This directive was updated with *The 1999 Cabinet Directive on the Environmental Assessment of Policy, Plan, and Program Proposals*. Since that time, the Agency has been actively promoting SEA as a key tool to support environmentally sustainable decisions.

According to the 1999 Cabinet Directive, an assessment of a policy, plan or program proposal must be conducted when two conditions are met:

- the proposal is submitted to an individual minister or Cabinet for approval; and
- the implementation of the proposal may result in important environmental effects, either positive or negative.

The 1999 Cabinet Directive assures Canadians that decision makers receive environmental analysis before decisions are made on policy, plan or program proposals.

**For more, visit:**

**[www.ceaa-acee.gc.ca/0011/0002/dir\\_e.htm#Guidelines](http://www.ceaa-acee.gc.ca/0011/0002/dir_e.htm#Guidelines)**

- The Agency has provided advice and support to federal departments in the implementation of the 1999 Cabinet Directive by:
  - briefing other departments and agencies and assisting in the development of SEA guidelines for their internal use to promote improved compliance with federal SEA policy;
  - hosting a meeting of the SEA Subcommittee of the Senior Management Committee on Environmental Assessment in October 2001 to facilitate information exchange among federal organizations on the practice of SEA; and
  - developing new Web resources in partnership with other federal departments and agencies, including a series of case studies and several frequently asked questions that will help policy analysts across government better understand their obligations under the 1999 Cabinet Directive. The materials are due to be posted on the Agency's Web site in 2002.

- The Agency has also promoted SEA internationally by participating in a workshop hosted by the Public Sector Reform Initiative in China, at an international forum on SEA held in The Hague, and as an observer at four sessions of the AdHoc Working Group on the Development of an SEA Protocol under the *Espoo Convention on Environmental Impact Assessment in a Transboundary Context*.

## CASE STUDY

### Implementing Strategic Environmental Assessment — Federal Progress

The Agency has been working within the federal community to assist in the implementation of the 1999 Cabinet Directive. Several federal departments have made significant progress by establishing internal processes to support SEA, including Industry Canada, Transport Canada, and Foreign Affairs and International Trade. For example, Foreign Affairs and International Trade has developed a *Framework for Conducting Environmental Assessments of Trade Negotiations* and *Guidelines for Conducting Strategic Environmental Assessments of Policy, Plan and Program Proposals*.



## Intermediate Outcome

### **1.2** Advance the science and practice of environmental assessment.

The Agency's capacity to provide leadership is based in part on its ability to advance and promote leading edge environmental assessment practices. As such, it is essential for the Agency to engage other resources within and outside government — if it is to influence the development of innovative approaches and further the practice of environmental assessment.

The Agency's priorities in this role are to assist in the advancement of environmental assessment, support innovative research into the practice of environmental assessment, monitor environmental assessment trends and advances, and be an effective knowledge-sharing link between the federal government and other stakeholders.

In its role as an advocate for good environmental management, the Agency works to develop environmental assessment tools and ensure access for partners. It has achieved the following results.

## **2001-2002 RESULT**

### **WE SUPPORTED THE DEVELOPMENT OF MODEL CLASS SCREENING REPORTS AND NEW PROCEDURES AND GUIDANCE MATERIALS.**

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#### **Class Screening**

The environmental assessment of certain routine projects may be streamlined through the use of a model class screening report. A model class screening report presents the accumulated knowledge of the environmental effects of a given type or class of project and identifies the known measures to reduce or eliminate the likely adverse environmental effects. It also includes a process for applying this knowledge to future projects of the same type or class.

Responsible authorities submit a completed model class screening report to the Agency for review and declaration. The Agency then makes the report available to the public for review and comment. Public comments are taken into account by the Agency and the responsible authority, prior to the Agency declaring the report to be acceptable as a model class screening.

**For more, visit:**

**[www.ceaa-acee.gc.ca/0009/0004/0001/index\\_e.htm](http://www.ceaa-acee.gc.ca/0009/0004/0001/index_e.htm)**

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■ During 2001-2002, the Agency supported the development of class screenings by providing process and technical assistance to federal departments and project proponents. The Agency continued its work on more than a dozen model class screening reports and class assessment guidelines, including:

- Prairie Grain Road Projects, Prairie Farm Rehabilitation Administration;
- Married Quarters and Detachment Building Construction in British Columbia, Royal Canadian Mounted Police; and
- Green Infrastructure Program, Office of Infrastructure and Crown Corporations.

The Agency expects that the above model class screening reports, and others being developed, will be submitted to the Agency for declaration during 2002-2003. Use of these model class screening reports will enable responsible authorities to focus assessments, efficiently use resources and ensure that environmental considerations are taken into account in project planning and implementation.

- In anticipation of proposed changes to the class screening provisions contained in Bill C-19, the Agency initiated the development of procedural and guidance materials. Training and awareness sessions are being planned; their delivery depends on the date of proclamation. This work is expected to continue during the next fiscal year.

## **2001-2002 RESULT**

### **WE CONTINUED TO SUPPORT PUBLIC PARTICIPATION.**

#### **Participant Funding Program**

The Participant Funding Program provides financial assistance to members of the public and to organizations so that they may prepare for and participate in environmental assessment review panels. This assistance helps members of the public:

- prepare for and participate in the background “scoping” meetings that identify the factors that a project proponent must address in its environmental impact statement; and
- review the environmental impact statement, and prepare for and participate in the public hearings of the review panel.

The work that is provided financial assistance must relate to the environmental assessment of the project in question and should provide the panel with new information not presented by the proponent or other participants.

A funding review committee is established by the Agency for each review panel. The committee is independent of the panel and the proponent. The committee reviews the funding applications and makes recommendations to the President regarding the allocation of funds. The President makes the final decision on funding.

**For more, visit:  
[www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca)**

- In June 2001, the Agency announced that the federal government would provide up to \$100,000 in participant funding for the Georgia Strait Crossing Pipeline Project Joint Review Panel. Following a review of the applications, eight recipients, representing a range of community, environmental and Aboriginal organizations, were awarded funding to enable their participation in the assessment being conducted by the joint review panel.

- To improve accessibility to the program, the Agency developed and made available its guide, application form and contribution agreement on its Web site.
- Since the coming into force of the *Canadian Environmental Assessment Act* in 1995, the Agency has provided over \$1,000,000 in participant funding to approximately 75 recipients regarding nine projects.

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### **Transboundary Provisions Under the Act**

The potential environmental effects of a project do not necessarily respect borders, boundaries or jurisdictions. Thus, in accordance with sections 46, 47 and 48 of the Act, the Minister may be requested by governments or petitioned by parties to refer a project for assessment of its transboundary environmental effects. This can be done by means of a mediator or a review panel. The Agency coordinates the investigation of projects subject to transboundary requests and petitions. The Agency also provides support to the Minister in the efficient, timely and consistent evaluation of petitions and requests, and by advising as to whether projects that may cause significant transboundary effects warrant assessment.

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- In 2001-2002, the Agency initiated the investigation of 13 projects subject to requests or petitions under the transboundary provisions of the Act. As of March 31, 2002, the Agency had completed the review of four of these projects. After careful consideration and technical analysis by expert federal departments, it was concluded that those projects were not likely to cause significant transboundary effects and therefore were not referred to a review panel or mediator by the Minister. The potential transboundary environmental effects of the remaining nine projects continued to be under investigation by the Agency as of March 31, 2002.

## **2001-2002 RESULT**

### **WE SUPPORTED THE DEVELOPMENT OF A VARIETY OF INNOVATIVE PRACTICES.**

- In October 2001, the Agency hired a Facilitation and Dispute Resolution Manager to promote dialogue and communication between parties involved in environmental assessments. The Manager has presented courses on interest-based negotiation to Agency staff, improving their skills and knowledge. The positive response to these training sessions has led to the development of a similar course to be offered to external clients in 2002-2003. In addition, dispute resolution experts were hired on contract in two regions to consult with other federal departments and stakeholders, and to act as facilitators if requested to do so.

#### **CASE STUDY**

##### **Mediation at Work — Alternative Dispute Resolution and Bruce Peninsula**

The purchase of a property adjacent to Bruce Peninsula National Park in Tobermory, Ontario, for park and conservation use is one example of the success of the Agency's facilitation and dispute resolution initiative. Originally, the Northern Bruce Timber Logging Company proposed logging the white cedar on the property, one of the largest privately owned forested tracts in the area. The proposal met with strong opposition from groups such as the Canadian Parks and Wilderness Society, the Federation of Ontario Naturalists, and the Chippewas of Saugeen and Nawash First Nations, among others.

The Agency determined that key groups were willing to attempt to resolve the issue through mediation. The Agency offered the services of a mediator who determined that the logging company was willing to sell the 567-hectare (1,400-acre) property to the Nature Conservancy of Canada and Parks Canada. The mediator was able to assist the parties in agreeing on the terms of the sale, which is expected to be concluded early in 2002-2003. In addition to the positive resolution of the conflict, there is promise that lands critical to maintaining the ecological integrity of the Bruce Peninsula National Park will be protected and preserved for future generations.

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## Research and Development

The Research and Development Program, launched in September 2000, has a “solutions focus.” It addresses policy and process issues to improve the effectiveness and efficiency of environmental assessments. The Program provides \$200,000 per year to researchers to fund work in the following priority areas:

- determining the significance of environmental effects;
- follow-up;
- human impact assessment;
- regional environmental frameworks; and
- integrating climate change into environmental assessment.

**For more, visit:**

**[www.ceaa-acee.gc.ca/0010/0001/index\\_e.htm](http://www.ceaa-acee.gc.ca/0010/0001/index_e.htm)**

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- Under the Research and Development Program, the Agency has funded 10 research projects in 2001-2002 in several priority areas, such as regional environmental effects, significance and follow-up.
- The Agency has developed a guidance document entitled *Good Practice in Scoping*. The document is a collection of best practice examples gathered from the experiences of federal government departments and agencies that have conducted environmental assessments. The report will be integrated into future Agency documents aimed at innovating the practice of environmental assessment.
- Ongoing monitoring and review of the public comments received by the Agency have guided the enhancement of the Federal Environmental Assessment Index. New and improved search capabilities have been put in place to facilitate access to information related to environmental assessments filed in the Index. A quick search with respect to public participation has been added to provide the public with a one-stop reference to assessments for which comments have been invited.
- The Agency worked on a discussion paper regarding the current status of traditional ecological knowledge as a prelude to developing guidelines for responsible authorities. Bill C-19 proposes to amend the Act to acknowledge the role of traditional ecological knowledge in federal environmental assessment.

## Intermediate Outcome

# 1.3

### Learn from experience and share results.

There are many benefits to using past experience gained from conducting environmental assessments — evaluating past assessments greatly assists the Agency and other stakeholders in determining appropriate policy directions and improving guidance. Reporting on the effectiveness of environmental assessment also helps to strengthen public confidence and encourage valuable public participation.

Among its partners and clients, the Agency promotes continuous learning and the development of new environmental assessment practices. It also works to ensure that results are shared among environmental assessment practitioners to promote sound practices and the integration of environmental factors into the decision-making process. The Agency's activities in these areas have achieved the following results.

## 2001-2002 RESULT

### **WE CONTINUED TO PROMOTE BEST PRACTICES IN ENVIRONMENTAL ASSESSMENT.**

- To share recent results of the Research and Development Program, the Agency held three seminars in Montreal, Toronto and Vancouver. Researchers made presentations on the results of their work in the areas of **follow-up**, **climate change** and **significance**. Approximately 300 people attended the seminars.
- A new training course, Screenings Under the *Canadian Environmental Assessment Act*, was launched. This course is directed at environmental assessment practitioners and provides a best practices approach to screenings under the Act. Seven sessions were held in various locations throughout the country.
- Through its regional offices, the Agency has worked with federal departments and agencies on specific issues which have provided learning opportunities to advance the procedural and managerial aspects of their environmental assessment responsibilities. For example:
  - The Pacific and Northern Office worked with Canadian Heritage and other federal departments and agencies on the preliminary identification of environmental issues and the development of an environmental assessment strategy related to the Vancouver-Whistler bid to host the 2010 Winter Olympics.

- The Prairies Office worked with Western Economic Diversification to address issues regarding scoping and public participation in the environmental assessment of a controversial proposal to develop an arena in downtown Winnipeg.

## **2001-2002 RESULT**

### **WE ENSURED THAT CANADIANS HAVE ACCESS TO TIMELY INFORMATION ON ENVIRONMENTAL ASSESSMENT.**

- The Agency's redesign of its Web site has provided a comprehensive source of information with respect to environmental assessment (see Government On-Line Initiative, Annex 1). A powerful search tool and a well-defined menu have greatly improved the accessibility of information contained on the Agency's Web site.

## **2001-2002 RESULT**

### **WE ARE DEVELOPING NATIONAL GUIDANCE FOR INCORPORATING CLIMATE CHANGE INTO ENVIRONMENTAL ASSESSMENT.**

- A federal-provincial-territorial working group was established in January 2002 to develop national guidance for incorporating climate change into environmental assessment. Progress to date includes:
  - Terms of reference and a work plan were developed. The work was divided into five phases: information collection and analysis, development of draft guidance, government consultations, stakeholder consultations and forwarding the guidance to jurisdictions for their consideration. By April 1, 2002, Phase 1 of the group's work was completed.
  - A summary document was prepared which compiled information gathered on the science of climate change, actions to reduce greenhouse gas emissions and manage climate change impacts, consideration of climate change in past environmental assessments, consideration of climate change in international environmental assessments, possible methodologies for use in the draft guidance and a list of relevant resources such as Web links, articles, papers and presentations.



- Phase 2, development of draft guidance, was under way by April 1, 2002. All five phases are expected to be completed by December 2002. Once complete, environmental assessment practitioners will have basic guidance on how to deal with the complex issue of incorporating the impact of climate change into assessments.

## STRATEGIC OUTCOME 2: COORDINATED AND HARMONIZED ENVIRONMENTAL ASSESSMENTS

**The Agency is committed to providing Canadians with environmental assessment approaches that are coordinated across government and harmonized with other jurisdictions.**

### Context

All federal, provincial and territorial jurisdictions in Canada administer some form of environmental assessment regime. The application of these regimes to a single project requires cooperation to avoid duplication, increase certainty, and reduce costs and potential delays.

The Agency promotes consistent approaches to environmental assessments across Canada and with its international partners. The Agency works with provincial partners to develop harmonized processes wherever possible. It also fosters ongoing relations with Aboriginal communities. The emerging environmental assessment processes under self-government and land claims agreements play an increasing role in the evolution of sustainable development practices in Canada.

### Strategy

The Agency works cooperatively with partners to establish common goals and advance sound environmental assessment practices and procedures. To achieve this Strategic Outcome, the Agency has focused on the following Intermediate Outcomes:

- 2.1 Clarify and improve environmental assessment processes with other jurisdictions and other federal partners.
- 2.2 Strengthen relationships with partners and stakeholders.



## Intermediate Outcome

### **2.1 Clarify and improve environmental assessment processes with other jurisdictions and other federal partners.**

Effective application of environmental assessment processes requires input and cooperation of various stakeholders. By fostering inter-jurisdictional networks and partnerships, the Agency plays a role in improving environmental assessment processes at all levels of responsibility. Canadians benefit from this improved environmental management.

Clear and coordinated environmental assessment processes across jurisdictions maximize predictability, increase efficiency, minimize conflicts and contribute to a better overall assessment regime. The Agency has undertaken several activities toward this end and has achieved the following results.

## **2001-2002 RESULT**

### **WE IMPROVED THE COOPERATION AND COORDINATION OF ENVIRONMENTAL ASSESSMENT PROCESSES.**

- Discussions with Ontario and Newfoundland and Labrador continued for the development of cooperative agreements on environmental assessment. Discussions with British Columbia were well advanced during the reporting period to extend the 1997 Agreement on Environmental Assessment Cooperation that expired in April 2002. Initial discussions for agreements with Nova Scotia and New Brunswick have also commenced.
- The Agency has been actively pursuing the development of an approach to ensure effective, efficient and predictable environmental assessment and regulatory processes for potential northern natural gas pipeline route options. A draft plan that provides a framework for cooperation between the different authorities, with public hearing requirements for a Mackenzie Valley project, was in development during 2001-2002. The draft plan was released for a 90-day public consultation in December 2001. The cooperation plan, to be finalized in 2002-2003, will help to avoid duplication of work. It will also provide clarity and certainty of process for potential proponents and the public.

**CASE STUDY****Harmonization Agreements at Work — Comprehensive Study of the St. Theresa Point and Wasagamack Airport and Connecting Road, Island Lake, Manitoba**

Manitoba Transportation and Government Services and Indian and Northern Affairs Canada proposed the construction of a new airport and connecting road for the communities of St. Theresa Point First Nation and Wasagamack First Nation. The work was required to provide year-round, safe and dependable access to an airstrip that equally serves the needs of both locations. The communities are accessible by ice road for approximately six to eight weeks each winter and by air to a nearby airstrip for the balance of the year. However, there is no road joining the communities to either the airstrip or each other. Access between the airstrip and the communities is by boat in the summer and ice road in the winter.

A comprehensive study was conducted in cooperation with the Government of Manitoba, pursuant to the *Canada-Manitoba Agreement for Environmental Assessment Cooperation*. The agreement provides for the coordinated and cooperative assessment of projects in a manner that meets both federal and provincial legislative requirements. The Government of Manitoba determined that the comprehensive study completed under the *Canadian Environmental Assessment Act* would also satisfy its environmental assessment requirements under the *Manitoba Environment Act*.

The steering and technical committees, composed of representatives of the First Nation communities, and federal and provincial departments and agencies, were formed to ensure that the comprehensive study was completed in accordance with the requirements of both federal and provincial legislation.

A joint public comment period was conducted, enabling the consultation needs of both the federal and provincial governments to be met.

**For more on harmonization agreements, visit:  
[www.ceaa-acee.gc.ca/0009/0001/0003/0001/index\\_e.htm](http://www.ceaa-acee.gc.ca/0009/0001/0003/0001/index_e.htm)**

## **2001-2002 RESULT**

### **WE SUPPORTED FEDERAL NEGOTIATORS IN ADDRESSING ENVIRONMENTAL MANAGEMENT ISSUES IN ABORIGINAL LAND CLAIMS AND SELF-GOVERNMENT AGREEMENTS.**

- In April 2001, the environmental assessment chapter of the federal *Guidelines for Negotiators: Environmental Management in Self-Government Agreements and Comprehensive Land Claims* was finalized and approved by the Federal Steering Committee on Self-Government and Comprehensive Land Claims. These guidelines will ensure greater consistency among agreements and lay the groundwork for harmonization.
- The Agency continues to support federal negotiators in addressing environmental assessment management issues in self-government and comprehensive land claims agreements. The Agency monitored and participated in 28 land claims negotiations during the past year. The successful negotiation of these agreements can be a lengthy process.
- The Agency has also been working with Indian and Northern Affairs Canada to support opening the *First Nations Land Management Act* to additional First Nations.

## **2001-2002 RESULT**

### **WE SOUGHT TO CONCLUDE INTERNATIONAL ENVIRONMENTAL ASSESSMENT AGREEMENTS.**

- The Agency continues to lead Canada's participation in the development of a trilateral agreement between Canada, Mexico and the United States on transboundary environmental impact assessment. Concluding such an agreement will simplify the practice of environmental assessment by laying the foundation for cooperative work among jurisdictions when projects are likely to have transboundary effects. Various approaches are being discussed among the countries concerning the scope of the agreement.
- Also at the international level, the Agency provided advice to the discussions between Canada and France concerning the development of an administrative arrangement to implement the *United Nations Convention on Environmental Impact Assessment in a Transboundary Context* (the Convention). Potential oil and gas development in the offshore area of Saint-Pierre-et-Miquelon has prompted Canada and France to develop an agreement on the management of hydrocarbon

fields that straddle boundary lines. As per the Convention, transboundary environmental impact assessment obligations will form part of the agreement. It is anticipated that the administrative arrangement will assist in the operational delivery of the Convention obligations.

## **2001-2002 RESULT**

### **WE PROVIDED ADMINISTRATIVE AND MANAGEMENT SUPPORT TO THE FEDERAL ADMINISTRATOR OF THE JAMES BAY AND NORTHERN QUEBEC AGREEMENT.**

#### ***The James Bay and Northern Quebec Agreement***

The *James Bay and Northern Quebec Agreement* (JBNQA) is the first comprehensive land claim treaty between Canada and Aboriginal people. Signed in 1975, the Agreement includes self-governance components and establishes a strong relationship among the Cree, Inuit and the Government of Canada. The President of the Agency has been designated by Order in Council as the federal administrator of the environmental and social protection regimes set out in chapters 22 and 23 of the JBNQA.

- In 2001-2002, the Agency developed and applied a coordinated approach for the application of the Act and the JBNQA environmental assessment processes for a water collection and treatment project, and two marine infrastructure construction projects. These assessments involved the coordination of multiple federal departments and review bodies under the JBNQA, as well as public consultations.
- Canada-Quebec contribution agreements were also finalized for the two consultative committees (Cree and Inuit) identified under chapters 22 and 23 of the JBNQA.

## Intermediate Outcome

# 2.2 Strengthen relationships with partners and stakeholders.

Building and maintaining strong working relationships with partners and stakeholders are at the core of the Agency's success. One effective way that the Agency continues to promote these relationships is through its regional offices. Being closer to their clients and partners, regional officials help to maintain strong networks, and promote cooperation and coordination among federal departments and other environmental assessment partners across Canada. The Agency also relies on an extensive array of networks to establish common goals on which to base partnerships, advance environmental assessment and continually enhance opportunities for public participation in the process.

The partners involved in environmental assessment benefit from building strong relationships with good communication and cooperation toward a common goal. The Agency has undertaken several activities toward strengthening these relationships and has achieved the following results.

## 2001-2002 RESULT

### **WE PROMOTED REGIONAL OFFICES AS CENTRES OF GUIDANCE AND ASSISTANCE.**

- Each of the Agency's six regional offices continues to chair a Regional Environmental Assessment Committee. These committees, comprising representatives of federal departments and agencies and, in most cases, provincial agencies, serve as a forum to share information on regional environmental assessment issues offered by the Agency. Information gathered at these meetings is used by Regional Liaison and Guidance to refine its training materials and better meet client needs.
- To promote good environmental assessment practice, the Agency's Quebec Regional Office presented three workshops on the environmental assessment requirements of the *James Bay and Northern Quebec Agreement* to representatives of federal departments and agencies.

## **2001-2002 RESULT**

### **WE IMPROVED THE DESIGN AND DEVELOPMENT OF TRAINING AND GUIDANCE SERVICES TO BETTER MEET THE NEEDS OF PARTNERS IN ENVIRONMENTAL ASSESSMENT.**

- The Agency delivered 92 training sessions and workshops for approximately 1,800 participants, and developed a new Training and Guidance Strategy in collaboration with other federal departments.
- New and innovative training and guidance materials were also provided, for example, *Good Practice in Scoping*.
- The Agency's Research and Development seminar series partnered with representatives from industry, environmental non-government organizations, government and academia to help build collaborative relationships across institutional and jurisdictional lines. Improving the dissemination of information and best practices within the community will promote better understanding, clarity and efficiency of environmental assessment.



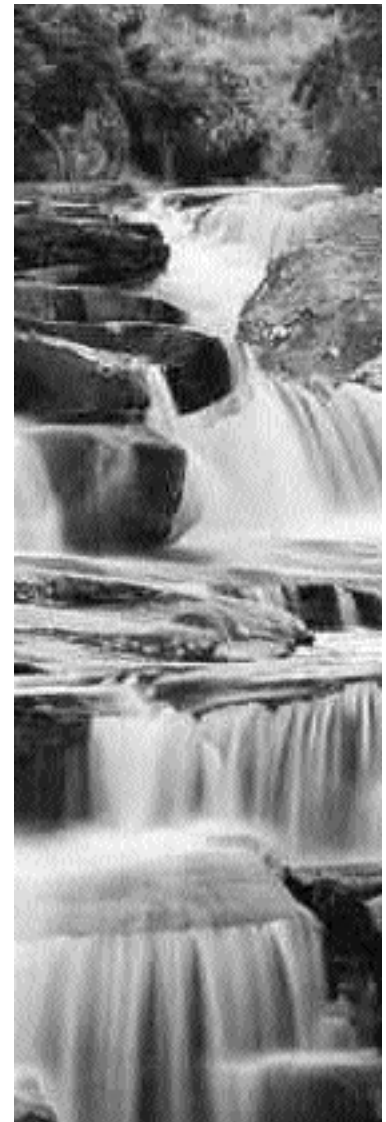


## STRATEGIC OUTCOME 3: CONSISTENT AND PREDICTABLE APPLICATION OF ENVIRONMENTAL CONSIDERATIONS IN FEDERAL DECISION MAKING

The Agency is committed to providing Canadians with consistent and predictable application of environmental considerations in federal decision making.

### Context

The Agency takes a leadership role in assisting federal departments and agencies to comply with the Act. Although the Act does not contain enforcement provisions, a priority of the Agency is to work with other government departments to promote its consistent and predictable application. The Agency does so by working on expanding the coverage of the Act so that more activities with potential environmental effects involving the federal government are assessed. It also encourages compliance by ensuring that those responsible for applying the Act have the appropriate training and tools at their disposal to adequately fulfil their responsibilities. An additional priority is addressing areas where discrepancies within the federal environmental assessment process may exist.



### Strategy

To achieve this Strategic Outcome, the Agency has focused on the following Intermediate Outcomes:

- 3.1 Improve the Agency's capacity to monitor, assess and foster compliance with the *Canadian Environmental Assessment Act*.
- 3.2 Address gaps in the application of the *Canadian Environmental Assessment Act*.

## Intermediate Outcome

### **3.1** Improve the Agency's capacity to monitor, assess and foster compliance with the *Canadian Environmental Assessment Act*.

Consistent and predictable interpretation of responsibilities under the Act is extremely important. To facilitate and improve compliance, the Agency has a role to play in evaluating how well other departments and agencies understand their responsibilities with respect to the Act. This allows the Agency to identify shortcomings and successes, and develop improvements to the guidance offered. The Agency also has an ongoing responsibility to provide training and guidance tailored to the specific needs of departments and agencies.

Monitoring and assessing compliance ensure that the Act is being applied in an effective and consistent manner across Canada. It also affords an opportunity to identify issues with the federal environmental assessment regime that may require further attention or action. The Agency's activities in this area have achieved the following results.

## **2001-2002 RESULT**

### **WE WORKED ON MONITORING THE COMPLIANCE, CONSISTENCY AND OVERALL QUALITY OF ENVIRONMENTAL ASSESSMENTS.**

#### **Quality Assurance Program**

The Five Year Review of the Act identified strong support among Canadians to promote greater compliance with the Act. To meet that objective, Bill C-19 would amend the Act to establish a clear role for the Agency in promoting and monitoring compliance with the Act. Under the proposed change, the Agency would have the power to request information from responsible authorities. Using this authority, the Agency would lead a Quality Assurance Program for assessments done by federal departments and other entities subject to regulations. The Program would include an ongoing mechanism to monitor compliance with the Act and the overall quality of assessments, and may include guidance to promote consistency in the application of the Act.

- Development of the elements of the Quality Assurance Program continued within the Agency during the past year. Progress has been satisfactory, but further efforts await the completion of the parliamentary review of Bill C-19.

## Intermediate Outcome

### **3.2** Address gaps in the application of the *Canadian Environmental Assessment Act*.

The Agency continues to increase the consistency and predictability of the federal environmental assessment process through improvements to the regulatory framework. This process involves extensive, nation-wide public consultations and input from various partners, helping to ensure that regulatory reform and enhancement improve the scope and range of activities which are subject to assessment.

Improving consistency and predictability requires that the Agency address several areas where discrepancies within the federal environmental assessment process may exist. To this end, the Agency seeks to identify any discrepancies within the environmental assessment regime and works with partners to address them. The Agency has undertaken several activities that have achieved the following results.

## **2001-2002 RESULT**

### **WE ARE PURSUING THE DEVELOPMENT OF ENVIRONMENTAL ASSESSMENT REGIMES FOR AIRPORT AUTHORITIES AND OFFSHORE PETROLEUM BOARDS, AMONG OTHERS.**

#### **Crown Corporations**

Currently, Crown corporations are covered under the Act in the same manner as their private-sector counterparts; an environmental assessment is required if a federal department or agency has a decision-making responsibility for the project in question. Due to the unique nature of Crown corporations and other similar entities, provisions exist within the Act to develop regulations to design environmental assessment regimes specific to their circumstances. Following the Five Year Review of the Act, the Minister proposed in his report to Parliament to develop regulations for selected Crown corporations. Bill C-19 would amend the Act to facilitate the development of regulations.

- Work is under way to investigate potential options for developing an environmental assessment regime for Crown corporations.
- Similarly, work has begun on establishing environmental assessment regulations for airport authorities operating on leased federal lands in anticipation of changes to the Act arising from Bill C-19.

- In preparation for approval by Governor in Council, stakeholders reviewed proposed amendments to several regulations under the Act relating to oil and gas. Once approved, the amendments will require a range of projects be authorized by the Canada - Nova Scotia and Canada - Newfoundland Offshore Petroleum Boards. These would be subject to the Act, in the same way as similar projects are in the rest of the country.
- The Agency offered its views and expertise during interdepartmental deliberations to develop options to give statutory authority to Export Development Canada's environmental assessment and review process. Amendments to the *Export Development Act* were proclaimed on December 21, 2001. The amendments require environmental reviews under the *Export Development Act* of projects supported by Export Development Canada.

## **2001-2002 RESULT**

### **WE BEGAN DISCUSSIONS ON BAND COUNCIL ENVIRONMENTAL ASSESSMENT REGIMES.**

#### **Amendments and Reserve Lands**

During the Five Year Review, Indian reserve lands were identified by Aboriginal and federal authorities as being insufficiently covered under the Act. Current legislation requires an environmental assessment to be conducted when a decision is taken to provide federal funding to a project — except when such projects are conducted on Indian reserve lands. Under proposed amendments to the Act, the environmental assessment of all federally funded projects on reserve lands would be carried out when the essential details of the projects are known. The amendments will also provide additional scope and flexibility in the development of the regulations.

To initiate the establishment of environmental assessment regulations, which Band councils could adopt and apply on reserve lands, the Agency has joined in exploratory discussions with the Mi'kmaq of Nova Scotia. The experience gained by the Agency in working with the Mi'kmaq on developing environmental assessment regulations can be extended to other regions of Canada and discussions with other Aboriginal peoples.

- The Confederacy of Mainland Mi'kmaq, the Union of Nova Scotia Indians and the Assembly of First Nations are working with the Agency to define what a Band council environmental assessment regulation might generally contain and, consequently, its provisions and limitations. Exploratory discussions were held

with the Confederacy of Mainland Mi'kmaq in preparation for future negotiations on the development of a Band council environmental assessment regime under proposed amendments to the Act. Financial resources were provided to facilitate Aboriginal participation in those discussions. The Agency has also agreed to hold similar discussions with the Union of Nova Scotia Indians in 2002-2003. The creation of Band council environmental assessment regulations under the Act will enable Band councils to apply, with full legal authority, environmental assessment regimes which are culturally and politically appropriate while still meeting, as a minimum, the standards set by the Act.





## **ANNEXES**





# ANNEX 1

## CONSOLIDATED REPORTING

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### Human Resources Management

In the January 2001 Speech from the Throne, the Government of Canada committed itself to a “Public Service that is innovative, dynamic and reflective of the diversity of the country.” Greater emphasis was placed on the importance of having a public service that distinguishes itself by excellence and by being equipped with the skills to respond to an evolving knowledge-based economy and society.

In line with government-wide human resources commitments, the Agency’s human resource management practices and efforts are focused on embracing diversity, promoting official languages and fostering a learning organization that values knowledge and new ideas. The Agency recognizes the importance of having a dedicated, motivated and skilled workforce to deliver the best possible services and results to its clients, partners and ultimately to Canadians.

To move its agenda forward, the Agency has established a Human Resources Management Modernization Committee which focuses on six key themes: Learning, Information Sharing, Awards and Recognition, Results-Based Management, Improvement of Workplace Technology, and A Healthy Workplace. In 2001-2002, the Committee provided the Agency with internal tools, guidance and policies that foster good human resources practices, as well as address human resources and workload issues.

The Agency is committed to managing its business according to the highest public service values. Accordingly, the Agency developed a Policy on Internal Disclosure of Information on Wrongdoing in the Workplace. This Policy encourages employees to disclose any behaviour that goes against public service values and good governance.

Although most of the immediate results related to human resources are internal, Canadians directly benefit from sound human resources management via the strategic outcomes described in this report.

## Sustainable Development Strategy

This is the first progress report on the Agency's second Sustainable Development Strategy (SDS), entitled *Environmental Assessment: A Critical Tool for Sustainable Development*. The Agency's SDS promotes environmental assessment as a critical tool for sustainable development, and supports the Agency's internal effort to green its operations by outlining 70 commitments grouped under three main goals for 2001-2003:

1. Expanding the knowledge;
2. Building effective partnerships; and
3. Strengthening internal capacity (including Sustainable Development in Government Operations).

Within the above goals, the intermediate outcomes from the Agency's strategic planning framework are identified as objectives. These are combined with additional unique objectives to form the basis of the Agency's SDS.

### 1. Expanding the Knowledge

The Agency has expanded the knowledge with respect to environmental assessment and supported sustainable development through:

- managing and promoting its Research and Development Program;
- developing model class screening reports; and
- increasing awareness through training and guidance materials, and through the sharing of experiences and results.

### 2. Building Effective Partnerships

The Agency builds partnerships with the other levels of government, Aboriginal groups and a wide variety of stakeholders to promote a more consistent, comprehensive and coordinated approach to environmental assessment. The Agency thus promotes sustainable development.

In this context, the Agency:

- reviewed the appropriate scope and coverage of the Act;
- initiated discussions with Aboriginal groups to develop regulations governing environmental assessment on reserves as well as promoting the harmonization of Aboriginal and federal environmental assessment processes;

- continued to work on clarifying and improving processes with other jurisdictions and with federal partners by negotiating bilateral harmonization agreements on environmental assessment cooperation with those provinces currently without an agreement of this nature; and
- continued to encourage the early integration of environmental considerations into the federal policy-making processes by working to implement *The 1999 Cabinet Directive on the Environmental Assessment of Policy, Plans, and Proposals*.

### **3. Strengthening Internal Capacity and Promoting Sustainable Development in Government Operations**

The Agency promotes internal awareness about sustainable development by incorporating it into training guides and orientation material, recruiting a knowledgeable workforce and encouraging ongoing efforts to promote more environmentally sustainable practices within the Agency.

A management framework has been developed to help monitor progress in implementing the sustainable development strategy. This framework consists of a Sustainable Development Committee and a Monitoring and Tracking System. The Committee has been tasked to measure and report on the Agency's performance in implementing the SDS, while the System has been developed to allow committee members to document activities that support the progress toward SDS commitments. Updates on progress are required three times a year. In addition, the Agency has recently revised the environmental management plan that provides direction regarding the greening of internal operations.

#### ***Sustainable Development in Government Operations***

The Agency leases all its office space requirements. As a result, its greatest impacts with respect to the Sustainable Development in Government Operations (SDGO) initiative are in the areas of solid waste management, green procurement and vehicle fleet management.

*Solid Waste Management:* Since 1999, the Agency has operated the No Waste Program at its headquarters as a means of reducing, recycling and otherwise diverting waste from landfill. All regional offices also have recycling programs in place. The Agency donates its used office equipment such as bookshelves, desks and office chairs to local charities. In addition, outdated computers are sent to the federal government's Computers for Schools program. New staff are introduced to the Agency's waste management strategy in employee orientation material.

A March 1999 waste audit concluded that the Agency diverts approximately 70% of its solid waste. A follow-up waste audit is planned before the end of the current SDS cycle (2001-2003) to ensure that the Agency is achieving its solid waste management goals and objectives.

*Green Procurement:* Procurement activities are guided by current government standards and best practices for sustainable development. For example, ISO 14001, Ecologo and Energy Star certification, TCO'95 compliance and other standards are considered for all significant procurement decisions. Highlights of the Agency's green procurement activities include:

- 100% of the Agency's contracts contain statements affirming the contractor's obligations with respect to sustainable development.
- \$65,000 worth of green purchases were reported in 2001-2002, representing approximately 16% of all procurement.

*Vehicle Fleet Management:* The Agency has a single vehicle which is located in its Vancouver regional office. The vehicle was driven approximately 4500 km and consumed approximately 400 litres of gasoline in 2001-2002.

## **Sustainable Development Strategy Challenges**

The Agency's ability to implement its SDS is based on its capacity to meet new challenges and adapt to emerging trends. In the course of implementing the current SDS, the following challenges have arisen:

- Changes in the parliamentary schedule for the review of the Agency's enabling legislation have led to a decision to delay the implementation of several SDS commitments.
- In some cases, achieving a given SDS commitment requires the participation and cooperation of one or more outside parties who may have varying levels of commitment to the issue.
- The Agency has been asked to establish better linkages between its overall program and sustainable development. In response, the Agency plans to develop a more detailed report on how environmental assessment contributes to sustainable development. Four training modules will also be developed to provide training on sustainable development and on the Agency's environmental management system for both employees and external clients.

- Continuous improvement in the greening of the Agency's internal operations is restrained by the terms of its lease and occupancy agreements for office space, and by the evolution of the government procurement process and establishment of clear green procurement standards.

**For more on the Agency's SDS, visit:  
<http://www.ceaa-acee.gc.ca>**

**For more on Sustainable Development in Government Operations, visit:  
[www.greeninggovernment.gc.ca/indexe.htm](http://www.greeninggovernment.gc.ca/indexe.htm)**

## Modern Comptrollership

**M**odern comptrollership is a federal management reform which focuses on the sound management of resources and effective decision making. It helps federal departments and agencies focus on what matters to Canadians and responds to their concerns about the value they obtain for their tax dollars.

The Agency embarked on this government-wide initiative in the autumn of 2001. Since then, the Agency has initiated and participated in various projects that advance its modern management agenda.

The Project Management Office was created in January 2002 to support and guide the Agency in implementing, managing and promoting the activities related to the modern comptrollership initiative, as outlined in the *Results for Canadians* report. Its main mission is to ensure that modern management practices support the mission and mandate of the Agency and the attainment of its strategic outcomes.

**For more on *Results for Canadians*, visit:  
[http://www.tbs-sct.gc.ca/res\\_can/rc\\_e.html](http://www.tbs-sct.gc.ca/res_can/rc_e.html)**

In the spring of 2002, the Agency participated in a self-assessment of its current management practices to identify areas for management improvements. The results of the Capacity Assessment will be incorporated into an Action Plan describing what the Agency intends to do in order to further its management practices. Both the Capacity Assessment and the Action Plan will be available on the Agency's Web site in the autumn of 2002.

**For more on the state of modern comptrollership across government, visit:  
<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/0207ce.html>**

The Canadian Environmental Assessment Agency is partnering with other small organizations on different modern comptrollership projects — to identify best practices and initiatives that are adapted to the reality of the small agency community and that enhance their capacity to deliver better services and better results to Canadians.

The Agency is committed to providing Canadians with high-quality environmental assessments that contribute to informed decision making in support of sustainable development. The modern comptrollership initiative is a way to ensure that the Agency remains true to its mission and continues to provide Canadians with high-quality services and results as described in this report.

**For more on modern comptrollership, visit:  
[http://www.tbs-sct.gc.ca/CMO\\_MFC/index\\_e.asp](http://www.tbs-sct.gc.ca/CMO_MFC/index_e.asp)**

## Government On-Line Initiative

The Government of Canada has stated its intention to help to make Canada one of the most connected countries in the world. During 2001-2002, the Agency evaluated its requirements with the assistance of consultants regarding the development of a strategic plan to support its Government On-Line (GOL) obligations. This work will continue during 2002-2003 and address the following:

- assessing overall opportunities for improved citizen and client program delivery;
- determining the possible contributions of GOL to improving the quality of environmental assessment and/or supporting more informed decision making in support of sustainable development; and
- identifying and developing a proposed corporate strategy, approach and work plan to support the Agency's Tier II GOL obligations and to consider the Tier III GOL obligations for 2004.





## ANNEX 2

### FINANCIAL PERFORMANCE

#### Financial Performance Overview

Overall, the Agency spent \$12,564,807 during 2001-2002, ending the year with an unexpended balance of 10.8% of its total authorities (including \$900,000 allocated for participant funding which was not required this fiscal year). Direct operating expenditures and salaries for major areas of activity include:

	<i>(thousands of dollars)</i>
• Regional offices — provision of information, advice, coordination and liaison support for the full range of Agency operations;	1,930
• Support for the parliamentary review of the <i>Canadian Environmental Assessment Act</i> ;	1,322
• Tools to advance the implementation of the <i>Canadian Environmental Assessment Act</i> and improve the process, including operational policy statements, class screening models, delivery of client training and education materials, Quality Assurance Program and alternative dispute resolution strategy;	989
• Policy initiatives including federal-provincial harmonization, strategic environmental assessment, regulatory initiatives and policy research;	790
• Support for incorporation of Aboriginal interests and involvement in environmental assessment through development of provisions in land claims and self-government agreements, in addition to fulfilling obligations under the <i>James Bay and Northern Quebec Agreement</i> ;	529
• Costs associated with review panels and related initiatives including Georgia Strait Crossing, Highwood Storage and Diversion Plan, Red Hill Creek Expressway and northern pipeline developments;	485
• Research and Development Program;	393
• Management of human resource-related activities to develop capacity in people and become a learning organization; and	311
• Support for other departments in the conduct of comprehensive studies and development of recommendations.	109

Although the Agency received authority to recover costs from project proponents for conducting review panels in August 1998, this authority has not yet been used because no eligible review panels have been established. The Agency generated revenues of \$197,610 from the sale of training services and publications.

## Financial Summary Tables

This section provides financial performance information using a variety of formats. Summary financial data presented in Tables 5 to 10 are displayed using separate column and row headings. For clarity, these headings are defined below.

<b>Planned Spending</b>	Planned spending at the beginning of fiscal year 2001-2002
<b>Total Authorities</b>	Includes planned spending plus adjustments to reflect changes in priorities and unforeseen events (Total Authorities are Main Estimates plus Supplementary Estimates plus other authorities or adjustments)
<b>Actual</b>	What was actually spent or collected for fiscal year 2001-2002
<b>Responsible Revenues</b>	Revenues that can be used by the Agency to offset program expenditures; for example, cost recovery for review panels or sale of publications and training services
<b>Non-Responsible Revenues</b>	Revenues collected on behalf of the government which cannot be used by the Agency to offset program expenditures

**Table 5: Financial Requirements by Authority**

<i>(thousands of dollars)</i>		<b>2001-2002</b>		
		<b>Planned Spending</b>	<b>Total Authorities</b>	<b>Actual</b>
<b>Vote</b>				
<b>Canadian Environmental Assessment Agency</b>				
15	Program Expenditures	10,363.0	12,684.7	<b>11,317.8</b>
(S)	Contribution to Employee Benefit Plans	1,197.0	1,247.0	<b>1,247.0</b>
<b>Total Agency</b>		<b>11,560.0</b>	<b>13,931.7</b>	<b>12,564.8</b>

Note: Actual expenditures were approximately \$1,004,800 greater than planned spending due the increased cost of supporting an extended Parliamentary Review of Bill C-19, as well as the impact of collective bargaining agreements which affect salary costs.

**Table 6: Comparison of Total Planned Spending to Actual Spending**

<i>(thousands of dollars)</i>	<b>2001-2002</b>		<b>Actual</b>
	<b>Planned Spending</b>	<b>Total Authorities</b>	
Full-Time Equivalents (FTEs)	95	100	<b>100</b>
Operating	15,061.0	17,433.2	<b>12,762.4</b>
Total Gross Expenditures	15,061.0	17,433.2	<b>12,762.4</b>
Less: Respendable Revenues	(3,501.0)	(3,501.0)	<b>(197.6)</b>
Total Net Expenditures	11,560.0	13,392.2	<b>12,564.8</b>
Other Revenues and Expenditures			
Non-Respendable Revenues	–	–	<b>(0.4)</b>
Cost of Services Provided by Other Departments	1,569.0	1,585.6	<b>1,585.6</b>
<b>Net Cost of the Program</b>	<b>13,129.0</b>	<b>14,977.8</b>	<b>14,150.0</b>

Note: Due to rounding, figures may not add up to the totals shown.

**Table 7: Historical Comparison of Total Planned Spending to Actual Spending**

<i>(thousands of dollars)</i>	<b>2001-2002</b>				
	<b>Actual 1999-2000</b>	<b>Actual 2000-2001</b>	<b>Planned Spending</b>	<b>Total Authorities</b>	<b>Actual</b>
<b>Canadian Environmental Assessment Agency</b>	<b>11,415.6</b>	<b>11,387.4</b>	<b>11,560.0</b>	<b>13,392.2</b>	<b>12,564.8</b>

**Table 8: Revenues****Respendable Revenues**

<i>(thousands of dollars)</i>	<b>Actual 1999-2000</b>	<b>Actual 2000-2001</b>	<b>2001-2002</b>		<b>Actual</b>
			<b>Planned Spending</b>	<b>Total Authorities</b>	
Canadian Environmental Assessment Agency	344.0	209.8	3,501.0	3,501.0	197.6
<b>Total Respendable Revenues</b>	<b>344.0</b>	<b>209.8</b>	<b>3,501.0</b>	<b>3,501.0</b>	<b>197.6</b>
<b>Non-Respendable Revenues</b>					
Canadian Environmental Assessment Agency	14.9	0.2	–	–	0.4
<b>Total Non-Respendable Revenues</b>	<b>14.9</b>	<b>0.2</b>	<b>–</b>	<b>–</b>	<b>0.4</b>
<b>Total Revenues</b>	<b>358.9</b>	<b>210.0</b>	<b>3,501.0</b>	<b>3,501.0</b>	<b>198.0</b>

Note: In August 1998, the Agency received authority to recover the costs of new review panels from project proponents. Authorities are based on historical average annual panel costs. During 2001-2002, no new eligible review panels were established, resulting in a variance of approximately \$3.3 million between total authorities and actual revenues collected. Actual 2001-2002 respendable revenues consisted mainly of proceeds from sale of publications and training products.

**Table 9: Statutory Payments**

<i>(thousands of dollars)</i>	<b>Actual 1999-2000</b>	<b>Actual 2000-2001</b>	<b>2001-2002</b>		<b>Actual</b>
			<b>Planned Spending</b>	<b>Total Authorities</b>	
Canadian Environmental Assessment Agency	995.0	1,146.0	1,197.0	1,247.0	1,247.0
<b>Total Statutory Payments</b>	<b>995.0</b>	<b>1,146.0</b>	<b>1,197.0</b>	<b>1,247.0</b>	<b>1,247.0</b>

Note: The only statutory payment applicable to the Agency is for employee benefit plans.

**Table 10: Transfer Payments**

<i>(thousands of dollars)</i>	<b>Actual 1999-2000</b>	<b>Actual 2000-2001</b>	<b>2001-2002</b>		<b>Actual</b>
			<b>Planned Spending</b>	<b>Total Authorities</b>	
<b>Contributions</b>					
Contribution to the Province of Quebec – <i>James Bay and Northern Quebec Agreement</i>	101.0	104.0	95.0	173.5	<b>173.5</b>
Contributions to support the research, development and promotion of environmental assessment	305.8	324.2	300.0	332.0	<b>332.0</b>
Contributions to assist public participation in review panels	48.1	42.8	1,000.0	889.5	<b>23.4</b>
<b>Total Contributions</b>	<b>454.9</b>	<b>471.0</b>	<b>1,395.0</b>	<b>1,395.0</b>	<b>528.9</b>
<b>Total Transfer Payments</b>	<b>454.9</b>	<b>471.0</b>	<b>1,395.0</b>	<b>1,395.0</b>	<b>528.9</b>

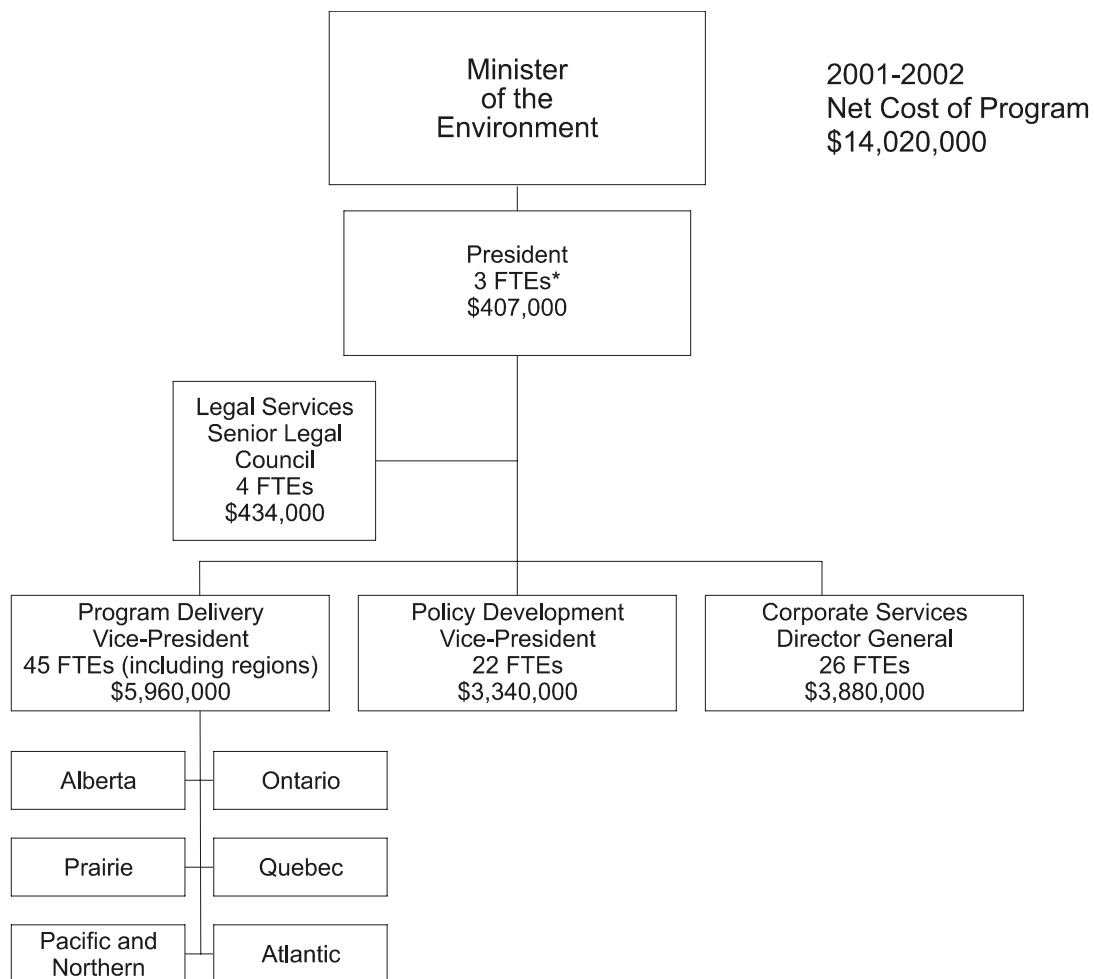
Note: Due to rounding, figures may not add to totals shown. Contributions to support research and development during 2001-2002 included projects aimed at improving the practice of environmental assessments. The level of demand to fund public participation in review panels depends on the number of review panels and the status of their assessment. For 2001-2002, only the GSX Canada Pipeline Project required funding assistance.

# ANNEX 3 OTHER INFORMATION

## Agency Organization

The Agency fulfils its mandate through one program and one business line — environmental assessment. The reporting structure to the Minister of the Environment is shown in the figure below.

**Figure 1: Accountability**



\* Full-time equivalent (FTE) is a measure of human resource usage based on average levels of employment.



## Major Federal Statutes and Agreements Administered

The *Canadian Environmental Assessment Act* is solely administered by the Agency. The Minister has responsibility to Parliament for the following associated regulations:

**Table 11: Major Federal Statutes and Agreements Administered**

<i>Law List Regulations</i>	SOR/94-636 (October 7, 1994)
<i>Comprehensive Study List Regulations</i>	SOR/94-638 (October 7, 1994)
<i>Inclusion List Regulations</i>	SOR/94-637 (October 7, 1994)
<i>Exclusion List Regulations</i>	SOR/94-639 (October 7, 1994)
<i>Federal Authorities Regulations</i>	SOR/96-280 (May 28, 1996)
<i>Projects Outside Canada Environmental Assessment Regulations</i>	SOR/96-491 (November 7, 1996)
<i>Regulations Respecting the Coordination by Federal Authorities of Environmental Assessment Procedures and Requirements</i>	SOR/97-181 (April 8, 1997)
<i>Environmental Assessment Review Panel Service Charges Order</i>	SOR/98-443 (August 26, 1998)
<i>Canada Port Authority Environmental Assessment Regulations</i>	SOR/99-318 (July 28, 1999)

In an effort to improve the coordination and cooperation of environmental assessment processes, the Agency has also signed bilateral agreements with four provincial governments: British Columbia, Alberta, Saskatchewan and Manitoba. The Agency will be working in 2002-2003 to conclude similar agreements with Ontario, New Brunswick, and Newfoundland and Labrador.

## Regulatory Initiatives

The following table outlines the Agency's significant regulatory initiatives during 2001-2002.

**Table 12: Legislative and Regulatory Initiatives**

Legislative or Regulatory Initiative	Objective(s)	Performance Measurement Criteria	2001-2002 Accomplishments
<b>Private Operations Occurring on Federal Lands Regulations</b>	To establish a federal environmental assessment process under the <i>Canadian Environmental Assessment Act</i> that comprehensively captures all relevant activities on federally leased lands, including the activities of airport authorities and similar entities operating on federally leased lands.	Successful completion of studies as a basis for the development of airport environmental assessment regulations.  Development of comprehensive federal environmental assessment regulations that capture all appropriate projects carried out or authorized by airport authorities, and/or similar entities operating on federally leased lands.	Consultations with airport authorities on the development of terms of reference for a study of airport authority environmental assessment policies, practices and proceedings.
<b>Oil and gas exploratory project authorizations</b>	To amend regulations to ensure that relevant project authorizations of the Canada-Newfoundland Offshore Petroleum Board (CNOPB) and the Canada-Nova Scotia Offshore Petroleum Board (CNSOPB) trigger application of the <i>Canadian Environmental Assessment Act</i> .  To establish a consistent federal environmental assessment regime for oil and gas activities in all Canadian offshore frontier areas.	Successful studies and consultations on proposed amendments to the regulations relating to relevant CNOPB and CNSOPB project authorizations.  Approved amendments to the regulations relating to relevant CNOPB and CNSOPB project authorizations.	Completed stakeholder consultations that preceded the development of amendments to the regulations.

Table 12 (cont'd)

Legislative or Regulatory Initiative	Objective(s)	Performance Measurement Criteria	2001-2002 Accomplishments
<b>Amendments to the Exclusion List Regulations</b>	<p>To focus the application of the <i>Canadian Environmental Assessment Act</i> on projects that have real potential to cause significant adverse environmental effects.</p> <p>More efficient and effective use of environmental assessment resources.</p>	<p>Reductions in the overall number of environmental assessments conducted by federal responsible authorities, particularly at the screening level.</p> <p>Publication of an amended version of the <i>Exclusion List Regulations</i> in 2003.</p> <p>Fewer routine assessments. Higher quality assessments reported by responsible authorities.</p>	<p>Following input from departments and agencies and a series of interdepartmental discussions, a first draft list was presented to departments in January 2002 and to the Regulatory Advisory Committee in March 2002.</p> <p>Work on this initiative is ongoing in 2002-2003. Results will be reported in the next Departmental Performance Report.</p>

## Statistical Summary of Environmental Assessments

In accordance with subsection 71(2) of the Act, a statistical summary of all environmental assessments is provided. In total, 6,779 environmental assessments were initiated in 2002-2002, compared to 6,147 in 2000-2001.

**Table 13: Statistical Summary of Environmental Assessments 2001-2002**

Department/Agency	Total	Screenings		Comprehensive Studies	Review Panels
		Completed	Outstanding		
Agriculture and Agri-Food Canada	141	134	7	0	0
Atlantic Canada Opportunities Agency	283	283	0	0	0
Canada-Nova Scotia Offshore Petroleum Board	0	0	0	1	0
Canadian Food Inspection Agency	5	5	0	0	0
Canadian International Development Agency	385	384	1	0	0
Canadian Nuclear Safety Commission	7	0	7	0	0
Canadian Transportation Agency	7	7	0	0	0
Canada Customs and Revenue Agency	1	0	1	0	0
Canada Economic Development	304	250	54	0	0
Canadian Heritage	2	2	0	0	0
Correctional Service of Canada	17	17	0	0	0
Foreign Affairs and International Trade	25	25	0	0	0
Environment Canada	585	504	81	0	0
Fisheries and Oceans Canada	1,349	1,243	106	7	0
Health Canada	3	1	2	0	0
Human Resources Development Canada	117	116	1	0	0
Indian and Northern Affairs Canada	653	517	136	0	0
Indian Oil and Gas Canada	255	250	5	0	0
Industry Canada	331	331	0	0	0
Millennium Bureau of Canada	13	13	0	0	0
National Defence	163	74	89	0	0
National Energy Board	61	41	20	1	1
National Research Council of Canada	6	6	0	0	0
Natural Resources Canada	27	15	12	0	0
Natural Sciences and Engineering Research Council of Canada	6	6	0	0	0
Parks Canada Agency	1,266	1,128	138	0	0
Public Works and Government Services Canada	80	63	17	1	0
Royal Canadian Mounted Police	32	23	9	0	0
Transport Canada	120	100	20	0	0
Western Economic Diversification Canada	524	305	219	0	0
<b>Sub-total</b>	<b>6,768</b>	<b>5,843</b>	<b>925</b>	<b>10</b>	<b>1</b>
<b>Total Initiated in 2001-2002</b>					<b>6,779</b>

## Awards Received by Agency Staff

### Public Service of Canada Award of Excellence for 2002

The Agency established the Five Year Review Team in 1998 to assist the Minister of the Environment in carrying out a statutory review of the *Canadian Environmental Assessment Act*, five years after its coming into force in 1995. A steering committee of senior Agency officials was also set up to oversee the work of the team.

The team took a lead role in drafting the Minister's report to Parliament and the proposed amendments to the Act, based on consensus recommendations arising from the review. The team worked with the Agency's senior officials to obtain Cabinet approval of the proposed changes, as well as the financial package to implement them.

The exceptional teamwork and collaboration of the Five Year Review Team ensured the successful completion of a far-reaching review under tight deadlines. This effort won the team members the Public Service of Canada Award of Excellence for 2002. The review team continues to coordinate preparations for the coming into force of the proposed changes.



*Courtesy of Photo Communication Inc.*

#### FIVE YEAR REVIEW TEAM

Top row, left to right: The Honourable Lucienne Robillard, Sid Gershberg, Heather Humphries, Bruce Boles, James Mack, Alissa Malkin, Tina Guthrie, Suzanne Latour, Ray Lamoureux, David Barnes, Bob Connelly.

Bottom row, left to right: Jim Clarke, Ghislaine Kerry, Christine Gaudreau, Keith MacLeod, Marie-Claude Goulet, Gordon Harris, Natalie Langlois.

## **For Further Information**

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### **Canadian Environmental Assessment Agency's Web Site**

[www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca)

### **Treasury Board Secretariat's Web Site**

[www.tbs-sct.gc.ca](http://www.tbs-sct.gc.ca)