



Canadian Environmental Assessment Agency

Performance Report

For the period ending
March 31, 1998

Canada

Improved Reporting to Parliament Pilot Document

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*.

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Foreword

On April 24, 1997, the House of Commons passed a motion dividing on a pilot basis what was known as the annual *Part III of the Estimates* document for each department or agency into two documents, a *Report on Plans and Priorities* and a *Departmental Performance Report*.

This initiative is intended to fulfil the government's commitments to improve the expenditure management information provided to Parliament. This involves sharpening the focus on results, increasing the transparency of information and modernizing its preparation.

This year, the Fall Performance Package is comprised of 80 Departmental Performance Reports and the government's "*Managing For Results*" report.

This *Departmental Performance Report*, covering the period ending March 31, 1998, provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the department's *Part III of the Main Estimates* or pilot *Report on Plans and Priorities* for 1997-98. The key result commitments for all departments and agencies are also included in *Managing for Results*.

Results-based management emphasizes specifying expected program results, developing meaningful indicators to demonstrate performance, perfecting the capacity to generate information and reporting on achievements in a balanced manner. Accounting and managing for results involve sustained work across government

The government continues to refine and develop both managing for and reporting of results. The refinement comes from acquired experience as users make their information needs more precisely known. The performance reports and their use will continue to be monitored to make sure that they respond to Parliament's ongoing and evolving needs.

This report is accessible electronically from the Treasury Board Secretariat Internet site:
<http://www.tbs-sct.gc.ca/tb/key.html>

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Canadian Environmental Assessment Agency

Performance Report

For the period ending March 31, 1998

*Environmental assessment ...
Before you decide*



*L'évaluation environnementale d'abord ...
la décision ensuite*

**The Honourable Christine S. Stewart, P.C., M.P.
*Minister of the Environment***

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EXECUTIVE SUMMARY

The Canadian Environmental Assessment Agency is a small but dynamic organization reporting directly to the Minister of the Environment. With a workforce of less than 100, and an operating budget of under \$10 million, it is involved in some of the most complex and sensitive issues facing government today.

These issues range from assessing the environmental impacts for proposed mining developments at Voisey's Bay, Newfoundland, to supporting the negotiation of Aboriginal self-government agreements, to Canadian participation in joint initiatives with other countries in support of global sustainable development.

Environmental assessment is a critically important tool for protecting and sustaining our environment, given the potential for serious and irreversible damage that can result from human activity. It provides decision makers with the information to make informed and, consequently, the best possible decisions. These decisions can lead to activities that are more compatible with sustaining a healthy environment for both present and future generations.

Failure to consider adverse environmental impacts, before carrying out an undertaking, can lead to significant degradation of the environment, damage to human health, and increased economic costs. High clean-up costs and environmental damage at the Sydney Tar Ponds in Cape Breton illustrate one example of a lack of environmental foresight.

Over the past year, the Agency has delivered a number of key programs to Canadians in support of sustainable development. These services contribute to better decisions regarding the health and preservation of the environment for both present and future generations. Some major accomplishments include:

- completion and continuation of several environmental assessment panel reviews;
- development of key partnerships both nationally and internationally; and
- introduction of various initiatives aimed at improving the quality of environmental assessment, including a multi-year monitoring program to evaluate the benefits and contributions of environmental assessment to sustainable development.

The purpose of the 1998 Performance Report is to facilitate an understanding of why environmental assessment is important to Canadians; explain how the federal environmental assessment process works; and indicate where the Agency fits in to this process. A major portion of this report also reviews the results and achievements of the Agency during the most recent fiscal year against previously stated commitments.



CHART OF KEY RESULTS COMMITMENTS

Canadian Environmental Assessment Agency (Agency)

To provide Canadians with:	To be demonstrated by:	Achievements reported in:
<i>High quality federal environmental assessments that contribute to informed decision making in support of sustainable development.</i>	<ul style="list-style-type: none"> timely provision of recommendations to decision makers that reflect public values, sound environmental assessment practices and the principles of sustainable development 	DPR Section 3.2 Page 14-20
	<ul style="list-style-type: none"> environmental assessment approaches that are co-ordinated across government and harmonized with other jurisdictions 	DPR Section 3.2 Page 21-22
	<ul style="list-style-type: none"> environmental assessment processes that are effective, efficient, consistent, predictable and of the highest standards 	DPR Section 3.2 Page 22-24
	<ul style="list-style-type: none"> level of federal authority compliance with the requirements of the <i>Canadian Environmental Assessment Act</i> 	DPR Section 3.2 Page 25-26
	<ul style="list-style-type: none"> Aboriginal regimes that maintain or exceed the standards and principles of the <i>Canadian Environmental Assessment Act</i>, and are harmonized with existing environmental assessment processes 	DPR Section 3.2 Page 27
	<ul style="list-style-type: none"> consistent application of environmental considerations into federal policy and program proposals 	DPR Section 3.2 Page 28
	<ul style="list-style-type: none"> effective representation of Canada's interests in international environmental assessment forums 	DPR Section 3.2 Page 29

DPR - Departmental Performance Report



SECTION I: MINISTER'S MESSAGE

I am pleased to present the Canadian Environmental Assessment Agency's Performance Report for the period ending March 31, 1998.

This past year has been a productive one. We have made important strides in promoting environmental assessment as a fundamental planning tool for protecting and sustaining a healthy environment. With an effective environmental assessment process in place, I am in a better position to deliver to Canadians the concrete results I have committed to – clean air, clean water, nature and climate change.

Environmental assessments study and help minimize the impacts of projects on air and water quality, bio-diversity and contribute to the protection of endangered species. For example, recommendations arising from the Saskatchewan Uranium Mining Developments review panel will help to minimize adverse environmental effects on air and water quality. A joint Canada-British Columbia assessment of the Hugh Keenleyside Dam, on the Columbia river, led to measures to protect fish, including the endangered White Sturgeon. Recommendations of the Sable Gas review panel led to ways of formalizing the protection of the habitat of a number of endangered marine mammals in the Gully, a sensitive area off the coast of Nova Scotia.

Other accomplishments of the past year include:

- the development of key national and international partnerships in support of sustainable development, and improvements to the quality of the environment. The sub-agreement on environmental assessment under the *Canada-wide Accord on Environmental Harmonization* is but one example;
- measures to make the environmental assessment process more efficient and consistent, and to promote more effective working relations with provinces, territories and Aboriginal communities; and
- a system to monitor the benefits and contributions of the practice of environmental assessment to sustainable development.

Canadians want a healthy economy, but not at the expense of an unhealthy environment. Environmental assessment is an effective way of achieving both simultaneously. I am committed to the highest environmental quality, and, as this Performance Report demonstrates, I will continue to work with Canadians so we can pass on a healthy, sustainable environmental heritage for generations to come.

Christine S. Stewart



SECTION II: DEPARTMENTAL OVERVIEW

2.1 Mission, Vision & Mandate

Our Mission:

To provide Canadians with high quality federal environmental assessments that contribute to informed decision making in support of sustainable development.

Our Vision is to:

- ⇒ Be a proactive organization with a leadership role in federal environmental assessment.
- ⇒ Develop close and productive relationships with partners and clients across Canada.
- ⇒ Advance the science and research capacities that satisfy the needs of a more efficient and effective process.
- ⇒ Provide information to Canadians through a variety of effective means.
- ⇒ Build on the successes of the Agency and harness the skills, credibility and commitments of its workforce.

The Canadian Environmental Assessment Agency (Agency) is in business to serve as the centre of expertise for federal environmental assessments (EA), and to provide leadership in support of sustainable development. Mandated by the authorities and responsibilities under the *Canadian Environmental Assessment Act* (the Act) and its regulations, the Agency is an independent organization reporting directly to the Minister of the Environment.

As defined by the Act, the Agency's primary roles and responsibilities are to: administer the federal EA process; provide direct support for independent EA mediations and panel reviews; promote the harmonization of EA activities across Canada at all levels of government; promote and encourage the development of sound EA practices; promote and conduct research on EA matters; and ensure an opportunity for public participation in the EA process

The Agency also actively represents the interests of the Canadian government in federal-provincial harmonization agreements as well as international agreements that contain EA provisions. In addition, the President of the Agency is designated as the federal administrator of the environmental and social protection regimes set out in the *James Bay and Northern Quebec Agreement* and the *North Eastern Quebec Agreement*.

Finally, the Agency assists the Minister of the Environment to implement the 1990 *Cabinet Directive on the Environmental Assessment of Policy and Program Proposals*, by providing guidance and advice to federal authorities on integrating environmental considerations into policy making.



2.2 Operating Environment

2.2.1 Position with the Government

The Agency is involved in an area of public policy and decision making that often includes difficult and sensitive issues, with stakeholders who may have competing interests. The Agency ensures that advice and recommendations provided to decision makers address the principles of the Act, sustainable development and the concerns of Canadians. This requires a co-ordinated, effective and consistent EA process that remains relevant to the needs of Canadians. To be seen as an essential tool for planning and decision making, the Agency must also communicate the environmental and economic benefits of good EAs.

Partnerships: Given the environment in which the Agency operates, building and maintaining strategic partnerships is critical. Without them, delivering on commitments and accomplishing objectives would be impossible. Strategic partnerships not only allow the Agency to co-deliver services to its clients, they assist the Minister in advancing her priority agenda of clean air, clean water, climate change and nature conservation. One example of such partnerships is the Regulatory Advisory Committee. Chaired by the Agency, this multi-stakeholder committee met twice during 1997-98 to discuss development of various policies and regulations affecting EA and to provide advice to the Minister on their implementation. This committee consists of representatives from federal and provincial governments, Aboriginal, industrial and environmental groups. See Section 6.3 for a complete list of representatives.

Principal partners in the co-delivery of services include:

Other Federal Departments and Agencies: They are the Agency's most important partners, as most have responsibilities under the Act for either conducting environmental assessments or providing technical expertise in support of them. For example, in 1997-98, 23 departments and agencies initiated nearly 6,000 assessments (refer to Section 5.3).

Working closely with federal partners is also essential in developing new regulations, policies or programs. For instance, an Ongoing Monitoring Program was launched in cooperation with Natural Resources Canada, Environment Canada and Industry Canada to measure the economic and environmental benefits of EAs.



Provincial Governments: Some projects may require the application of both federal and provincial EA regimes. Provincial governments are working in conjunction with the Agency to streamline the process, and ensure, where possible, that only one EA is conducted for each project. The Agency also collaborates with its provincial counterparts to provide one-stop single window services to clients. Its regional offices provide key points of interaction with provincial, industry, environmental and Aboriginal groups.

Aboriginal Communities: Comprehensive land claim and self-government agreements are establishing new Aboriginal-based environmental assessment regimes. The Agency is working closely with Aboriginal groups to develop tools that will assist these communities in achieving environmental integrity and sustainable development, while respecting self-determination objectives.

International Governments and Organizations: Sustaining a healthy environment is a globally shared responsibility, and is the reason the Agency has for several years participated in the development of international transboundary agreements containing environmental assessment provisions. Canada is continuing negotiations with Mexico and the United States to conclude the *North American Agreement on Environmental Cooperation* that will bind parties to conduct environmental assessments on projects that have significant cross-border implications.

Academic and Professional Associations: The Agency works with various academic and professional groups that have vested interests in the environmental assessment field. For example, the Agency and the Canadian Standards Association (CSA) have begun development of an innovative standard for environmental assessment that will improve the quality and consistency of EA.

Environmental Non-Government Organizations and Industry: ENGOs and representatives from industry are also key participants in the delivery of products and services to Canadians. They are instrumental in providing ideas and insight in the development of tools and mechanisms that both enhance environmental protection and maintain competitiveness.



2.2.2 Federal EA Process

Environmental assessment is an important tool for protecting and preserving our environment. Typically, environmental assessment involves assessing the effects of a proposed project, policy or program on the ecosystem - the air, water, land, and living organisms including affected human populations. Such assessments provide a solid basis for reducing or eliminating negative environmental effects, and for making informed decisions.

How does the federal EA process work? The *Canadian Environmental Assessment Act* (Act) applies when a federal authority is required to make a decision regarding a project. A project is defined as a physical work, such as construction of a bridge, or a physical activity, such as dumping of materials into the ocean. The types of decision can be issuing a permit or authorization, providing funding assistance, transferring use of federal lands, or proceeding with the project in cases when the federal government is also the proponent.

Depending on the nature of the project, and the significance of possible environmental effects, the type of assessment required will vary. Most projects are assessed relatively quickly at the screening level. Of the nearly 6,000 environmental assessments conducted in 1997-98, approximately 99.6% were screenings. Under the concept of self-assessment, federal authorities are required to conduct an assessment of each project and incorporate the results in their decisions.

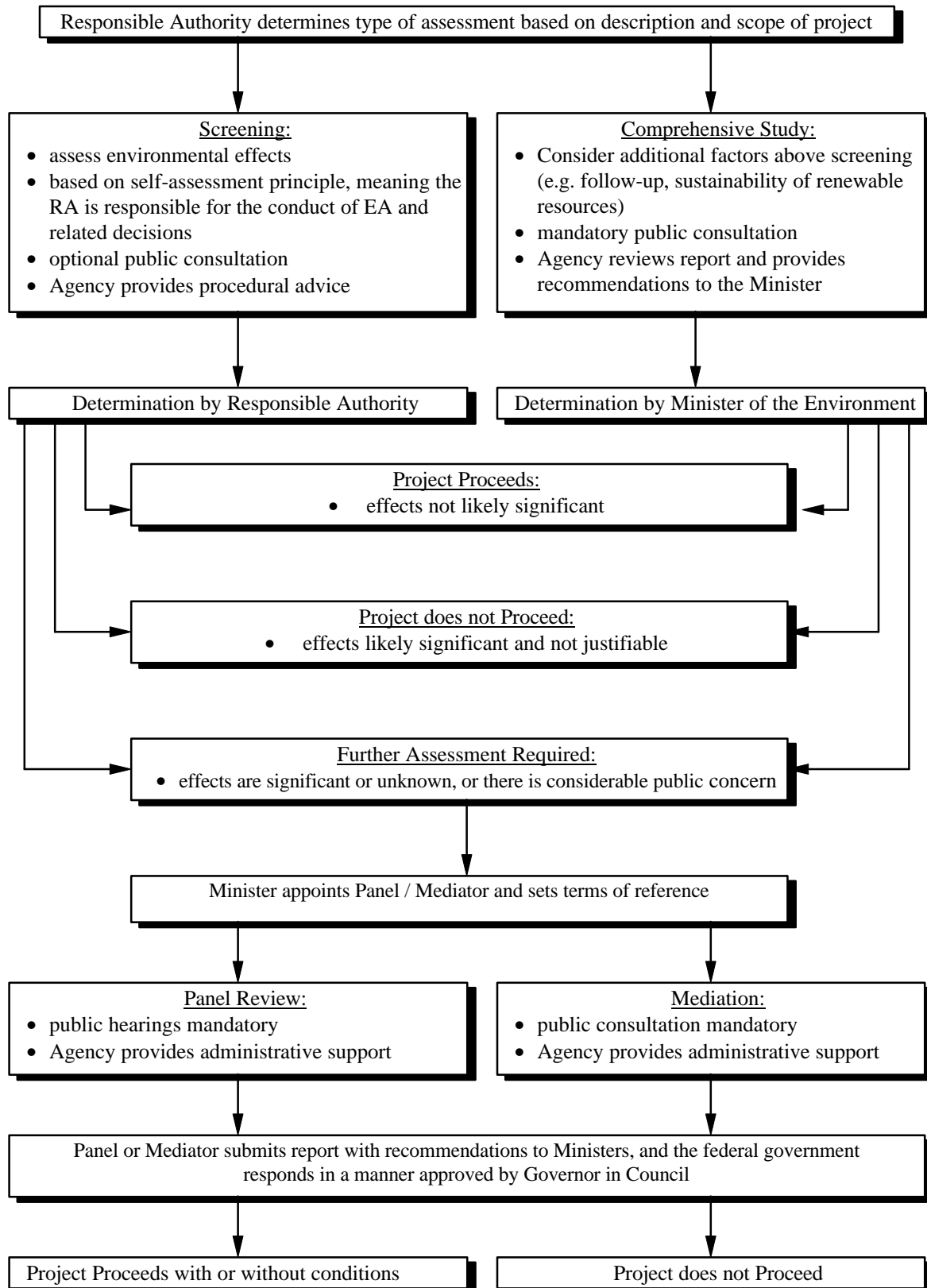
Larger projects that have potential for greater environmental impacts may require a comprehensive study (21 were initiated in 1997-98). Comprehensive studies assess additional factors beyond a screening. These include alternative means of carrying out a project, and the need for follow-up studies to determine whether the assessment was accurate and the effectiveness of measures taken to prevent adverse environmental effects.

If the effects of a project are potentially great or significant public concern exists, a review by an independent environmental assessment panel or mediator appointed by the Minister of the Environment, may be required (none were initiated in 1997-98). Administrative support is provided by the Agency. Public participation is mandatory, and usually includes public hearings in the sites that will be affected by the project.

Figure 1 summarizes the federal EA process administered by the Agency. Throughout the entire process, the Agency provides advice and recommendations to the parties involved. This figure provides an overview of the process; more detailed and exact procedures and responsibilities are available from the Agency's information services or on the Internet at www.ceaa.gc.ca.



Figure 1: Canadian Environmental Assessment Process





2.2.3 Objective

The primary objective of the Agency, as reflected in its mission, is to administer the Act with a view to providing Canadians with high quality environmental assessments that contribute to informed decisions regarding projects, programs and policies.

2.2.4 Strategic Priorities / Goals

In the past, the focus of the Agency has been on establishing the legal framework and implementing the Act; managing the EA process; and providing training and guidance. Experience in implementing the Act has also led the Agency to concentrate on improving the efficiency and predictability of the process.

Priorities for the upcoming planning period have been influenced by the outcomes of several key performance reviews including the Commissioner of the Environment and Sustainable Development's recent report *Environmental Assessment - A Critical Tool for Sustainable Development* (see Section 6.4 for Internet location). Other major influences include the results of a nation-wide client needs survey and an internal strategic review of the Agency's mandate.

Advice from these reviews and recommendations from stakeholders regarding the current and future directions of the federal EA process have been remarkably consistent and have led to the adoption of the following strategic priorities for the Agency:

- to be a credible advocate of high quality environmental assessments;
- to advance the science and practice of environmental assessment;
- to learn from experience and to share results;
- to improve the Agency's capacity to monitor, assess and foster compliance;
- to clarify and improve EA processes with other jurisdictions and with federal partners
- to strengthen relationships with partners and stakeholders; and
- to address gaps in the application of the Act.

Further information regarding the priorities, strategies and action plans of the Agency may be found in the 1998-99 Report on Plans and Priorities, located on the Agency's Internet site (www.ceaa.gc.ca) or from the Agency's information services.



2.2.5 Challenges

A number of evolving factors in Canadian society are affecting the future direction and effectiveness of environmental assessment and sustainable development. At the macro-level, momentum is building to modernize the delivery of programs and services in an effort to “getting government right”. This includes delivering an ever improving mix of services that meet the needs of Canadians, while respecting government fiscal restraints.

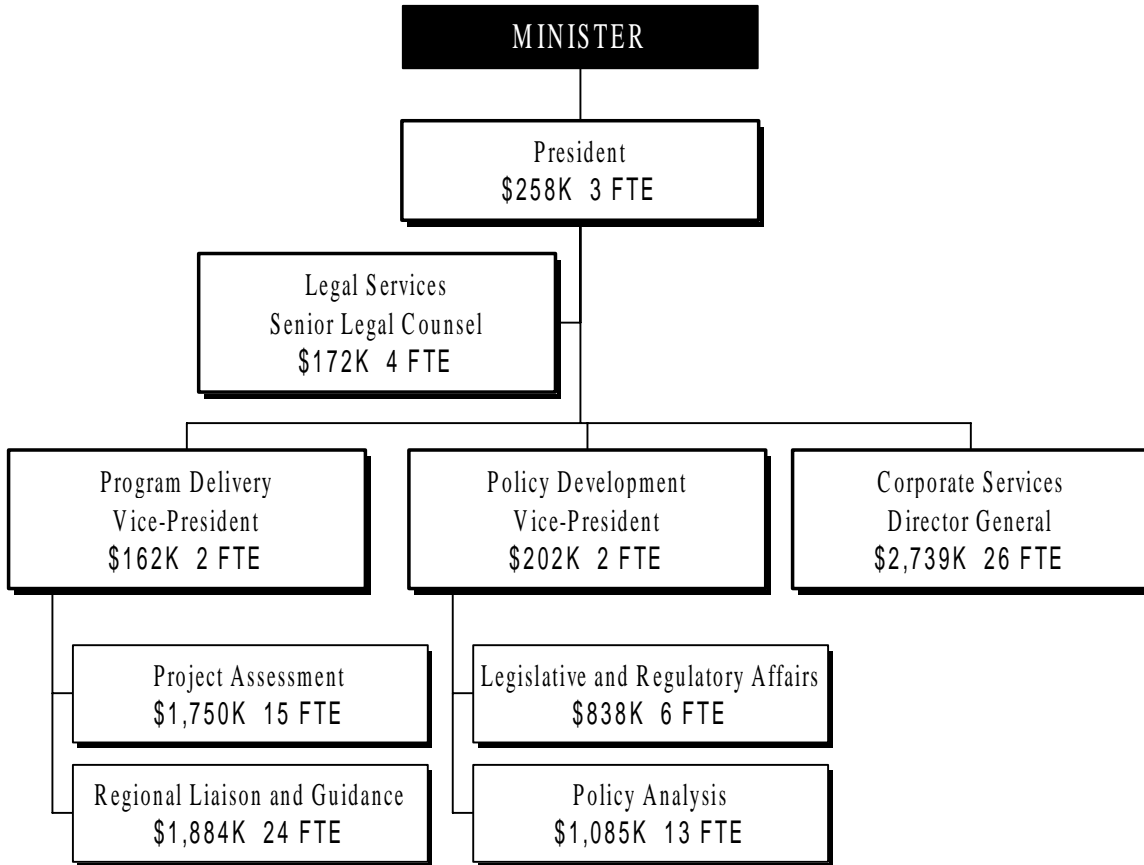
The context within which the federal EA process must operate has evolved rapidly. Adapting to these changes will affect how the Agency allocates resources and subsequently delivers programs. Some of these trends include the following:

- The public perception of environmental quality. Demands from stakeholders are clear: improve the quality and consistent application of environmental assessments. However, expectations and interests vary among different components of Canadian society. Key to responding to these issues will be a five-year review of the Act, which will set in motion a major evaluation process in consultation with many stakeholders. This review, to commence in January 2000, will be essential in determining whether changes to the Act will be required to meet the expectations of Canadians.
- The recent and rapid evolution of understanding and acceptance of the concept of sustainable development. The establishment of an office of the Commissioner of the Environment and Sustainable Development, as well as requirements to prepare and report on sustainable development strategies, have increased levels of accountability, both for the Agency and its federal partners.
- New domestic and international commitments in areas of global environmental change, such as stratospheric ozone depletion, climate change, and biodiversity preservation demand new and innovative approaches to sustainable development.
- Federal-provincial relations including the movement towards harmonization of EA processes and other environmental management functions. The Canadian Council of Ministers of the Environment *Canada-wide Accord on Harmonization* (www.ccme.ca) is placing new and extended responsibilities on the Agency to facilitate co-ordinated approaches with federal, provincial and territorial partners.
- Government commitments towards Aboriginal self-determination, comprehensive land claim and self-government agreements include provisions for the creation of Aboriginal EA regimes. This requires the Agency to be more involved in the negotiation process so that a successful relationship can be established between Aboriginal and federal EA regimes, while respecting the self-government goals of the Aboriginal community.



2.3 Departmental Organization

The Agency consists of one program and one business line. The reporting structure to the Minister of the Environment is as follows:



Note: Full Time Equivalent (FTE) and financial resource figures reflect the planned forecast for 1998-99 (as indicated in the 1998-99 Report on Plans and Priorities) rather than the actual amount for 1997-98. Since a restructuring exercise was undertaken in 1997-98, figures from 1998-99 were chosen to display the outcomes for a complete year.



SECTION III: DEPARTMENTAL PERFORMANCE

3.1 Performance Expectations

The following performance or result expectations described below are the basis for measuring progress against the strategic priorities of the Agency (refer to Section 2.2.4) and the objective of providing high quality federal environmental assessments to Canadians. A description of the Agency's accomplishments against each expected result is provided in the following section.

Key performance expectations of the Agency include:

- timely provision of recommendations to decision makers that reflect public values, sound environmental assessment practices, and the principles of sustainable development;
- environmental assessment approaches that are co-ordinated across government and harmonized with other jurisdictions;
- environmental assessment processes that are effective, efficient, consistent, predictable and of the highest standards;
- level of federal authority compliance with the requirements of the *Canadian Environmental Assessment Act*;
- Aboriginal regimes that maintain or exceed the standards and principles of the *Canadian Environmental Assessment Act*, and are harmonized with existing environmental assessment processes;
- consistent application of environmental considerations into federal policy and program proposals; and
- effective representation of Canada's interests in international environmental assessment forums.

These expectations vary slightly from last year's performance report and the 1997-98 Part III of the Main Estimates due to the evolution of the Improved Reporting to Parliament Project. Since performance reporting is relatively new for the Agency, further development is to be expected in future reports.



3.2 Performance Accomplishments

3.2.1 Financial Summary

Canadian Environmental Assessment Agency

Planned Spending	\$9,842,000
Total Authorities	\$10,708,507
1997-98 Actuals	\$9,757,983

Explanation of Variance:

The difference between Total Authorities and Planned Spending of approximately \$0.9 million is due to the following circumstances: carry-over of operating budget from 1996-97; new resources to fund land claim negotiations in British Columbia; and revenues arising from expenditures incurred in 1996-97.

Total Authorities exceed 1997-98 Actual Spending by approximately \$1.0 million for two reasons. First, only one major panel review required funds to assist the public in participating in the EA process. This constituted a lapse in transfer payments that could not be utilized elsewhere within the Agency. Second, delays in the conduct of the Voisey's Bay Mineral Development panel review, beyond the Agency's control, pushed anticipated expenditures into 1998-99.

3.2.2 Departmental Performance Accomplishments

This section discusses the Agency's performance during the 1997-98 fiscal year. It is organized in accordance with the key result commitments stated earlier. Actual outcomes and impacts are discussed against each commitment. This continues the practice started in the 1996-97 Performance Report.

In describing accomplishments, it should be noted that, by the very nature of EA, performance data tend to be long-term. In many cases, it takes a whole generation to collect and fully appreciate the impact or result of conducting an environmental assessment on a project. Given that the Agency is relatively new, numerous mechanisms are not yet ready to measure these results. Therefore, performance information for certain commitments may be underdeveloped.

Recognizing the need to measure results, an exercise has been undertaken with the objective of substantiating performance. This includes the recently launched Compliance Monitoring Framework (see page 26) and the Ongoing Monitoring Program (see page 22). The purpose of these initiatives is to provide better information regarding: benefits and problems of the Act; level of compliance with the Act; and options to improve the quality of EAs. These and other mechanisms will be the primary tools to measure and identify progress in future performance reports.



Commitment #1: Timely provision of recommendations to decision makers that reflect public values, sound environmental assessment practices, and the principles of sustainable development.

Only by effectively demonstrating the long-term environmental and economic benefits of good environmental management will decision makers take the process seriously into consideration. Good environmental management means conducting environmental assessments early in a project's planning stage, to reduce or avoid environmental effects and related financial costs. The Agency, as an advocate of good EA, must constantly provide advice, guidance and recommendations to those that are ultimately responsible for making project decisions. This information must be relevant and timely. Although the responsibility for decisions rests with others, the Agency must ensure these decisions consider public values and the objective of sustaining the environment.

1997-98 Accomplishments:

Management of Panel Reviews

The Agency supported seven environmental assessment panel reviews during 1997-98 at a cumulative cost of approximately \$2.2 million (see Figure 2 below). Six were completed, and panel reports containing recommendations regarding the projects under review were presented to ministers for consideration. Each of these reports is available on the Internet (see Section 6.4). A description and the outcome of each review follows:

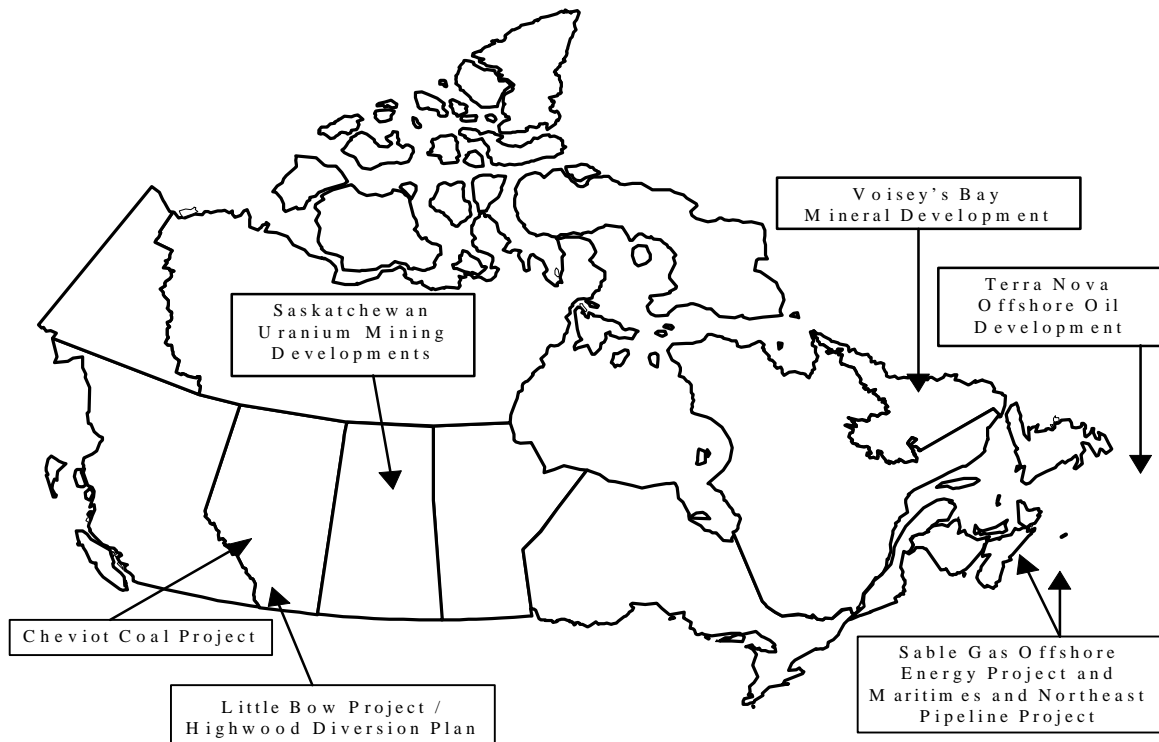
- **Terra Nova Offshore Oil Development:** This review involved a proposal by a consortium led by Petro-Canada to develop oil fields some 350 km south-east of St. John's, Newfoundland. The assessment was completed and a report transmitted to the government on August 25, 1997. In its report, the joint federal-provincial panel recommended the project be allowed to proceed subject to certain conditions. The government accepted the panel's recommendations and conditions in its response made public on December 5, 1997.
- **Nuclear Fuel Waste Management and Disposal Concept:** This review involved a concept of deep geologic disposal of nuclear fuel waste proposed by Atomic Energy of Canada Limited. The federal panel completed its assessment of the concept and made its report public in March 1998. The government's response to the panel's recommendations is currently being developed, and is expected to be released to the public by the Fall of 1998.



- **Sable Gas Projects:** This review involved a proposal led by Mobil Oil Properties to develop six offshore gas fields near Sable Island, and transport natural gas and gas liquids by pipeline to Goldboro, Nova Scotia. In addition, the Maritimes & Northeast Pipeline Management Ltd. proposed to construct a 558 km gas pipeline from Goldboro, Nova Scotia to St. Stephen, New Brunswick. The assessment of both proposals was completed, and a report transmitted to the government, on October 27, 1997. In its report, the joint federal-provincial panel concluded the project be allowed to proceed subject to 46 recommendations. The government accepted the panel's recommendations in its response made public on December 2, 1997.
- **Saskatchewan Uranium Mining Developments:** This review involved proposals by the Cigar Lake Mining Corporation and the Cogema Resources Inc. to development two new uranium mining projects in northern Saskatchewan. Separate assessments were completed for both proposals and on November 14, 1997, three reports were released: *Midwest Uranium Mine Project*, *Cigar Lake Uranium Mine Project* and *Cumulative Observations*. In its reports, the joint federal-provincial panel recommended both proposals be allowed to proceed subject to certain conditions. These conditions primarily related to the management of tailings and waste rock disposal. The federal and provincial governments responded to the panel's reports on April 3, 1998 accepting most of the recommendations and conditions.
- **Little Bow Project / Highwood Diversion Plan:** This review involved proposals by Alberta Public Works to construct reservoirs and canals, and implement a water diversion plan for irrigation purposes. The assessment was completed during 1997-98, and a report transmitted to the government on June 15, 1998. In its report, the joint federal-provincial panel recommended that three of the five proposed project components be allowed to proceed. However, the panel deferred recommendations for two proposals, specifically the expansion of the Squaw Coulee reservoir and the proposed water diversion plan, until additional required information is received. The government's response to the panel's recommendations is currently being developed and is expected to be released to the public by November 1998.
- **Cheviot Coal Project:** This review involved a proposal by Cardinal River Coals Ltd. and TransAlta Utilities Corporation to develop a surface coal mine and coal processing plant, located 320 kilometers west of Edmonton. The joint federal-provincial panel completed the assessment of the project and submitted its report to both governments in June 1997. In its report, the panel recommended the project proceed, subject to conditions. The federal government responded to the report on October 2, 1997 accepting the recommendations of the panel concerning areas under federal jurisdiction.

- **Voisey's Bay Mineral Development:** This review involves a proposal by Voisey's Bay Nickel Company Ltd. to develop both open pit and underground mines plus a mill near Nain, Labrador. The joint federal-provincial-Aboriginal panel conducted meetings between April and May 1997 to gather comments on the guidelines for preparing the environmental impact statement. These guidelines were finalized in June 1997. The proponent's environmental impact statement, prepared in accordance with these guidelines, was released for public consultation from December 1997 to March 1998. It is anticipated that the public-hearing and report-writing phases of the assessment process will be completed before the end of the 1998-99 fiscal year.

Figure 2: Geographical Distribution of Panel reviews managed during 1997-98



Note: Seven environmental assessment panel reviews were supported in 1997-98; however, only six are displayed because the Nuclear Fuel Waste Management and Disposal Concept review was not site-specific.



The Benefits of a Panel Review - Saskatchewan Uranium Mines

Direct benefits to the environment and to the economy which otherwise might not have been achieved can be attributed to environmental assessment reviews. As an example, some of the benefits of the Saskatchewan Uranium Mining Developments panel review included the following:

Recommendations from the review of these projects resulted in improved environmental monitoring at all stages of the project. This monitoring now involves the participation of local people. Furthermore, the monitoring will be extended over a longer time period than was originally proposed by the proponent, providing additional environmental security.

Instead of building separate mills and tailing facilities, the Cigar Lake and Midwest mines will share an established mill and tailings disposal facility built for an existing uranium mine. This will decrease the environmental disruption that would result from new construction. The approach to custom milling and tailings disposal was a direct result of the requirements of the environmental assessment.

The Cigar Lake and Midwest mines will provide many jobs and business opportunities. As a result of the environmental assessment review recommendations, 50-67% of the jobs and 35% of the business opportunities will go to residents of the areas impacted by the mines.

A community socio-economic and health impacts database will be established for northern Saskatchewan as a result of the panel's recommendations. The database will keep track of the impacts of uranium mining on the vitality of the community.

Stricter radiation safety standards have also been added to the surface lease agreements of the uranium mining companies, as a result of the reviews. In addition, The Saskatchewan Mines Regulations, issued pursuant to The Occupational Health and Safety Act, are being reviewed and amended as a result of the environmental assessments.



Comprehensive Studies

During 1997-98, the conduct of over 20 comprehensive studies was supported by the Agency. This support ranged from: providing advisory services to clients; monitoring the activities of responsible parties to ensure the requirements of the Act were fulfilled; and ensuring the public had opportunities to participate. The Agency also reviewed several final comprehensive study reports prepared by federal authorities.

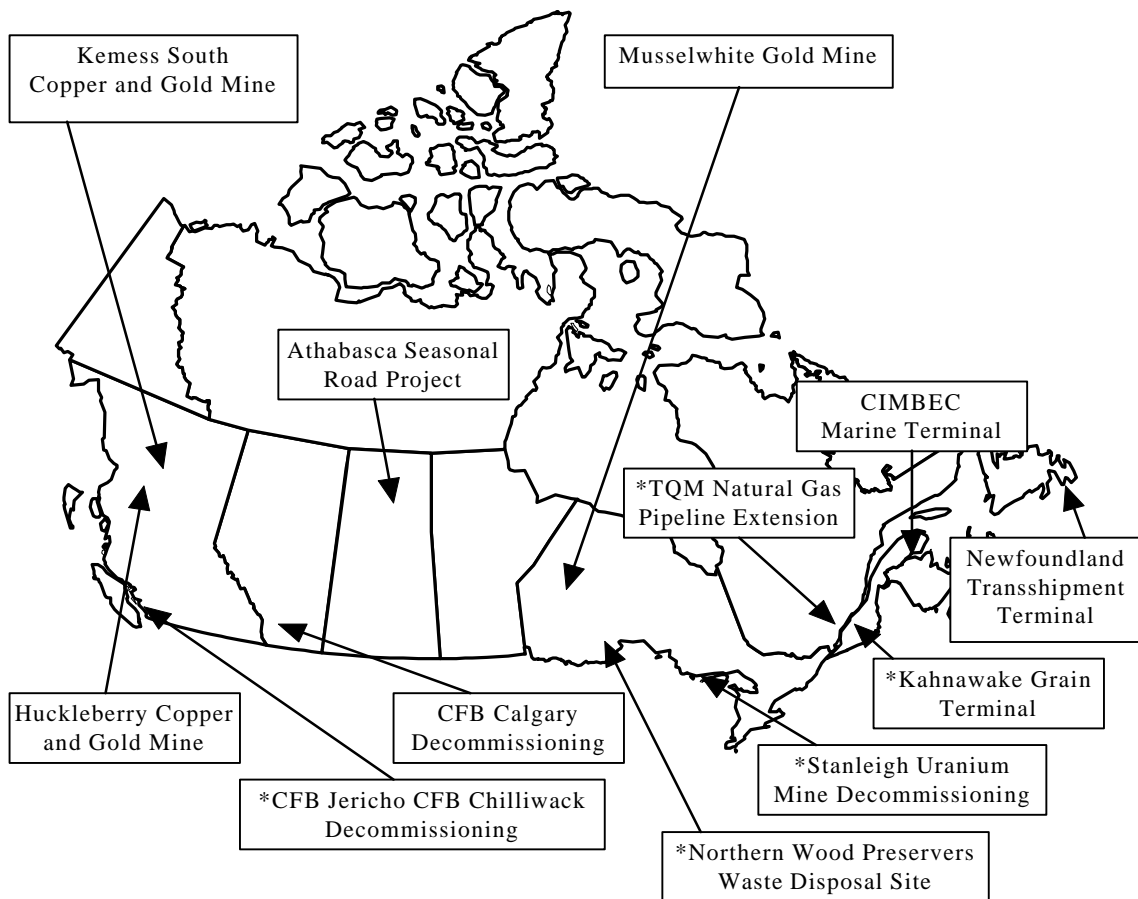
Five comprehensive studies were completed last year (see Figure 3 below). For each one, the Agency provided recommendations to the Minister of the Environment. This was based on an assessment of the final comprehensive study report submitted by the federal authority, and on comments received from the public. The Minister concluded for each comprehensive study that the project under assessment was not likely to cause significant adverse environmental effects, after taking into account proposed mitigation measures.

After the Minister reached these conclusions, each responsible federal authority determined its course of action. This included exercising legal authorities, such as issuing licenses or permits, providing funding assistance, transferring use of federal lands, or proceeding with the project in cases when the federal government was also the proponent. It is also the responsibility of the same department to ensure any mitigation measures included in the comprehensive study report are implemented.



Figure 3: Geographical Distribution of completed Comprehensive Studies

This figure represents all completed comprehensive studies since the Act was proclaimed in January 1995. Comprehensive studies completed during 1997-98 are indicated with a (*).





Advice to Clients

The Agency also provided advice and recommendations to its federal and provincial partners on other issues pertaining to environmental assessment. Below are selected examples illustrating the utility and effectiveness of this service:

- ⇒ For several high profile and publicly significant environmental assessments, particularly for forestry and major industrial proposals, the Agency took a leadership role in coordinating federal input to the provincial review process. Examples include the Agency's role in the Repap/Tolko forest management proposal and the McCain Food processing plant expansion in Portage la Prairie. Both projects are in Manitoba. Liaison activities with various federal, provincial and First Nation stakeholders resulted in improved effectiveness and efficiencies for the EA process.

- ⇒ In 1997-98, the Agency's regional offices provided coordinated, single-window and liaison services between federal and provincial governments. For example, 153 projects were coordinated through the Agency's Prairie regional office with twenty-two (14%) of those projects subject to the *Canadian Environmental Assessment Act*. By coordinating the review of the project descriptions, early identification of federal requirements was facilitated, eliminating duplication of EA activities between the province and the federal government. This resulted in reduced costs and improved cooperation in project planning by both levels of government -- one of the stated goals of environmental assessment.

- ⇒ In 1994, the Canada Infrastructure Works Programme was adopted to facilitate development of infrastructure projects in communities across Canada. The cost of this six-billion dollar initiative was shared among the federal, provincial and municipal governments. To complement the Agency's advice to Treasury Board and regional funding agencies, such as the Atlantic Canada Opportunities Agency, a support network was established through the Agency's regional offices to provide advice, assistance and coordination. The Agency also developed mechanisms to ensure the information provided was consistent and coordinated among the various parties involved.



Commitment #2: Environmental assessment approaches that are co-ordinated across government and harmonized with other jurisdictions.

The Agency's success lies in the strength of its working relationships with key partners both inside and outside the federal government. The development of effective harmonization agreements with other jurisdictions and co-ordination amongst federal departments are required to avoid duplication of effort. These relationships will also enable appropriate federal and provincial expertise to be applied to a review.

1997-98 Accomplishments:

Harmonization Agreements

The Agency led discussions with provincial and territorial governments to develop a *Sub-agreement on Environmental Assessment* under the *Canada-wide Accord on Environmental Harmonization*. Federal and provincial governments (except Quebec) and territorial jurisdictions ratified the Sub-agreement in January 1998. This multilateral agreement is expected to provide greater consistency, predictability, and timely and efficient use of resources where two or more parties are required by law to assess the same proposed project.

The Agency is currently engaged in bilateral discussions with Ontario, Manitoba, Saskatchewan and Alberta to develop arrangements on environmental assessment co-operation, in accordance with the provisions of the Sub-agreement. Building on existing co-operative arrangements, each bilateral agreement is expected to reduce duplication, while ensuring that the integrity of provincial and federal EA legislation is maintained.

One bilateral agreement was finalized in April 1997, the *Canada-British Columbia Agreement for Environmental Assessment*. Since the signing of this agreement, several projects have been subject to cooperative environmental assessments that meet federal and provincial requirements. One example included a proposal to construct and operate a natural gas pipeline from a point near Prince George to a terminal location on the Kitimaat Indian Reserve near Kitimat, British Columbia. As a result of the Canada-B.C. Agreement, a joint federal-provincial review was established and a single set of specifications was developed that would allow the completion of the EA to meet requirements of both federal and provincial legislation.

The project was suspended by the proponent for economic reasons. However, up until that point, both governments had made concerted efforts to respect the Canada-B.C. Agreement, and ensure that requirements of both federal and provincial EA Acts were being met through a single, harmonized process.



The Agency also maintained regional “single window” offices to provide consolidated federal environmental services to external clients. Regional offices offer opportunities to co-ordinate activities with provincial governments, and act as an important liaison with external stakeholders.

Federal Coordination

Coordination within the federal government has been improved in circumstances when more than one department is required to conduct an environmental assessment for one project as a result of the Federal Coordination Regulations, which came into force in April 1997. The Agency prepared a reference guide in July 1997, and held workshops in most regions to assist departments in better implementing the regulation. Further discussion of this initiative and its outcomes can be found in Section 5.2: Performance of Regulatory Initiatives, page 39.

Commitment #3: Environmental assessment processes that are effective, efficient, consistent, predictable and of the highest standards.

In addition to developing strategic partnerships, improving the federal EA process is vital to ensuring its importance as a decision-making tool. The Agency is constantly developing new ways to improve the process, and to clarify its applicability.

1997-98 Accomplishments:

The Agency developed measures to improve the quality of EAs and to encourage best practices. Effort was also undertaken to build predictability into the process. Gaps in the application of the Act are, and continue to be, addressed. Some of the major accomplishments against this commitment follow:

Ongoing Monitoring Program

In order to improve the EA process, an understanding of its impacts on the environment, project design and competitiveness is required. In partnership with Industry Canada, Environment Canada and Natural Resources Canada, a multi-year monitoring program was created to determine if EA was contributing to better project planning and consequently to better environmental protection.



By year's end, methodologies were established to collect information on:

- the costs and source of costs of assessments associated with comprehensive studies, panel reviews and large-scale screening projects;
- the benefits to industry and the public of preparing environmental assessments; and
- actual contributions to sustainable development brought about through comprehensive studies, panel reviews and large-scale screening projects.

The results of the Ongoing Monitoring Program will assist the Agency in refining the EA process to increase its effectiveness and cost efficiency. This initiative will also contribute key performance information for use in the five-year review of the Act.

Regulatory Development

As a result of the Joint Monitoring Program, several amendments to existing regulations were prepared. Pending approval in 1998-99, these amendments will enable the government to better focus effort on assessing those projects with potentially significant impacts.

During 1997-98, the Agency also focused effort on closing gaps in the application of the Act. Federal Crown corporations are not required to conduct EAs of their activities unless, as a proponent, they are required to seek the approval or agreement of a federal authority. In consultation with the Regulatory Advisory Committee (see pages 5 and 43), it was agreed that rules would be developed for the conduct of EAs by ports and harbour commissions. These organizations will become Canada Port Authorities under the *Canada Marine Act*.

It is anticipated the results of these developments will be improved consistency of application, enhanced accountability and greater transparency of environmental management of projects.

Public Access to EA Information

The Agency facilitates public access to information regarding environmental assessment. Important means of access are: the Agency's information centre (see Section 6.1), the Federal Environmental Assessment Index (FEAI), and the Agency's Internet site. The address for both the FEAI and the Agency's Internet site is www.ceaa.gc.ca.

The FEAI was originally created to provide convenient public access to information on all assessments conducted by the federal government. However, system design problems and technology limitations prevented some departments from filing their



assessments in a timely manner. Environmental groups, researchers and the general public also noted that the Index was sometimes difficult to use, and often information was incomplete or missing. In response, a new system was developed that will be easier to use, and will allow daily updates to information. Search functions were also enhanced to foster easier access to the Index.

The Agency also identified the need to update the content and appearance of the Agency's Web site. Improvements were made to facilitate navigation, and to provide more relevant information. Further technological improvements are being made to the Web site. It is anticipated these upgrades, when implemented in 1998-99, will improve public access and lead to better public participation in the EA process.

Class Screening

The Commissioner of the Environment and Sustainable Development noted in his report that the federal government should intensify efforts to improve the quality and efficiency of EAs by developing consistent approaches for similar projects. The Agency is actively assisting other federal departments in the development of class screenings which will allow a faster and more efficient assessment of similar projects.

By the end of 1997-98, the Agency, in conjunction with Parks Canada and the Town of Banff, developed a class screening report defining EA procedures for routine projects. Typical projects include buildings, service lines, roads, bridges, and municipal parks and trails. This report, the first of its kind, is expected to simplify and streamline the screening process, and improve the efficiency, effectiveness, and predictability of screening projects in and around Banff. As well, this report is expected to improve the coordination of project planning and approvals between Banff and Parks Canada.

On August 19, 1998 the Agency declared this report a Model Class Screening Report and made it available to the public (see Section 6.4).

National Standard for Environmental Assessment

The Agency has initiated the development of a national standard for environmental impact assessment under the auspices of the Canadian Standards Association (CSA). The objective of the standard is to establish uniform EA process requirements, consistent with the Act and other Canadian statutory and non-statutory processes. This will result in higher quality EAs and more effective and efficient decision making. After extensive consultation, the Agency, in partnership with the CSA, was able to establish a technical committee tasked to develop the standard. Section 6.3, page 43, contains a list of representatives on this committee.



Commitment #4: Level of federal authority compliance with the requirements of the *Canadian Environmental Assessment Act*.

Government compliance with EA processes is an increasingly prominent issue. Indeed, the Commissioner of the Environment and Sustainable Development has criticized the government's compliance record and recommended the Agency take a leadership role in improving compliance. Evaluating how other departments understand and carry out their EA responsibilities is key in determining how to do this, thus ensuring environmental considerations are incorporated into decisions.

1997-98 Accomplishments:

Education and Training

In order to promote better compliance with the Act, the Agency must rely on guidance, information and training materials to promote compliance and ensure stakeholders understand their legislative requirements. Six training sessions were delivered across Canada to participants from government, private sector, non-government organizations and academia. As a follow-up, a nation-wide survey was conducted to measure client satisfaction with existing training and guidance material. Results indicated both a high degree of satisfaction with some products, and an emerging demand for advanced training. In response to the survey, an advanced training course was developed and an interdepartmental committee of federal departments was established to coordinate federal training efforts on EA.

The following progress was made on several key guidance and training materials (available on the Agency's Internet site www.ceaa.gc.ca):

- ⇒ **Mining Environmental Assessment Guide:** The Agency, in cooperation with Environment Canada and Natural Resources Canada, produced a test version of a *Guide to Information Requirements for Federal Environmental Assessment of Mining Projects in Canada*. Its main purpose is to increase certainty for developers of mining projects regarding the requirements for comprehensive study reports and environmental impact statements prepared under the Act. This version will be evaluated by using it in selected assessments of new mining projects. A final version of the guide is expected to be published in 1999.



- ⇒ **Cumulative Effects Assessment Guide:** The Agency and a working group of environmental specialists produced a draft cumulative effects assessment guide to assist those responsible for conducting EAs. This draft was released for public comment in December 1997. Nation-wide consultations were held from January to March 1998. Public submissions and comments on the guide are being analyzed in advance of publication of a final version by the end of 1998.

- ⇒ **Comprehensive Study Training Manual:** The Agency, in cooperation with Public Works and Government Services Canada (PWGSC), developed a manual on the preparation and management of comprehensive studies. This manual is the basis for a training course to be delivered in selected locations across the country during 1998-99.

Compliance Monitoring Framework

The Agency developed and is implementing a monitoring framework in cooperation with other departments to measure the level of compliance with the Act. Data collected will assist the Agency in determining what adjustments are necessary to training and promotion activities, as well as legislation. At least thirteen federal departments have agreed to evaluate a sample of assessments, using the framework developed by the Agency. This exercise will provide crucial information in support of the five-year review of the Act and future performance reporting.

Client Needs Survey

The results of a nation-wide survey indicated that clients' needs have shifted over the last three years. Demand has grown for more customization and advice on practice rather than process. There was also a strong interest among federal departments to seek partnerships to meet these demands. In response, the Agency created an Interdepartmental Guidance and Training Forum (see Section 6.3 for a list of representatives). The purpose of the Forum is to improve the quality, timeliness and customization of guidance and training products for departments. It is anticipated that the results of this Forum will be improved quality of environmental assessments, and increased client satisfaction regarding the products they receive.



Commitment #5: Aboriginal regimes that maintain or exceed the standards and principles of the *Canadian Environmental Assessment Act*, and are harmonized with existing environmental assessment processes.

Current federal government policies with respect to Aboriginal land claims and the inherent right of self-government recognize the importance of ensuring that Aboriginal peoples have enhanced autonomy over their lives. As decision makers, Aboriginal peoples require tools to ensure that environmental integrity and sustainable development can be achieved for their communities.

1997-98 Accomplishments:

The Agency worked closely with the Department of Indian Affairs and Northern Development to provide advice and assistance on EA considerations and requirements in negotiating and implementing comprehensive land claim and self-government agreements. The Agency is striving to harmonize Aboriginal environmental assessment regimes with federal EA processes to ensure resources are efficiently and effectively utilized, and that only a single assessment occurs for one project. These agreements, noted below, are expected to promote an open and participatory process for assessing the environmental implications of projects on Aboriginal lands, and to improve the integration of environmental and economic considerations.

- ⇒ **Aboriginal Comprehensive Land Claims:** Implementation of the *Mackenzie Valley Resource Management Act*, Nunavut and Inuvialuit Agreements, the Yukon Umbrella Final Agreement plus negotiation of the Labrador Inuit Association, Innu Nation, Nisga'a and other claims under the British Columbia Treaty Negotiation Process.
- ⇒ **Self-Government Agreements:** Negotiation of the Westbank, WeWai Kai, Meadow Lake Tribal Council and United Anishnaabeg Council Agreements.
- ⇒ **Sectoral Self-Government Agreements:** Implementation of *The First Nations Land Management Act*.
- ⇒ **First Nations Environmental Assessment Standard:** As a follow-up to its 1995 paper, *Options for Environmental Assessment by First Nations on Reserves*, the Agency, in conjunction with the Canadian Standards Association, conducted a study into developing a First Nations environmental assessment standard. The results of the study indicated an environmental impact assessment standard for First Nation lands may be feasible. Both the options paper and feasibility study are available to the public and can be obtained from the Agency's information services (see Section 6.1). The Agency is continuing to explore the development of such a standard.



Commitment #6: Consistent application of environmental considerations into federal policy and program proposals.

The 1990 *Cabinet Directive on the Environmental Assessment of Policy and Program Proposals* introduced an important tool for dealing with broad environmental and sustainable development implications of federal policies and programs. Known as Policy EA, it is an investment in good decision making; it allows for the identification of environmental effects of proposed federal policies and programs at the earliest possible stage. Both the Commissioner of the Environment and Sustainable Development and the findings of a preliminary analysis conducted by the Agency indicate that departments have been slow to implement environmental assessment of programs and policies.

1997-98 Accomplishments:

The Agency took a proactive role in promoting the benefits of policy environmental assessment among federal departments. In collaboration with other federal departments, an action plan was developed with the objective of increasing compliance with the Cabinet Directive. This plan addresses four priorities, including:

- i) Promotion and Awareness:**
 - ⇒ conducted presentations to key federal departments on EA of policies and programs; and
 - ⇒ began documenting direct benefits for departments in using policy EA.
- ii) Linkage to federal planning and decision-making processes:**
 - ⇒ co-ordinated with other federal departments a strategy to promote Policy EA as a tool for departmental sustainable development strategies.
- iii) Training and Education:**
 - ⇒ developed and issued a Policy EA training module in January 1997; and
 - ⇒ assisted other departments in providing education sessions.
- iv) Research and Development:**
 - ⇒ initiated work on a Policy EA best practices compendium; and
 - ⇒ developed case study papers of innovative approaches to Policy EA at both national and international conferences.

The results of the action plan for increasing compliance with the Cabinet Directive will be addressed in upcoming performance reports, once relevant data have been collected.

**Commitment #7: Effective representation of Canada's interests in international environmental assessment forums.**

International relationships give Canada the opportunity to share EA expertise and establish mechanisms to support sustainable development of global interests that may affect the health of the environment within Canada. In addition, Canada's international EA responsibilities must reflect foreign trade policy and trade issues, and ensure the competitive position of Canadian exporters.

1997-98 Accomplishments:

Acting as the federal representative in the EA field, the Agency provided corporate leadership in working on several significant international agreements, including:

Environmental Impact Assessment in a Transboundary Context

The federal government has long recognized the need to ensure actions undertaken in Canada do not cause environmental harm to other nations. During 1997-98, the Agency actively promoted and fostered co-operation in Canada and abroad regarding transboundary environmental impacts. This effort resulted in the ratification of the United Nations Economic Commission for Europe *Convention on Environmental Impact Assessment in a Transboundary Context*. This Convention will ensure that participating countries from western and eastern Europe as well as Canada and the United States will consider and address environmental impacts that may cross borders.

North American Agreement for Environment Co-operation (NAAEC)

The Agency, working with Mexico and the United States, developed recommendations for the assessment of projects that are likely to cause significant adverse transboundary environmental effects. Progress was made to define obligations relating to inter-jurisdictional notification, sharing of information, opportunities for public participation and the assessment of impacts including mitigation measures. Several rounds of negotiations were held, based on directions from respective Ministers, to conclude a legally binding agreement. This agreement, once ratified, will then be implemented at the federal level with the objectives of fostering environmentally sound practices and action-oriented international co-operation to ensure transparency and accountability.



3.2.3 Other Performance Accomplishments:

Sustainable Development Strategy:

Although not officially required to develop a sustainable development strategy, the Agency developed, in consultation with other federal departments, a strategy to demonstrate to Canadians its commitment to sustainable development. This strategy was tabled in Parliament in December 1997. The Agency's contribution to sustainable development includes taking a leadership role in the corporate management of EA within the federal government and encouraging the use of EA as a decision-making tool through strategic partnerships and agreements.

The Agency's performance in achieving these goals will be best measured by the compliance of other federal departments and agencies with the *Canadian Environmental Assessment Act*. To meet these objectives, briefings with other departments are taking place on how EA might best be used in the evaluation of federal plans, programs, policies and projects in support of sustainable development objectives. Progress against objectives and commitments is provided in Section 5.1, page 38.

3.3 Year 2000 Compliance

The Agency contracts with Environment Canada (EC) for part of its information technology services. The existing Service Level Agreement includes provisions for assessment, risk analysis and testing to ensure Year 2000 compliance for all Agency systems, equipment and infrastructure. In addition, the Director General of Corporate Services is part of the EC's Year 2000 Senior Managers Steering Committee.

In November 1997, a detailed inventory and comprehensive assessment was completed. Results of the Year 2000 analysis (including regional offices) confirmed that there were no serious problems. One area of potential concern is the Federal Environmental Assessment Index which is being addressed with private sector support under contract. The requirement for Year 2000 compliance is included in the contract. All other applications and hardware have been upgraded or replaced. Further validation/testing is being undertaken by EC, and will be finalized by January 1999.

In addition, as part of the regulatory review exercise led by the Department of Justice, all current and future regulations have been assessed for Year 2000 implications. In developing new regulations, the Agency will also take into account Year 2000 considerations.



SECTION IV: FINANCIAL PERFORMANCE

4.1. Financial Performance Overview

This section provides financial performance information using a variety of formats. Summary financial data, such as the information presented in Table 1, are displayed using three separate headings. For clarity, these headings are defined as:

- **Planned Spending** - what the plan was at the beginning of the fiscal year;
- **Total Authorities** - include additional spending Parliament has approved for departments to reflect changing priorities and unforeseen events; and
- **1997-98 Actuals** - what was actually spent for the fiscal year.

1997-98 marked the final year that environmental assessment panel reviews were funded by the Agency. Nearly \$2.2 million was spent in support of seven panel reviews (as indicated in Section 3.2, pages 14 to 16), all of which came from parliamentary appropriations. In April 1997, Ministers approved a proposal to recover these costs from project proponents. In consultation with industry representatives and other federal departments, the Agency developed a mechanism that would allow the recovery of direct government costs for conducting panel reviews. By year's end, a cost-recovery plan was ready for final approval.

Other significant areas of expenditures during 1997-98 include:

- \$0.8 million for regional offices to provide information, advice, co-ordination and liaison "single-window" services;
- \$2.1 million to develop tools to advance the implementation of EA and improve the process including: new regulations, guides and guidelines, training and education materials, development of a national EA standard; support other departments in the conduct of screenings and comprehensive studies, in addition to developing class screening models and to support the negotiation of land claim and self-government agreements;
- \$0.5 million to revamp the Federal Environmental Assessment Index to enhance reporting capabilities and facilitate improved compliance; and
- \$0.4 million to modernize the Agency's informatics network and to prepare for Year 2000 through a Service Level Agreement with Environment Canada.

**Table 1: Financial Requirements by Authority (thousands of dollars)**

Vote		1997-98 Planned Spending	1997-98 Total Authorities	1997-98 Actual
Canadian Environmental Assessment Agency				
15	Program Expenditures	9,143.0	10,006.2	9,059.0
(S)	Contributions to Employee Benefit Plans	699.0	699.0	699.0
Total Department		9,842.0	10,705.2	9,758.0

NOTE: Total Authorities are main estimates plus supplementary estimates plus other authorities.

Explanation of Variance:

The difference between Total Authorities and Planned Spending of approximately \$0.9 million is due to the following circumstances: carry-over of operating budget from 1996-97; new resources to fund land claim negotiations in British Columbia; and revenues arising from expenditures incurred in 1996-97.

Total Authorities exceed 1997-98 Actual Spending by approximately \$1.0 million for two reasons. First, only one major panel review required funds to assist the public in participating in the EA process. This constituted a lapse in transfer payments that could not be utilized elsewhere within the Agency. Second, delays in the conduct of the Voisey's Bay Mineral Development panel review, beyond the Agency's control, pushed anticipated expenditures into 1998-99.



**Table 2: Comparison of Total Planned Spending to Actual Spending
(thousands of dollars)**

	FTEs	Operating*	Capital	Voted Grants & Contri- butions	Subtotal: Gross Voted Expendi- tures	Statu- tory Grants & Contri- butions	Total Gross Expendi- tures	Less: Revenue Credited to the Vote	Total Net Expen- ditures
Canadian Environ- mental Assessment Agency	95	9,162.0		1,058.0	10,220.0	-	10,220.0	378.0	9,842.0
<i>(total authorities)</i>	95	10,206.9	151.0	1,058.0	11,415.9	-	11,415.9	710.7	10,705.2
(Actuals)	79	9,376.4	150.8	506.1	10,033.3	-	10,033.3	275.3	9,758.0
Total	95	9,162.0		1,058.0	10,220.0	-	10,220.0	378.0	9,842.0
<i>(total authorities)</i>	95	10,206.9	151.0	1,058.0	11,415.9	-	11,415.9	710.7	10,705.2
(Actuals)	79	9,376.4	150.8	506.1	10,033.3	-	10,033.3	275.3	9,758.0
Other Revenues and Expenditures									
Revenue credited to the Consolidated Revenue Fund									-
<i>(total authorities)</i>									(3.3)
(Actuals)									(400.9)
Cost of services provided by other departments									1,105.0
<i>(total authorities)</i>									1,105.0
(Actuals)									1,256.9
Net Cost of the Program									10,947.0
<i>(total authorities)</i>									11,806.9
(Actuals)									10,614.0

* Operating includes Employee Benefit Plans. Refer to Table 8.

**Table 3: Historical Comparison of Total Planned Spending to Actual Spending (thousands of dollars)**

	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98	Total Authorities 1997-98	Actual 1997-98
Canadian Environmental Assessment Agency	9,959.0	10,213.9	9,842.0	10,705.2	9,758.0
Total	9,959.0	10,213.9	9,842.0	10,705.2	9,758.0

Table 4: Crosswalk between Old Structure and New Structure

Table 4 is not applicable to the Canadian Environmental Assessment Agency.

Table 5: Resource requirements by Organization

Table 5 is not applicable to the Canadian Environmental Assessment Agency.

Table 6: Revenues Credited to the Vote (thousands of dollars)

	Actual 1995-96	Actual 1996-97	Planned Revenues 1997-98	Total Authorities 1997-98	Actual 1997-98
Canadian Environmental Assessment Agency	256.5	260.4	378.0	710.7	275.3
Total Revenues Credited to the Vote	256.5	260.4	378.0	710.7	275.3

Explanation of Variance:

Revenues anticipated under a Canada-Newfoundland cost-sharing agreement were deferred to 1998-99 due to delays in initiating the Voisey's Bay Mineral Development panel review.



**Table 7: Revenues Credited to the Consolidated Revenue Fund
(thousands of dollars)**

	Actual 1995-96	Actual 1996-97	Planned Revenues 1997-98	Total Authorities 1997-98	Actual 1997-98
Canadian Environmental Assessment Agency	28.0	-	0.1	3.3	400.9
Total Revenues Credited to the CRF	28.0	-	0.1	3.3	400.9

Table 8: Statutory Payments (thousands of dollars)

	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98	Total Authorities 1997-98	Actual 1997-98
Canadian Environmental Assessment Agency	615.0	598.0	699.0	699.0	699.0
Total Statutory Payments	615.0	598.0	699.0	699.0	699.0

Note: The only statutory payment applicable to the Agency is Employee Benefit Plans.

**Table 9: Transfer Payments (thousands of dollars)**

	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98	Total Authorities 1997-98	Actual 1997-98
CONTRIBUTIONS - Canadian Environmental Assessment Agency					
Contribution to the Province of Quebec - James Bay and Northern Quebec Agreement	95.0	95.0	95.0	95.0	95.0
Contributions to assist public participation in environmental assessment reviews	469.6	312.9	963.0	963.0	411.1
Total Contributions	564.6	407.9	1,058.0	1,058.0	506.1
Total Transfer Payments	564.6	407.9	1,058.0	1,058.0	506.1

Explanation of Variance:

The level of demand to fund public participation in panel reviews depends on the number of major projects under assessment. For 1997-98, only one panel review, Voisey's Bay Mineral Development, required significant funding assistance. Due to delays in the conduct of this review, as well as a budgetary capacity to handle additional large reviews, a lapse between Total Authorities for 1997-98 and Actuals for 1997-98 resulted.

**Table 10: Capital Spending (thousands of dollars)**

	Actual 1995-96	Actual 1996-97	Planned Spending 1997-98	Total Authorities 1997-98	Actual 1997-98
Canadian Environmental Assessment Agency	44.5	144.2	-	151.0	150.8
Total Capital Spending	44.5	144.2	-	151.0	150.8

Table 11: Capital Projects

Table 11 is not applicable to the Canadian Environmental Assessment Agency.

Table 12: Status of Major Crown Projects

Table 12 is not applicable to the Canadian Environmental Assessment Agency.

Table 13: Loans, Investments and Advances

Table 13 is not applicable to the Canadian Environmental Assessment Agency.

Table 14: Revolving Fund Financial Summaries

Table 14 is not applicable to the Canadian Environmental Assessment Agency.

Table 15: Contingent Liabilities

Table 15 is not applicable to the Canadian Environmental Assessment Agency.



SECTION V: CONSOLIDATED REPORTING

5.1 Sustainable Development

Key Goals	Performance Indicator	Targets for the Reporting Period	Progress to Date or Any Corrective Action
Goal # 1: Assume a leadership role for corporate management of the EA process in the federal government	Communicate benefits of environmental assessment to other departments	Finalize work on the Joint Monitoring Program and statistical analysis from the Federal Environmental Assessment Index	Joint Monitoring Program is complete. The results have been shared with other departments
	Share research and other information with federal departments and the public	Share the results of the three-year <i>International Study on the Effectiveness of Environmental Assessment</i>	Research has been disseminated to other departments
	Follow-up on federal environmental assessment to ensure compliance with the Act	Follow-up system established to determine whether EAs of projects are accurate and whether mitigative measures are effective	New monitoring and compliance framework system under development; results should be available next fiscal year
	Provide regular EA advice in support of Aboriginal land claims and self-government negotiations	Advice to federal negotiators addressing EA issues in Aboriginal comprehensive land-claim and self-government negotiations, and provide help in defining policy options	Participation in the negotiations and implementation of over 12 comprehensive land claim and self-government agreements
Goal # 2: Refine and enhance the appropriate application of the <i>Canadian Environmental Assessment Act</i>	Understanding of the application of the Act and EAs improve	Provide guidance and training to federal departments and other practitioners of EA	Delivered six training sessions across Canada to representatives from the federal and provincial governments, the private sector, and ENGOs
	Develop new initiatives to improve EAs, and encourage best practices	Develop EA standards in collaboration with the Canadian Standards Association and technical committees	Work with the Canadian Standards Association is ongoing
	Application of the Act expands and improves	Development of EA regimes for Crown corporations and harbour commissions	Draft regulations are being discussed with port authorities
Goal # 3: Encourage the use of EA as a decision-making tool	Harmonization with other jurisdictions conducting EAs improves	Strengthen strategic partnerships, both federally and provincially, and thereby reduce overlap	Sub-Agreement on EA Harmonization was ratified by all parties (except Quebec)
	Negotiate with NAFTA and UN partners on environmental assessment procedures	Collaborate with NAFTA partners on an agreement for transboundary EA. Ratify the UNECE Convention on Environmental Impact Assessment in a Transboundary Context	Negotiations with Mexico and the United States are ongoing. The UNECE Convention has been ratified



5.2 Performance of Regulatory Initiatives

Purpose of legislative of regulatory initiative (as reported in the FRP ¹)	Expected Results (as reported in the FRP ¹)	Performance measurement criteria	Results achieved
Federal Coordination Regulations			
<p>Set out a process to be followed in situations where several federal departments are required to conduct a federal environmental assessment for one project. This is to ensure a predictable, timely screening process, and that as far as possible, a single federal environmental assessment for each project subject to the <i>Canadian Environmental Assessment Act</i>.</p>	<p><u>“Short term”</u></p> <ul style="list-style-type: none"> - improvement in the coordination of all federal departments involved in an environmental assessment - facilitation of project assessment harmonization agreements with provinces where requirements exist <p><u>“Long term”</u></p> <ul style="list-style-type: none"> - improved timeliness and cost efficiency of the federal environmental assessment process 	<p><u>“Short term”</u></p> <ul style="list-style-type: none"> - better understanding and compliance of regulations by other federal departments - year-over-year decrease in the amount of time required to determine which departments will be involved in an assessment - year-over-year decrease in the amount of time required to determine the nature of federal involvement in an assessment <p><u>“Long term”</u></p> <ul style="list-style-type: none"> - number of projects subject to more than one federal assessment or subject to duplication of effort decrease 	<p><u>“Short term”</u></p> <ul style="list-style-type: none"> - federal departments are identifying involvement in a more timely fashion and cooperation amongst departments on matters such as scoping has increased - increased opportunities to harmonize with provinces because of early identification provisions <p><u>“Long term”</u></p> <ul style="list-style-type: none"> - performance information not available at this time; will be discussed in next year’s performance report
Panel Procedures (Ministerial Guideline)			
<p>Set out the manner in which federal environmental assessment panels conduct reviews, to ensure that the federal panel review process is fair, timely and efficient</p>	<p><u>“Short term”</u></p> <ul style="list-style-type: none"> - more streamlined and predictable panel review process - Guaranteed procedural protections for participants (e.g. minimum amount of time to review documentation). <p><u>“Long term”</u></p> <ul style="list-style-type: none"> - improved and more traceable government decision-making with respect to projects given that consistent procedures will be applied to each one 	<p><u>“Short term”</u></p> <ul style="list-style-type: none"> - federal panel reviews conducted in a consistent manner and adhere to consistent timelines <p><u>“Long term”</u></p> <ul style="list-style-type: none"> - broad acceptance by stakeholders that the federal panel process is effective and efficient 	<p><u>“Short term”</u></p> <ul style="list-style-type: none"> - performance information not available - procedures not yet applied (since procedures came into force no panel reviews have been initiated) <p><u>“Long term”</u></p> <ul style="list-style-type: none"> - performance information not available at this time; will be discussed in next year’s performance report

¹ Federal Regulatory Plan



5.3 Statistical Summary of Environmental Assessments

The Agency is required under Section 71(2) of the *Canadian Environmental Assessment Act* to report on an annual basis the number of environmental assessments conducted under the Act. The following table is a listing of all EAs initiated by departments and agencies during the period April 1, 1997 to March 31, 1998 (as reported by lead department). The total number of environmental assessments initiated is up slightly from 5,732, as reported in the 1996-97 Performance Report.

Department	Total	Type	Approved	Completed	Outstanding	Panel Required
Agriculture and Agri-Food Canada	333	screening	323	323	10	-
Atlantic Canada Opportunities Agency	576	screening	343	343	233	-
	4	comp. Study	1	1	3	-
Atomic Energy Control Board	7	screening	7	7	-	-
	1	comp. study	-	-	1	-
Canadian Heritage	955	screening	792	796	159	-
	1	comp. study	-	-	1	-
Canadian International Development Agency	60	screening	60	60	-	-
Canadian Transportation Agency	65	screening	65	65	-	-
Correctional Services of Canada	4	screening	4	4	-	-
Foreign Affairs and International Trade	7	screening	5	5	2	-
Environment Canada	435	screening	409	409	26	-
Canada Economic Development for Québec Regions*	130	screening	111	111	19	-
Fisheries and Oceans	754	screening	660	660	94	-
	11	comp. study	1	2	9	-
Human Resources Development Canada	147	screening	147	147	-	-
	1	comp. study	-	-	1	-
Indian and Northern Affairs Canada	1,135	screening	974	974	161	-
Industry Canada	413	screening	413	413	-	-
National Defence	140	screening	16	16	124	-
National Energy Board	133	screening	91	91	42	-
	2	comp. study	1	1	1	-
National Research Council of Canada	2	screening	2	2	-	-
Natural Resources Canada	37	screening	32	32	5	-
Public Works and Government Services Canada	33	screening	27	27	6	-
	1	comp. study	-	-	1	-
Royal Canadian Mounted Police	13	screening	13	13	-	-
Revenue Canada	3	screening	3	3	-	-
Transport Canada	243	screening	243	243	-	-
Western Economic Diversification Canada	300	screening	299	299	1	-
Sub - Total	5,925	screening	5,039	5,043	882	-
	21	comp. study	3	4	17	-
TOTALS	5,946		5,042	5,047	899	-

* Name changed from Federal Office of Regional Development (Québec).



SECTION VI: OTHER INFORMATION

6.1 Contacts for Further Information and Departmental Web Site

Canadian Environmental Assessment Agency - Headquarters

Fontaine Building
200 Sacré-Coeur Boulevard
Hull, Quebec
K1A 0H3

Internet Address:

<http://www.ceaa.gc.ca>

Information Services

Tel.: (819) 994-2578
Fax.: (819) 953-2891
Internet E-mail: stephane.parent@ceaa.gc.ca

**Federal Environmental Assessment
Index**

E-mail: index@ceaa.gc.ca

Communications - Media Relations

Tel: (819) 997-2212
Fax: (819) 953-2891
Internet e-mail: gordon.harris@ceaa.gc.ca

Regional Offices

Pacific and Northern Region

757 West Hastings Street, Suite 320
Sinclair Centre
Vancouver, British Columbia
V6C 1A1
Tel.: (604) 666-2431
Fax.: (604) 666-6990
Internet e-mail: paul.scott@ceaa.gc.ca

Alberta Region

Suite 100, Revillon Building
10237 - 104 Street N.W.
Edmonton, Alberta
T5J 1B1
Tel.: (403) 422-7704
Fax.: (403) 422-0055
Internet e-mail: ryerson.christie@ceaa.gc.ca

Prairie Region

Suite 263, The Federal Building
123 Main Street
Winnipeg, Manitoba
R3C 4W2
Tel.: (204) 984-2457
Fax. (204) 983-4506
Internet e-mail: dan.mcnaughton@ceaa.gc.ca

Atlantic Region

Suite 1030, TD Centre
1791 Barrington Street
Halifax, Nova Scotia
B3J 2G1
Tel.: (902) 426-0564
Fax.: (902) 426-6550
Internet e-mail: bill.coulter@ceaa.gc.ca



Regional Offices (Continued)

Quebec Region

200 Sacré-Coeur Boulevard, 13th floor
Hull, Quebec
K1A 0H3
Tel. (819) 997-2213
Fax. (819) 994-1469
Internet e-mail: pascal.barrette@ceaa.gc.ca

Ontario Region

200 Sacré-Coeur Boulevard, 13th floor
Hull, Quebec
K1A 0H3
Telephone: (819) 997-2244
Facsimile: (819) 994-1469
Internet e-mail: guy.riverin@ceaa.gc.ca

6.2 Legislation and Associated Regulations Administered

The Minister has sole responsibility to Parliament for the following Acts and associated Regulations:

<i>Canadian Environmental Assessment Act</i>	S.C., 1992, C.37, as amended
<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 Co-ordination 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)

The Minister has shared responsibility to Parliament for the following Acts:

<i>James Bay and Northern Quebec Native Claims Settlement Act</i>	S.C., 1976-77, C.32
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6.3 Key Committee Participants List

Regulatory Advisory Committee (RAC)

- Canadian Association of Petroleum Producers
- Canadian Construction Association
- Canadian Environmental Network
- Canadian Nuclear Association
- Canadian Pulp and Paper Association
- Centre patronal de l'environnement du Québec
- Centre québécois de droit de l'environnement
- Environment Canada
- Fisheries and Oceans Canada
- Industry Canada
- Inuit Tapirisat of Canada
- Mining Association of Canada
- Natural Resources Canada
- Province of Ontario, Ministry of Environment and Energy
- Province of British Columbia, Ministry of Environment
- West Coast Environmental Law Association

Interdepartmental Forum on Training and Guidance

- Agriculture and Agri-Food Canada
- Canadian Heritage
- Canadian International Development Agency
- Canadian Transportation Agency
- Environment Canada
- Department of National Defence
- Fisheries and Oceans Canada
- Foreign Affairs and International Trade
- Health Canada
- Human Resources Development Canada
- Indian and Northern Affairs Canada
- Natural Resources Canada
- Public Works and Government Services Canada
- Royal Canadian Mounted Police
- Transport Canada

Canadian Standards Association Environmental Impact Assessment Technical Committee

- Assembly of First Nations
- Atomic Energy of Canada Limited
- Birchall Northey Barristers
- Bow Valley Naturalists
- Cambior Incorporated
- Canadian Association of Petroleum Producers
- Canadian International Development Agency
- Canadian Pulp and Paper Association
- Canadian Transportation Agency
- Dianne Damman, independent consultant
- Environment Canada
- Environmental Coalition of Prince Edward Island
- Hardy Stevenson and Associates Ltd.
- Health Canada
- Hemmera Resource Consultants Ltd.
- Hydro-Québec
- Inuit Tapirisat of Canada
- Marbek Resources Consultants Ltd.
- Natural Resources Canada
- Province of Manitoba, Department of Environment
- Province of New Brunswick, Department of Environment
- Quebec Environmental Law Centre
- Sustainable Resource Development Incorporated
- Turtle Island Earth Stewards
- UMA Engineering
- United Kingdom Environmental Assessment Institute
- University of Waterloo
- Westmin Resources Ltd.
- Yukon Conservation Society



6.4 Statutory Annual Reports and Other Departmental Reports

The following reports are available from the Agency's Internet site, unless indicated otherwise:

- *Performance Report to Parliament, for the Period ending March 31, 1997: Improved Reporting to Parliament - Pilot Document*
⇒ www.tbs-sct.gc.ca/rma/dpr/96-97/2ceaa96e.pdf
- *1998-99 Estimates: Report on Plans and Priorities*
- *Cabinet Directive on the Environmental Assessment of Policy and Program Proposals, 1990*
- United Nations Economic Commission for Europe (UN ECE) *Convention on Environmental Impact Assessment in a Transboundary Context, 1994*
⇒ www.unicc.org/unece/pub_cat/lpenv8.htm#eia (report not on site)
- *Report of the EUB-CEAA Joint Review Panel: Cheviot Coal Project, June 1997*
⇒ http://204.225.191.209/panels/cheviot/report_e.htm (Only summary, full report not on site)
- *Terra Nova Development: An offshore Petroleum Project, August 1997*
- *Sable Gas Project, October 1997*
- *Midwest Uranium Mine Project, Cigar Lake Uranium Mine Project and Cumulative Observations, November 1997*
- *An Investment in our Future: A Sustainable Development Strategy for the Agency, December 1997*
- *Nuclear Fuel Waste Management and Disposal Concept, February 1998*
- *Little Bow Project / Highwood Diversion Plan: Application to Construct a Water Management Project to Convey and Store Water Diverted from the Highwood River, May 1998*
⇒ www.gov.ab.ca/nrcb/dec9601.html
- *Commissioner of the Environment and Sustainable Development: Environmental Assessment - A Critical Tool for Sustainable Development, May 1998*
⇒ www.oag-bvg.gc.ca/domino/media.nsf/html/c8pr_e.html
- *Model Class Screening Report for Routine Projects in the Town of Banff and Proximate Outlying Areas, August 1998*

A number of other publications have been produced by the Agency. Most of these publications are of a general nature and are available free of charge. Publications of a technical nature, which are intended for specialized groups, have an associated price for the printed versions. Agency publications can be consulted free of charge at any library taking part in the federal government's Depository Services Program. The Agency has also published a collection of all its publications from 1975 to 1997 on CD-Rom. A complete list of publications can be obtained directly from the Agency (see Section 6.1) or its Internet site (www.ceaa.gc.ca).