

Canadian Environmental Assessment Agency

Performance Report

For the period ending March 31, 2000



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*.

©Minister of Public Works and Government Services Canada — 2000

Available in Canada through your local bookseller or by mail from

Canadian Government Publishing — PWGSC

Ottawa, Canada K1A 0S9

Catalogue No. BT31-4/23-2000 ISBN 0-660-61418-9



Foreword

On April 24, 1997, the House of Commons passed a motion dividing on a pilot basis the *Part III of the Estimates* document for each department or agency into two separate documents: a *Report on Plans and Priorities* tabled in the spring and a *Departmental Performance Report* tabled in the fall.

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.

The Fall Performance Package is comprised of 83 Departmental Performance Reports and the President's annual report, *Managing for Results 2000*.

This *Departmental Performance Report*, covering the period ending March 31, 2000 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 *Report on Plans and Priorities* for 1999-00 tabled in Parliament in the spring of 1999.

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 its management systems and performance framework. 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/rma/dpr/dpre.asp

Comments or questions can be directed to the TBS Internet site or to:

Planning, Performance and Reporting Sector Treasury Board Secretariat L'Esplanade Laurier Ottawa, Ontario, Canada K1A OR5

Tel: (613) 957-7167 Fax (613) 957-7044

Canadian Environmental Assessment Agency

Performance Report

For the period ending March 31, 2000

Table of Contents

Exe	cutive Sum	nmary	1
SEC	TION I:	Minister's Message	3
SEC	TION II: [Departmental Performance	
2.1	Key Co-d Social and	Context	6
2.2	Performa	ance Accomplishments	. 11
SEC	TION III: (Consolidated Reporting	
3.1	Sustainab	ole Development Strategy	. 25
3.2	Regulator	ry Initiatives	. 30
3.3	Statistica	l Summary of Environmental Assessments	. 31
SEC	TION IV: F	Financial Performance	
4.1	Financial	Performance Overview	. 33
4.2	Financial	Summary Tables	. 34
SEC	TION V: [Departmental Overview	
5.1	Mandate,	Mission and Vision	. 37
5.2	Departme	ental Organization	. 38
SEC	TION VI: (Other Information	
6.1	Contact I	ist	. 39
6.2	Legislatio	on Administered and Associated Regulations	. 40
6.3	Other Ag	ency Statutory Reports and Information	. 40

Table 1	Chart of Key Results Commitments
Table 2	Presentation of Financial Information11
Table 3	Comprehensive Studies Completed During 1999-200014
Table 4	Financial Requirements by Authority
Table 5	Comparison of Total Planned Spending to Actual Spending
Table 6	Historical Comparison of Total Planned Spending to Actual Spending
Table 7	Respendable Revenues
Table 8	Non-Respendable Revenues
Table 9	Statutory Payments
Table 10	Transfer Payments
Table 11	Organizational Chart



Executive Summary

With a work force of about 100 people and an annual budget of approximately \$12 million, the Canadian Environmental Assessment Agency is involved in many complex and sensitive issues affecting Canadians.

These issues range from the environmental assessment of proposed projects throughout Canada to the negotiation of environmental assessment agreements with Aboriginal groups, provincial governments and other countries in support of sustainable development.

Given the potential for serious and irreversible damage that can result from human activity, environmental assessment is an essential planning tool for new proposals. It is the process of collecting the best possible information upon which to base informed decisions. These decisions can lead to activities that are more compatible with sustaining a healthy environment for both present and future generations.

Today, environmental assessment is an integral part of public policy and decision making at all levels of government in Canada. It is important, therefore, for the environmental assessment process to adapt and remain effective and efficient for it to maintain its status and relevancy as a tool in making informed decisions.

Over the last year, the Agency supported sustainable development with a number of major accomplishments including:

- supporting the completion of 10 comprehensive study environmental assessments that helped improve project design and mitigation measures to reduce or eliminate potential adverse impacts on local environments;
- the completion of bilateral agreements between the federal government and Alberta and Saskatchewan that contributed to improved co-ordination and harmonization of environmental assessment processes;
- the completion of the Canada Port Authority Environmental Assessment Regulations that contributed to improved consistency in the application of environmental assessments across federal departments and agencies; and
- the Five Year Review of the *Canadian Environmental Assessment Act* and the completion of comprehensive consultations with over 1,200 Canadians, that will lead to Minister of the Environment's report due in the autumn of 2000.

The 1999-2000 Performance Report demonstrates the results and achievements of the Agency during the most recent fiscal year against previously stated commitments. In addition, this report explains why environmental assessment is important to Canadians, explains how the federal environmental assessment process works and describes the Agency's role in this process.



SECTION I: Minister's Message

In Canada, our natural environment is as diverse as our people and, in many ways, it is our relationship with the land that binds us as a nation. We take great pride in the physical beauty of our country and we benefit from its wealth of natural resources. The future economic and social well-being of every Canadian depends on the state of our natural environment.

These strong values led the Government of Canada to begin environmental assessments in the 1970's. The practice evolved rapidly, and in 1995, the *Canadian Environmental Assessment Act* became law. Now, five years later, an objective review has begun to find out what parts of the Act work and what can be improved.

The review, as mandated in the Act, has been at the forefront of the Agency's operations over the last 12 months. Public consultations sessions were held across Canada, which drew substantial public participation. In an effort to ensure the participation of rural Canadians, the Agency set up an interactive Web site that allowed people from all over Canada to submit their views. Separate consultations were held with the provinces and with Aboriginal groups. Suggestions on ways to improve the Act were also obtained from industry representatives and environmental organizations. The results of these consultations will be presented in my report to Parliament this fall.

Over the last year, the federal environmental assessment process has been put to the test. Development projects have been numerous and varied, highlighted by an in-depth review of the Diavik Diamond Mine in the Northwest Territories. The environmental assessment of this project ensures the integrity of Canada's North, while at the same time supporting significant economic benefits to the region.

As part of an ongoing initiative to harmonize the environmental assessment process in Canada, the Agency negotiated co-operative agreements with the governments of Alberta and Saskatchewan.

The Agency continued to support First Nations and Indian and Northern Affairs Canada in the negotiation of environmental assessment provisions into comprehensive land-claim and self-government agreements. These agreements, such as the Westbank self-government agreement, will assist First Nations communities in achieving sustainable development goals while respecting cultural perspectives and self-determination objectives.



With the assistance of Transport Canada, the Agency established environmental assessment regulations for 18 Canada Port Authorities wich came into force in July 1999. Training sessions were provided to various organizations on the new rules.

Taking all we have learned since the Act came into force, combined with the valuable insights gained during public consultations for the review, we can now steer a course toward a new and improved era of environmental assessment in Canada.

David Anderson



SECTION II: Departmental Performance

2.1 Societal Context

The Canadian Environmental Assessment Agency's performance expectations for the 1999-2000 fiscal year are presented in Table 1. Outlined are the Agency's objective, key long-term result commitments and strategic priorities. The second and third columns demonstrate how the Agency plans to support the new results commitments and show where 1999-2000 accomplishments can be found in this report.

Table 1 Chart of Key Results Commitments

The Agency's **objective**, as identified in Part II of the Main Estimates, is also the Agency's **mission statement**.

Key Result Commitments are the Agency's longterm commitments to Canadians.

Objective:

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

Strategic Priorities Means of demonstrating progress:	Achievement reported on pages:	
 Be recognized as a credible advocate of high-quality environmental assessment. Advance the science and practice of environmental assessment. Learn from experience and share results. 	12-20	
 Clarify and improve environmental assessment processes with other jurisdictions and with federal partners. Strengthen relationships with partners and stakeholders. 	20-22	
 Improve the Agency's capacity to monitor, assess and foster compliance. Address gaps in the application of the Act and other federal environmental assessment processes. 	23-24	
	 Progress: Be recognized as a credible advocate of high-quality environmental assessment. Advance the science and practice of environmental assessment. Learn from experience and share results. Clarify and improve environmental assessment processes with other jurisdictions and with federal partners. Strengthen relationships with partners and stakeholders. Improve the Agency's capacity to monitor, assess and foster compliance. Address gaps in the application of the Act and other federal environmental 	

The Agency's internal strategy for delivering on its commitments is based on the Agency's **strategic priorities**. These priorities set the direction for Agency activities.*

^{*} For the purpose of simplified reporting, Agency activities are grouped directly under each Key Result Commitment.



Key Co-delivery Partners

Strategic partnerships are critically important for the Agency. Without them, it would be unable to deliver services to clients and fulfil its mandate. The Act is based on the principle of self-assessment. This means that federal departments and agencies are required to carry out an environmental assessment when they have decision-making responsibilities with respect to the project under review. However, responsibility may also be shared between the federal and provincial governments and with Aboriginal communities. Therefore, the Agency must develop and maintain strong working relationships with its partners to ensure that the process remains relevant and effective.

The Agency's key co-delivery partners include:

Other Federal Departments and Agencies: The Agency maintains close working relationships with most federal departments and agencies since they have responsibilities under the Act for either conducting environmental assessments or providing technical expertise in support of them. For example, 30 responsible authority departments and agencies initiated over 5,600 assessments in 1999-2000 (see Section 3.3: Statistical Summary of Environmental Assessments).

In addition, the Agency chairs the Senior Management Committee on Environmental Assessments as well as the Regional Environmental Assessment Committees consisting of numerous federal departments and agencies. Both are forums for sharing best practices, and shaping training and guidance materials as well as federal policy and regulation.

Provincial Governments: Provincial governments are working with the Agency to ensure effective and efficient delivery of environmental assessments: a single assessment covering federal and provincial requirements for a project is now asked for. The Agency also collaborates with its provincial counterparts to provide regional 'one-stop' single-window services to clients who are usually project proponents or concerned citizens. The Agency's regional offices are also key points of interaction with provincial governments, industry, environmental and Aboriginal organizations.

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 environmental assessment processes that will assist these communities in achieving sustainable development, while respecting their self-determination objectives.

Environmental Non-Government Organizations (ENGOs) and Industry: ENGOs and representatives from industry are also key participants in the delivery of products and services to Canadians. They assist the Agency in environmental



assessment of projects under the Act and are instrumental in providing ideas about and insight into the development of new regulations and improved policies and programs.

Social and Economic Factors

The Agency operates in a complex and constantly evolving environment. Its capacity to carry out its mission is based on its ability to meet new challenges and adapt to emerging trends. One major element is the review of the Act, described in the next section. Other factors include:

Environmental management is a shared responsibility: Under the Canadian Constitution, responsibility for environmental management is shared between the federal and provincial governments. Although this can give rise to potential duplication and inconsistent application of environmental assessment, a spirit of co-operation between jurisdictions is emerging. To ensure a predictable, consistent and efficient process, the Agency must continue to foster co-operation among jurisdictions both through agreements and through clear communication.

Advances in environmental assessment methodology: The preparation and application of environmental assessment guidelines by federal and provincial governments as well as other countries have produced a substantial knowledge base. Many stakeholders are seeking to integrate this information into broader environmental management and planning activities such as environmental management systems and sustainable development strategies. The challenge for the Agency is to develop and deliver tools and guidance that assist clients in integrating environmental assessment information into more adaptive management strategies.

Aboriginal self-government is reshaping environmental assessments throughout Canada: Through comprehensive land-claim and self-government agreements, Aboriginal-based environmental assessment regimes are being established. The Agency must ensure that these new regimes respect the self-determination objectives of Aboriginal communities while at the same time provide the information necessary to make informed decisions concerning projects.

The courts are shaping many areas of public policy: 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 relations. Environmental assessment, too, has been affected by recent court decisions. This is a natural evolution for any new legislation. Over the long run, however, these initial growing pains provide the clarification and direction needed to increase the certainty and predictability of the environmental assessment process.



The Review of the Act

"Five years after the coming into force of this section, a comprehensive review of the provisions and operation of this Act shall be undertaken by the Minister."

s. 72(1), Canadian Environmental Assessment Act

Five years ago, environmental assessment in Canada took a major step forward with the passage of the *Canadian Environmental Assessment Act*. At that time, the obligations of federal departments and agencies to conduct environmental assessments of projects involving Government of Canada were enshrined in legislation. And, for the first time, opportunities for the public to participate in the environmental assessment process were confirmed in legislation.

Since its proclamation, a great deal of experience has been gained – by federal government departments, private sector proponents, non-governmental organizations and other groups. Much of this experience has been positive – there are many examples of assessments protecting sensitive environmental features and encouraging efficient project planning. Yet there also have been concerns about some areas of the Act's operations.

In late 1999, as required under the Act, the Minister of the Environment launched a review of the Act. The review examined how to improve the federal environmental assessment process based on past experience. The review was based on three principal challenges:

- how to make the process more predictable, consistent and timely;
- how to improve the quality of environmental assessments; and
- how to strengthen opportunities for public participation.

The review had two distinct phases: analysis of the Act's operations and national consultations. From the start, the Minister determined that the review of the Act would:

- be open and transparent;
- be broad and extensive:
- provide a forum where concerned individuals and organizations could present their views; and
- provide a forum for iterative discussions on key issues and options.



The Agency has played a key role in supporting the Minister's legislated review of the Act. Managed by an independent facilitator, national consultations for the review began in December 1999. The Agency offered a forum where stakeholder views were presented and where key issues, options and innovations were discussed.

To support the Minister's review of the Act, the Agency accomplished the following:

- A series of 12 background reports was commissioned on key issues identified in relation to the Act. The Agency also conducted discussions with its environmental assessment partners and stakeholders, including:
 - the federal government's Senior Management Committee on Environmental Assessment;
 - environmental practitioners in the federal government;
 - the provincial environmental assessment administrators;
 - the Minister's Regulatory Advisory Committee;
 - the environmental assessment caucus of the Canadian Environmental Network;
 - the environmental committee of the Assembly of First Nations; and
 - key industry associations.
- An intensive analysis of the background reports and results of preliminary consultations was undertaken, resulting in a document entitled: *Review of the Canadian Environmental Assessment Act A Discussion Paper for Public Consultation.* The document was released to the public in December 1999. Its purpose was to provide focus for an extensive process of national consultations.
- A new, interactive Web site was developed specifically to support the review process. It provided direct access to all background reports and to the Agency's discussion document. It also provided access to key information on consultation venues; summaries of each consultation session (within a few days of its occurrence); and all briefs submitted in relation to the review. In addition, an electronic bulletin board was made available to facilitate public comment on any issue related to the review of the Act. As of the end of March 2000, the site received more than 23,400 visits.

Government On-line

The use of Internet technology provided the public with access to the same information base that was being used by the Agency in conducting its own analysis. Stakeholders and the public alike indicated that this enabled the consultation process to be very transparent and open, fostering productive exchanges of information and enhancing the credibility of the Minister of the Environment in his determination to understand and address their issues with respect to the federal environmental assessment process.



 National public consultations were conducted in 19 communities in every province and territory of Canada. These consultation sessions began in late January 2000 and were completed by the end of March, in which approximately 800 people participated.

A Well-managed Review

The public consultation phase of the review of the Act was successfully completed within its established timelines and budget.

- Regional workshops were held in seven of the 19 consultation locations. The purpose of the workshops was to allow a broad spectrum of stakeholders to discuss the key themes outlined in the Agency's discussion document and to try to reach consensus on proposed solutions. More than 350 individuals participated in the workshops.
- A special effort was also made to reach out to rural Canadians through an
 advertising campaign in regional newspapers and farm journals. The interactive
 Web site provided them with an opportunity to get information about the
 Five Year Review and to make their views known without attending the public
 consultation sessions.
- In addition to the consultations described above, the Agency provided financial support to the Métis National Council, the Inuit Tapirisat of Canada and the Assembly of First Nations to develop position papers in discussion with their respective memberships. Moreover, the regional offices of the Agency provided financial support for the development of 12 position papers submitted by regional Aboriginal organizations.
- Consultations on the review also occurred with stakeholders through the Regulatory Advisory Committee, with the provinces via the Environmental Assessment Administrators Committee and with federal departments through the Senior Management Committee on Environmental Assessment.
- By the end of March all public consultation sessions were completed, and the Agency began to consolidate and evaluate the resulting comments and suggestions. This will assist the Minister of the Environment in preparing his report to Parliament by the end of autumn 2000.

Management Strategy

To meet the demands and manage the pressures, the Agency created a special review team dedicated solely to supporting the Minister of the Environment's legislated requirement to conduct a comprehensive review of the Act. This represented a slight change in the organizational structure, as resources were shifted from existing sources from within the Agency to the review team. Temporary resources were also provided to supplement the Agency's effort. In all, approximately 10 percent of the Agency's work force and 13 percent of its budget were assigned to the review of the Act full-time during the year. However, every section within the Agency, including all regional offices, contributed in some way to this initiative.



2.2 Performance Accomplishments

Table 2 Presentation of Financial Information

Human Resource Utilization for 1999-2000 Financial Resources:	96 FTES
Planned Spending (1999-2000 Report on Plans and Priorities)	\$10,227,000
Total Authorities (Public Accounts for 1999-2000)	\$12,029,436
1999-2000 Actual Expenditures	\$11,415,641

The variance between Total Authorities and Planned Spending of approximately \$1.8 million is mainly due to supplementary funding for the legislative review of the Act. For additional financial information, refer to Section IV: Financial Performance.

Agency Performance Accomplishments

In assessing the Agency's accomplishments against commitments made in the 1999-2000 Report on Plans and Priorities, two important factors should be kept in mind: *shared responsibility* and the *nature of environmental assessment*.

Individual departments and agencies responsible for making a decision with respect to a project are also responsible for ensuring an environmental assessment is conducted. The Agency's accomplishments measured against strategic priorities listed earlier are shared with partners across the federal government. For example, improving the quality and consistency of environmental assessments is not dependent solely on Agency training, guidance and advisory services. Factors such as other departmental resource constraints or increased capacities within departments also play significant roles. While this means that successes and shortcomings are shared, it also means that it is more difficult to pinpoint and measure specific Agency impacts or outcomes on the overall quality of assessments.

The aim of environmental assessment is to identify, reduce or eliminate potentially adverse environmental effects. The nature of environmental assessment requires long-term performance data. In most circumstances, it may take a whole generation to collect and fully appreciate its impact on the design and execution of a project. It takes equally as long to measure the impacts on the quality of life of affected citizens. It can be difficult to quantify its success on a project when predicted adverse effects do not occur. In addition, many large-scale assessments vary so greatly in characteristics that the Agency is limited in the tools it can use to measure impacts in a consistent manner.

However, some of this long-term information is now becoming available. Examples of how environmental assessment is making a difference to project planning and, ultimately, the environment can be found in a document entitled *Federal Environmental Assessment – Making a Difference*, available from the Agency's Communications Office. In addition, the Agency gathered a wealth of results and performance data concerning the provisions and operations of the Act in numerous



background studies. These studies fostered and advanced consultations with stakeholders as part of the review of the Act. All background studies are available on the Agency's Web site and from the Agency's Communications Office.

Another initiative designed to improve the Agency's results measurement and reporting capacity is the Quality Assurance Program (see page 23-24). Departments and agencies are using firm performance indicators and baseline data to measure performance. This information will assist the Agency in evaluating successes and in identifying options to improve services provided to Canadians.

KEY RESULT COMMITMENT 1:

Environmental assessments that are effective, timely efficient, involve public participation and support the principles of sustainable development

Effective and Efficient Environmental Assessments

In Canada, environmental assessment is based on the principle of self-assessment. Under this principle, federal departments and agencies responsible for making a decision on a project are, in general, responsible for the conduct of the environmental assessment. They determine the scope of the project and the factors to be considered, directly manage the federal environmental assessment process¹ and ensure that the assessment is prepared in accordance with the *Canadian Environmental Assessment Act*.

However, the Agency has specific responsibilities for certain types of assessments such as comprehensive studies, panel reviews, mediations and class screenings. The Agency is responsible for reviewing the procedural compliance of class screening reports and comprehensive study reports, and for providing opportunities for the public and other interested parties to comment on these reports. It also manages mediations and panel reviews. Reviews by an independent panel or mediator appointed by the Minister of the Environment may be required in exceptional circumstances, when major public concerns exist or when the environmental effects are uncertain or likely to be significant.

Thus, to promote efficient and effective environmental assessments, the Agency has taken action on two fronts. First, it has continued to provide policy advice as well as training and guidance to federal departments, to give them the tools necessary to conduct high-quality environmental assessments. Second, the Agency has fulfilled its own environmental assessment responsibilities in a way that promotes both efficiency and effectiveness.

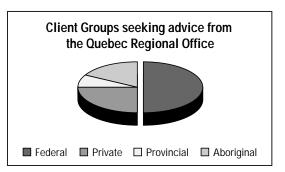
Agency Training Sessions

- An Introduction to CEAA
- Cumulative Effects Assessment
- Comprehensive Studies
- First Nations Land Management
- Port Authorities and New Regulations
- Federal Co-ordination
- Environmental Assessment Methods
- Alternative Dispute Resolution



1999-2000 Results

- The Agency provided procedural training and project-specific guidance and advice to other federal departments and agencies. In addition to delivering 38 general training sessions across the country, Agency staff built environmental assessment capacity and awareness among key stakeholder groups including federal departments, First Nations, private industry, non-government organizations and academics through more than 40 meetings and workshops designed specifically for individual clients.
- The Agency completed its network of cross-Canada regional offices with the opening of the Ontario Regional Office in Toronto. In addition to delivering training and guidance products, the Agency's six regional offices provided ongoing, single-window, liaison services between federal and provincial



governments and other stakeholders. In 1999-2000, the Quebec Regional Office alone received over 300 requests for information and advice relating to the administration of the Act and its regulations.

- The Agency continued to prepare a research and development program to promote the science and practice of environmental assessment. An agenda for the research and development program was also developed through multi-stakeholder consultations.
- The Agency continued to support the development of 14 Model Class Screening Reports (MCSRs) with four different federal departments. Class screenings streamline and simplify the assessment process for projects of a similar nature. For example, during 1999-2000 the Canadian Food Inspection Agency conducted seven screenings for projects under the Importation of Certified European Honeybees MCSR. As a result, the process was simplified and streamlined, improving efficiency and predictability for the Canadian Food Inspection Agency in screening the importation of honeybees. Another 11 projects were assessed under the Routine Projects within the Town of Banff class-screening model.
- Comprehensive studies assess the environmental effects of large projects which could adversely affect the environment or generate public concern. In 1999-2000, the Agency supported the conduct of 29 comprehensive studies: nine were initiated during the year and 20 were carried over from previous fiscal years. This support included providing advisory services to clients, ensuring that the requirements of the Act were fulfilled and enhancing opportunities for public participation.

^{1.} Detailed information regarding the federal environmental assessment process can be obtained from the Agency's Web site, Communications Office or from the 1998-1999 Performance Report, pages 45-46.



• Ten comprehensive studies were completed in 1999-2000 (see below). For each one, the Agency provided recommendations to the Minister of the Environment based on the Comprehensive Study Report and comments from the general public. The public had an opportunity to participate in the design of each project, and thus they helped to reduce or mitigate any potential adverse environmental effects.

Table 3 Comprehensive Studies Completed During 1999-2000

Comprehensive Study	Project Proponent	Lead Department Responsible for Assessment	Project Description
Aguathuna Quarry Development	Midatlantic Minerals Inc	Atlantic Canada Opportunities Agency	Proposal to re-open an abandoned open-pit limestone quarry in Aguathuna, Newfoundland
Halifax Lateral Pipeline	Maritimes and Northeast Pipeline	National Energy Board	Proposal to construct and operate a natural gas pipeline from the Maritimes and Northeast Pipeline mainline near Stellarton, Nova Scotia to Halifax
Grand-Mère Hydroelectric Facility	Hydro-Québec	Fisheries and Oceans Canada	Construction of a new hydro-electric facility on the St-Maurice River in Grand-Mère, Quebec
Waskaganish Permanent Road	Waskaganish First Nation	Indian and Northern Affairs Canada	Construction of a permanent road from Waskaganish, Quebec to the Matagami-LG2 road
Bruce Used Dry Storage Facility	Ontario Hydro	Atomic Energy Control Board	Proposal to construct and operate a dry storage facility for nuclear used fuel waste located at the Bruce Nuclear Power Development site, near Kincardine, Ontario
Mountain View Training Drop Zone	Department of National Defence	Department of National Defence	Proposal to develop and operate a military training drop zone near Trenton, Ontario
Valley South Water Project	Valley South Water Co-op Ltd	Prairie Farm Rehabilitation Administration	Proposal to construct and operate a water pipeline, a well and water treatment facilities in southern Alberta
Diavik Diamond Mine	Diavik Diamond Mines	Indian and Northern Affairs Canada	Proposal to construct, operate and decommission a diamond mine in the Lac de Gras area, Northwest Territories
Saint John Lateral Pipeline	Maritimes and Northeast Pipeline	National Energy Board	Proposal to construct and operate a natural gas pipeline from the Maritimes and Northeast Pipeline mainline near Big Kedron Lake to Saint John, New Brunswick
Greenville- Kincolith Road	BC Ministry of Transportation and Highways	Indian and Northern Affairs Canada	Proposal to construct a 23-kilometre two-lane gravel road from Greenville to Kincolith in British Columbia



Benefits of a Comprehensive Study – Example Diavik Diamond Mine

The Diavik Diamonds Project is a proposal by Rio Tinto and Aber Resources to mine four deposits close to Yellowknife, Northwest Territories. The mine's operating phase has the potential to employ about 400 people and would yield significant economic benefits, both direct and indirect, to northern residents. However, development places stress on the relatively undisturbed and unpolluted ecosystems of the North. In particular, development could affect the well-being of the Bathurst Caribou Herd.

An environmental review of the project took place over the course of 19 months, beginning in March 1998. It was one of the most complex comprehensive studies to be initiated under the Canadian Environmental Assessment Act, addressing a variety of environmental and social impacts. Consultation on the project was extensive, including over 300 public meetings. The proponent also funded a variety of traditional knowledge studies and used community information gathered during the public consultation process in developing its project.

In addition to identifying measures to mitigate against the environmental impacts of the project, including steps to protect the Bathurst Caribou Herd, the Comprehensive Study Report contained a commitment to develop an environmental management framework for the Northwest Territories. The framework will be a proactive measure to protect the health of the environment and those that depend on it, resulting in timely development and resource management decisions. All appropriate federal, territorial and Aboriginal governments, non-governmental organizations, as well as industry, including Diavik, will be involved in the design and implementation of the management framework.

• Four active environmental assessment review panels were under way in 1999-2000: Red Hill Creek Expressway, Canadian Millennium Pipeline Project, Cheviot Coal Mine Project and the Highwood Storage and Diversion Plan. The Agency fulfilled its responsibilities within the timelines set by the Ministerial Guidelines on Panel Procedures thereby increasing the consistency and predictability of the process. Information regarding these review panels can be obtained from the Agency's Communications Office or from its Web site (www.ceaa.gc.ca).



Benefits of a Review Panel – Sable Island Offshore Gas Project²

The continental shelf off the coast of Nova Scotia is rich in natural gas. Since the early 1970s, significant reserves have been found at various sites near Sable Island, more than 100 kilometres from the Canadian mainland. In 1996 the Sable Island Offshore Energy Project, a consortium of oil and gas extraction companies, proposed developing the sites.

The project consisted of two main components. The first component included developing six gas fields near Sable Island, constructing an offshore processing facility and a pipeline to take the product to a processing plant near Goldboro, Nova Scotia. The second component included construction of the Maritimes and Northeast Pipeline to carry processed gas from Goldboro to a transfer point at the Canada-United States border.

Given the large size of the project, a number of regulatory bodies representing both federal and provincial interests needed to be involved. However, by conducting separate regulatory approval processes, environmental assessments could become less transparent, limiting the benefits of public participation – a fundamental aspect of the assessment process.

Recognizing this concern, involved federal departments pursued a co-ordinated environmental assessment with all the jurisdictions involved, thus harmonizing the review process. The Canadian

Co-operation between federal and provincial governments was a key aspect of the successful environmental assessment of the Sable Island Gas Fields in Atlantic Canada.

Environmental Assessment Agency, the National Energy Board, Natural Resources Canada, the Nova Scotia Ministries of Natural Resources and Environment, and the Canada-Nova Scotia Offshore Petroleum Board negotiated the Sable Island Joint Review Agreement.

A five-member review panel was appointed in September 1996. Given the role of the National Energy Board, the panel was structured along the lines of a quasi-judicial body and included formal hearings, swearing in of witnesses and other functions one might expect from a quasi-judicial body. However, in the spirit of co-operation, certain aspects of the hearings, including scoping sessions under the Canadian Environmental Assessment Act, became an intrinsic part of the review process.

^{2.} Extract from *Federal Environmental Assessment – Making a Difference*. Available from the Agency's Communications Office.



Sable Island Offshore Gas Project (continued)

In October of 1997, the joint review report was released. In turn, each of the regulatory agencies having jurisdiction in the project – after adopting a number of recommendations outlined in the panel report – gave their approval.

By combining the federal and provincial processes, both levels of government saved the proponent and taxpayers a great deal of time and money. It also created an open and inclusive review that involved extensive public consultation. Co-operation among members and a determination to put aside jurisdictional issues were key components to the overall success of the project.

Co-operation between federal and provincial governments was a key aspect of the successful environmental assessment of the Sable Island Gas Fields in Atlantic Canada.

Meaningful Public Participation

Meaningful public participation is a fundamental aspect of the environmental assessment process. Through meaningful public participation, all interested persons and organizations can contribute and see how their contributions have been used. Proponents and government decision makers are provided with better information about possible environmental effects and can better address public concerns and priorities. This leads to final decisions that can better reflect community values. Effective public participation can also build greater public trust, confidence and acceptability in the process and in the decisions that result from the process.

An Agency study suggested that although not required, public participation has been included in about 10 percent to 15 percent of all screenings under the Act – though the level varies greatly across departments. Most public participation activities appear to be concentrated in larger, more complex environmental assessments.

In 1999-2000, the Agency continued to promote meaningful public participation through a variety of means.

Public Participation Means Better Environmental Assessment

Background studies to the review of the Act revealed that federal departments consider public participation as an essential component to self-directed assessments, resulting in better and more informed decision making. They reported that public participation has made the process open and transparent, better informed and involved citizens of proposed projects, and better gauged the concerns of the public. Federal departments also cited numerous examples of public participation contributing to project decisions in the form of project-approval conditions, inclusion of specific mitigation and follow-up measures and changes in project design and development.



1999-2000 Results

- Through the Agency's Participant Funding Program, 23 individuals and organizations were awarded nearly \$50,000 to help them prepare and participate in two out of the four review panels. These organizations represented a broad range of Canadians, allowing for the views and concerns of the public to be fully addressed.
- The Agency greatly enhanced public access to information on-line by improving the performance, speed and dependability of its Federal Environmental Assessment Index. In addition to simplifying the data entry capabilities and enhancing the search functions, the Agency expanded linkages to departmental Web sites to improve access to environmental assessment reports. The feedback received to date has been positive, and 25 departments are currently entering information into the Index.

Waskaganish Comprehensive Study

The comprehensive study for the Waskaganish Permanent Road in Quebec took a unique alternative approach to obtaining public comments on the final Comprehensive Study Report (CSR). In consideration of the particular needs of the Cree community in Waskaganish, the Agency held a two-day public meeting, in which the results of the CSR were presented to the community, and oral comments were heard and recorded.

• Communicating the benefits of high-quality environmental assessment is fundamental to its ongoing support. In 1999-2000, the Agency greatly enhanced the promotion of its benefits to Canadians. It released *Working for Canada's Environment*, a document designed to tell Canadians how the Agency is meeting its commitments; *Federal Environmental Assessment: Making a Difference*, a document that presented examples of the way environmental assessment is making a difference to project planning and to the environment; and it issued a brochure for children called *Dilemma at I.M. Perplexed School* aimed at showing children how environmental assessment can be applied to everyday events. These and other promotional documents are available on the Agency's Web site or from the Agency's Communications Office.

Supporting the Principles of Sustainable Development

Today, environmental assessment is recognized as an important decision-making tool that supports the goal of sustainable development, meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Achieving this goal requires the integration of environmental, social and economic considerations into project planning and decision making. Governments and leading industries worldwide recognize that sustainable development must become an essential part of the way they do business and are changing their planning processes to accommodate this new approach. Environmental assessment can help strengthen sound decision making in support of sustainable development. Considering adverse



environmental effects before carrying out a project prevents significant degradation of the environment, reduces risks to human health and decreases economic costs.

However, project decisions do not represent the full scope of federal decision making. The Environmental Assessment of Policy, Plan and Program proposals, also known as Strategic Environmental Assessment (SEA), seeks to incorporate environmental considerations into the development of public policies. Through SEA, environmental considerations can be addressed at the earliest appropriate stage of planning, as are economic and social considerations. Thus, SEA is particularly effective in incorporating sustainable development into federal decision making.

Strategic Environmental Assessment enables the federal government to:

- integrate environmental considerations into policy development and thus improve the quality of federal initiatives;
- help avoid unforeseen environmental issues that can result in economic, social or political liabilities;
- generate valuable information to respond to public concerns on an initiative;
- streamline project-level environmental assessment by eliminating the need to address some issues at the project stage; and
- optimize positive environmental effects and minimize or mitigate negative environmental effects from a proposal.

1999-2000 Results

- In 1990, Cabinet directed departments to consider environmental concerns at the strategic level of policy and program development. In the summer of 1999, the Cabinet Directive was updated to strengthen the role of Strategic Environmental Assessment (SEA) by expanding the requirement to include plans, clarifying the obligations of departments and agencies and linking environmental assessment to the implementation of Sustainable Development Strategies.
- During the year, the Agency promoted SEA across government to increase the awareness of the Directive and encourage departments to apply SEA to the design of policy, plan and program proposals which could affect the environment. Towards that end, the Agency:
 - distributed the Cabinet Directive and guidance material on SEA to deputy ministers and heads of agencies;
 - chaired an interdepartmental committee on Strategic Environmental Assessment whose mandate is to facilitate the implementation of the Cabinet Directive across departments and share information and best practices on SEA;
 - provided 11 briefing sessions to departments on the requirement of conducting SEA and assisted departments in determining how to implement SEA within the unique circumstances of their department; and
 - provided advice and guidance on the application of SEA principles to a variety of high-profile strategies, such as climate change measures, infrastructure programs and other government initiatives.



• In addition, the Agency was an active participant in numerous committees that are promoting a horizontal and co-ordinated approach to sustainable development. These committees include the Sustainable Development Co-ordinating Committee, the ADM Task Force on Sustainable Development, the Interdepartmental Network on Sustainable Development and the Performance Measurement for Sustainable Government Operations. Combined, these committees are involved in developing co-ordinated approaches and developing innovative practices to sustainable development across the federal government and collectively reporting on the results of these initiatives.

KEY RESULT COMMITMENT 2:

Environmental assessment approaches that are co-ordinated across government and harmonized with other jurisdictions

A Co-ordinated Approach to Environmental Assessment

During the year, the Agency continued to strengthen its extensive array of internal and external networks. The Agency relies on its networks to establish common goals on which to base partnerships and to advance the federal environmental assessment process. These networks often involved consultations and forums for client feedback to allow the Agency to judge how well it is performing and what changes to its products and services are required.

By understanding, fostering and enriching partnerships, the Agency can advance interest in good environmental assessment. Canadians can then reap the benefits of improved environmental management.

1999-2000 Results

- Several sessions were held with the multi-stakeholder Regulatory Advisory Committee (RAC). Consisting of federal and provincial government representatives and Aboriginal, industrial and environmental non-government organization members, the RAC serves as a key forum for consulting on regulatory and policy matters. The meetings resulted in the Agency receiving and incorporating input to key regulatory and policy initiatives, including review of, and comment on proposals to amend the *Canadian Environmental Assessment Act*.
- The interdepartmental Senior Management Committee on Environmental Assessment was also extremely active in 1999-2000. Its meetings resulted in a better knowledge across the federal government on emerging issues and trends and their impacts on the environmental assessment process, and provided insight on how other departments are responding to Agency initiatives.



• Finally, the regional offices expanded networks in 1999-2000 by strengthening the Regional Environmental Assessment Committees (REACs). These committees, composed of representatives from various federal and provincial government departments, focused on the sharing of information and the enhanced co-ordination of environmental assessment processes between various jurisdictions.

Environmental Assessments that are Harmonized with other Jurisdictions

Environmental assessment in Canada is a shared jurisdiction between the federal and provincial governments and, more recently, with First Nations. When more than one jurisdiction is involved in the environmental assessment of a single project, harmonization is needed to avoid duplication, increase certainty and reduce costs and delays. The Agency continued to seek enhanced co-operation as well as greater quality and efficiencies of the environmental assessment process wherever possible. As well, ongoing relations with Aboriginal communities remain crucial, since their emerging processes under self-government and land-claim agreements play an increasingly prominent role in the review of new projects.

In 1999-2000, the Agency made significant progress in advancing the harmonization of the federal environmental assessment process with those of provinces and First Nations.

1999-2000 Results

- The Agency worked with the 14 First Nations and Indian and Northern Affairs Canada (INAC) to develop environmental assessment regimes under the *First Nations Land Management Act*. These are to be in place within 12 months of the individual band's land administration codes being approved by the band's administration. The new Act was passed by Parliament in June 1999, and three of the bands have developed and passed land administration codes.
- The Agency assisted Indian and Northern Affairs Canada in the negotiation of environmental assessment provisions into a number of land-claim and self-government agreements. For example, the Agency was active in the negotiation of the implementation arrangements for the Yukon Development Assessment Process (DAP) legislation, implementation arrangements for the Westbank self-government agreement and environmental assessment provisions in the Innu land-claim agreement.
- It is too early to determine long-term results stemming from the new *First Nations Land Management Act* as well as from negotiated land-claim and self-government agreements. However, over the short term, tools for environmental assessment processes have been developed that will assist First Nation communities achieve sustainable development goals while respecting cultural perspectives and self-determination objectives.



- The Agency and the Environmental Impact Review Board (EIRB) for the Inuvialuit Settlement Region concluded an agreement outlining how the environmental assessment process of the EIRB under the Inuvialuit Final Agreement may be substituted for a panel review under the *Canadian Environmental Assessment Act*. The Memorandum of Understanding (MOU) details the process and the steps each party would follow should the EIRB request such a substitution. Project-specific agreements would then be concluded by both parties on a case-by-case basis whenever they deem it appropriate. The MOU permits the hearing process of the EIRB to be a substitute for a review panel under the Act, provided certain conditions are met.
- Agency staff met with provincial administrators to discuss cross-jurisdictional environmental assessment issues, and to receive feedback from provincial representatives on plans for the review of the Act and the draft Canadian Standards Association national standard for environmental assessments.
 The meetings resulted in an improved understanding of general provincial issues as well as specific provincial views on Agency initiatives.
- The Agency concluded co-operative bilateral harmonization agreements with the provinces of Alberta and Saskatchewan (June and November 1999 respectively). These new federalprovincial agreements, the first under the 1998 Canada-Wide Accord on Harmonization and the Sub-Agreement on Environmental Assessment, will greatly improve the collaboration of environmental assessment processes for future projects (an agreement was reached with British Columbia in 1997, prior to the finalization of the Accord). They outline the broad principles and practices of co-operation for governments

A Co-operative Approach in British Columbia Greenville to Kincolith Road

In 1999-2000, 12 environmental assessments were underway in British Columbia that involved formal co-operation between the province and the Agency. One such review was the comprehensive study of the Greenville to Kincolith Road where a single assessment process addressed both federal and provincial environmental assessment requirements. As a result, this co-operative approach avoided costly duplication, enhanced predictability and thereby created a more efficient process for all levels of government.

to work together to achieve the highest quality of environmental protection. This will result in a more cost-efficient and effective process and enhance the predictability of the process for project proponents, government and the public. In addition, the success and lessons learned from the completion of co-operative agreements with Alberta and Saskatchewan are being used to advance negotiations with Manitoba³, Ontario and New Brunswick.

^{3.} A co-operative harmonization agreement was concluded with Manitoba in May 2000. Additional information is available from the Agency's Communications Office.



KEY RESULT COMMITMENT 3:

Consistent and predictable application of environmental considerations into federal decision making

Applying Environmental Assessment to a Wide Range of Federal Decision Making

Since the Act came into force in 1995, a number of gaps have been identified in its application. For example, many federal organizations, particularly federal Crown corporations, are not required to conduct environmental assessments of their own activities. In 1999-2000, a priority of the Agency was to expand the coverage of the Act so that more activities with potential environmental effects are assessed. This effort evolved from extensive nation-wide public consultations and continued input from various partners, such as the multi-stakeholder Regulatory Advisory Committee.

By expanding the range of activities that are assessed, the application of the Act and other federal environmental assessment processes can be more transparent and their outcomes more predictable and consistent.

1999-2000 Results

- Regulations were completed to bring Canada's 18 Port Authorities under the *Canadian Environmental Assessment Act*. Under development for almost two years, these regulations were completed with the collaboration with Transport Canada and all Canada Port Authorities, in addition to other federal departments and the Regulatory Advisory Committee. These regulations will ensure that environmental assessments carried out by Canada Port Authorities will be conducted in a consistent manner while taking into account their unique competitive situations (see Section 3.2: Regulatory Initiatives for additional information).
- The Agency, in consultation with Environment Canada and the Assembly of First Nations, negotiated a Memorandum of Understanding (MOU) on Funding on Reserves with 13 federal departments that have the potential to fund initiatives on reserve lands. In the absence of the Indian Lands and Funding Regulations under the Act, neither a federal authority nor a First Nation is required to ensure that an assessment is done for federally funded projects on reserve lands. This created a gap which the Memorandum of Understanding now addresses by ensuring that all federal authorities will undertake an assessment before funding projects on reserve land.

Consistent and Predictable High-quality Environmental Assessments

Consistent and predictable interpretation of responsibilities under the Act is extremely important to stakeholders. In this regard, a priority for the Agency has been to develop mechanisms to evaluate how well other departments understand their responsibilities with respect to the Act and to promote both compliance and



good environmental assessment practice. However, the Agency and its federal partners require performance information to learn from past successes and mistakes and to adapt to changing environments. In the summer of 1998, the Agency, along with 11 departments and agencies, completed and tested a compliance monitoring framework. This program was designed to monitor overall compliance with the Act and to measure the quality of assessments based on a common set of indicators. In 1999-2000, the Agency built on the success of the pilot project, laying the foundation for an ongoing Quality Assurance Program.

1999-2000 Results

- The compliance monitoring framework provided the government with a tool to identify the cause of problems associated with implementing the Act. As a result, federal departments and agencies have started to change their internal procedures to address issues identified by the framework and to report on results.
- All original program participants reaffirmed their commitment to the ongoing development and implementation of a government-wide Quality Assurance Program. An additional nine new departments and agencies joined the original group and established the Interdepartmental Quality Assurance Committee.
- In February 2000, a workshop involving all participants was conducted to address the subject of proceeding to full implementation of an ongoing, government-wide Quality Assurance Program. A work plan was developed which will guide the completion of a mutually acceptable quality assurance methodology by the end of the year 2000. To this end, consultations involving the Agency and individual participants in the program have begun.

Partners in Quality Assurance

- Agriculture and Agri-Food Canada
- Atlantic Canada Opportunities Agency
- Atomic Energy Control Board
- Canada Economic Development
- Canadian Environmental Assessment Agency
- Canadian Food Inspection Agency
- Canadian International Development Agency
- Canadian Transportation Agency
- Environment Canada
- Fisheries and Oceans Canada
- Foreign Affairs and International Trade Health Canada
- Health Canada
- Human Resources Development Canada
- Indian and Northern Affairs Canada
- Industry Canada
- National Defence
- Natural Resources Canada
- Parks Canada
- Public Works and Government Services Canada
- Transport Canada
- Veterans Affairs Canada



SECTION III: Consolidated Reporting

3.1 Sustainable Development Strategy

Key Goals	Performance Indicator / Objective	Targets / Actions for Reporting Period 1999-2000	Progress to Date / Results for 1999-2000
1. Promote high-quality	l mechanism to nt support sustain- able development	Continue providing guidance to assist project proponents, Responsible Authorities and EA practitioners to effectively discharge their respective roles under the Act	Four ongoing review panels were managed by the Agency during 1999-2000.
EA as a tool to implement sustainable development			30 departments and agencies completed nearly 4,800 screening type assessments in accordance with their EA obligations under the Act.
<u>-</u>			Ten comprehensive studies were completed with recommendations to the Minister of the Environment that included sustainable development measures.
			The Agency provided ongoing advice to RAs to promote compliance with the Act in support of sustainable development.
		Develop and deliver training products to a wide audience of stakeholders	The Agency provided procedural training and project-specific guidance to other departments and agencies.
			The Agency delivered 38 training sessions on a variety of topics across the country.
			Over 40 meetings and workshops were held to build EA capacity and awareness among key stakeholder groups including federal departments, First Nations, private industry, non-government organizations and academics.
			Guidance material was developed to assist departments carry out their EA responsibilities, such as the <i>Reference Guide for Project Proponents on the Cost Recovery of EA Panel Reviews</i> (available from the Agency's Communications Office). Work is ongoing on Operational Policy Statements on Class Screenings and on Project Descriptions, and a Reference Guide on the Roles and Responsibilities of Panel Chairs and members.
	Increased integra- tion of strategic	- Work with other federal departments to advocate	The Agency promoted SEA across government in a variety of ways including:
	EA into federal the implementation of policies, plans and the Cabinet Directive or	the Cabinet Directive on	• distributing a set of comprehensive guidelines;
	program proposals	als Strategic Environmental Assessment (SEA) and promote consistent practices concerning SEA reporting across government	 chairing an interdepartmental committee on SEA whose mandate is to facilitate the implementation of the Cabinet Directive and share information and best practices;
			 providing 11 briefing sessions to departments and assisting them in determining how to implement SEA; and
		 providing advice and guidance on the application of SEA principles when asked to assist in the preparation of SEAs. 	



Key Goals	Performance Indicator / Objective	Targets / Actions for Reporting Period 1999-2000	Progress to Date / Results for 1999-2000
2. Promote the use of EA with other depart-	understanding	Continue enhancing the role of regional offices as key centres of guidance and assis- tance to stakeholders	A new regional office was opened in Toronto. There are now six regional offices across Canada.
ments and jurisdictions	of the federal EA process		All offices delivered training, disseminated guidance products and provided advice and guidance to federal, provincial, private sector and Aboriginal EA practitioners. For example, the Quebec Regional Office received over 300 requests for information and advice in 1999-2000.
		Work co-operatively with federal depart- ments and agencies to implement a system for evaluating the quality of environmen- tal screenings carried out under the Act	The Interdepartmental Quality Assurance Committee, consisting of 22 departments and agencies, was established.
			Agreement was reached on a workplan to implement a government-wide Quality Assurance Program, which includes finalizing a methodology by the end of 2000. Consultations involving the Agency and individual participants in the program have commenced.
		Continue providing guidance to assist project proponents, Responsible Authorities and EA practitioners to effectively discharge their respective roles under the Act	Over 20 sessions were held with the multi- stakeholder Regulatory Advisory Committee, the Interdepartmental Senior Management Committee on Environmental Assessment and the Regional Environmental Assessment Committees.
	Harmonized application of the Act with other jurisdictions and groups		These sessions resulted in improved knowledge across the federal government on EA issues and trends and provided insight on how stakeholders are responding to Agency initiatives.
			The Agency also provided advice and support for the development of EA programs such as the Canada Infrastructure Works Program.
		Negotiate bilateral harmonization agreements with provinces under the Sub-agreement on Environmental Assessment	Bilateral EA co-operation agreements were completed with Alberta and Saskatchewan to improve collaboration of EA for proposed projects. This is resulting in a more efficient, effective and predictable EA process.
			Negotiations have been initiated with Ontario and New Brunswick to develop similar agreements (Manitoba agreement signed in May 2000).
		Develop international links and agreements on transboundary environmental impact assessments	The Agency continued negotiations to develop a legally binding agreement on transboundary environmental impact assessment in accordance with the Commission on Environmental Co-operation Council resolution 97-03 (June 1997) of the North American Agreement on Environmental Co-operation.



Key Goals	Performance Indicator / Objective	Targets / Actions for Reporting Period 1999-2000	Progress to Date / Results for 1999-2000
		Support federal negotiators addressing environmental man- agement issues in	EA regimes and provisions were developed under the <i>First Nations Land Managemen Act</i> in collaboration with 14 First Nations and Indian and Northern Affairs Canada (INAC).
		Aboriginal land-claim and self-government agreements	The Agency assisted INAC in the active negotiation of several land-claim and self-government agreements. This included implementation arrangements for the Yukon Development Assessment Process legislation, implementation arrangements for the Westbank self-government agreement and EA provisions in the Innu land-claim agreement.
			The Agency and the Environmental Impact Review Board (EIRB) for the Inuvialuit Settlement Region concluded an agreement outlining how the environmental assessment process of the EIRB under the Inuvialuit Final Agreement may be substituted for a panel review under the Canadian Environmental Assessment Act.
	Expanded application of the Act to other organizations	Work with organizations, such as airport authori- ties and other Crown corporations, to develop appropriate EA require- ments for projects	The Agency, in collaboration with Transport Canada and in close consultation with the Canada Port Authorities, other federal departments, and the Regulatory Advisory Committee, completed the development of regulations that bring the 18 Canada Port Authorities under the Canadian Environmental Assessment Act.
		Develop, with other federal departments, an approach for conducting EAs of federally funded pro- jects on reserve land	In collaboration with all federal authorities who fund projects on reserve land and the Assembly of First Nations, a Memorandum of Understanding was negotiated that will ensure that all federal authorities will undertake an assessment before funding for projects on reserve land.



Ke	y Goals	Performance Indicator / Objective	Targets / Actions for Reporting Period 1999-2000	Progress to Date / Results for 1999-2000
	3. Refine and improve the science and practice	and improved nce practice of EA	Encourage the use of class screenings within the federal government	The Agency continued to support the development of 14 additional Model Class Screenings Reports (MCSRs) with four different federal departments.
	of EA		Support continuing development of a national standard for environmental assess- ment by the Canadian	The Agency continued to contribute to the development of the standard through its membership on the multi-stakeholder Technical Committee, which is responsible for developing the standard.
			Standards Association	The Agency also provided significant financial support to this undertaking. Consultation on the standard took place in the fall of 1999.
			Implement the action plan to guide integration of traditional ecological knowledge (TEK) into the federal EA process	A three-phased approach has been established to develop a guide on TEK. Phase one, which proposed options for the development of the guide, was completed.
			Partner with other federal departments on the development of alternative dispute resolution mechanisms in the EA process	The Agency secured funding from the Department of Justice to conduct research, and develop and implement a program to help federal departments to more fully utilize alternative dispute resolution (ADR) in environmental assessment. The Agency conducted training sessions in seven locations across Canada and is preparing a range of materials to promote awareness of ADR, such as inclusion in the Agency's newsletter, a process guide and a resource guide.
	Increase awareness of EA and its effects on sustainable development	Strengthened Agency commu- nications capacity	Increase information available to the public	A new interactive Web site was created to increase the information available to the public regarding the review of the Act. In addition, the Agency began to redesign its main Web site to improve access to information on environmental assessments.
			Examine the feasibility of enhancing public access to information by expanding the capabilities of the FEAI to include all new documentation contained in public registries and complete screening reports	The Agency greatly enhanced public access to EA information on-line by improving the performance, speed and dependability of its Federal Environmental Assessment Index (FEAI). In addition to simplifying the dataentry capabilities and enhancing the search functions, the Agency expanded linkages to departmental Web sites to improve access to various EA reports. The feedback received to date has been positive, and 25 departments are currently entering EA information into the Index on a consistent basis.



Key Goals	Performance Indicator / Objective	Targets / Actions for Reporting Period 1999-2000	Progress to Date / Results for 1999-2000
		Publish an EA kit for students	The Agency developed and distributed a brochure for children called <i>Dilemma at I.M. Perplexed School</i> aimed at educating children on EA (available from the Agency's Communications Office).
		Promote Agency products and services	The Agency developed and distributed two new publications entitled, Working for Canada's Environment, a document that tells Canadians how the Agency is meeting its commitments; and Federal Environmental Assessment: Making a Difference, a document that presents examples of the way EA is making a difference to project planning and to the environment. These and other documents that promote EA are available from the Agency's Communications Office.
5. Increase the Agency's environmen- tally sustain- able practices	Implemented environmental managment system based on ISO 14000	Develop an Environmental Management Plan for the Agency	The Agency finalized an environmental management plan which is currently being implemented in all service sectors throughout the Agency.
	Improved environmental management	Continue to promote practices that conserve resources and prevent	The Agency held activities during Environment Week and on Earth Day to raise employees awareness of greening our internal operations.
	performance	pollution	Pamphlets and other promotional material have been published to assist employees in recycling waste.
		Promote green transportation practices	The Agency developed incentive programs to encourage its staff to use alternative forms of transportation. In collaboration with other tenants, this included the installation of shower facilities for all employees in the Fontaine Building.
			The Agency promoted and supported employee participation in the National Capital Region's Commuter Challenge during Environment Week.



agulatory Initiativas

3.2 Regulatory I	nitiatives		
Purpose of Legislative or Regulatory Initiative	Expected Results	Performance Measurement Criteria	Results Achieved
CPA EA Regulations			
To establish a federal	Short term	Short term	Short term
EA process under the Canadian Environ- mental Assessment Act that captures projects	To bring 18 current CPAs under the coverage of the Act	Completion of Regulations in a format satisfactory for final	Regulations received final Governor in Council approval, and the CPAs
initiated by Canada Port	Long term	I om a torm	are now under the coverage of the Act.
Authorities (CPA) which are established under	Improved consistency and quality of the EA process for ports	Long term	Long term CPA performance in
the Canada Marine Act. This initiative is shared		CPA apply the require- ments of the Regulations	
with Transport Canada.	Enhanced accountability in the environmental management of port projects	Decision making on port projects that incor- porate environmental considerations	the application of the Regulations will be covered in next year's report. The report will indicate the extent
and g for pu	Increased transparency and greater opportunities for public involvement in the assessment process	Increased public involve- ment in the assessment process for port projects	to which application of the Regulations improves the consistency, transparency and overall quality of port EA processes.
Private Operations Occurring on Federal Lands Regulations			
Establishment of EA	Short term	Short term	Short term
regimes for 22 local	Common coment of a	Cross comparison study	Common coment of a

Airport Authorities currently operating on federally leased land. At present, no formal mechanism exists for the conduct of assessments for Airport Authority projects. This initiative is shared with Transport Canada.

Commencement of a program aimed at establishing an Airport Authority EA Regime

Long term

Consistent, transparent and accountable EA regime for projects having potentially significant environmental effects

Cross-comparison study of current EA procedures and practices of 22 Airport Authorities

Long term

Following the completion of both the review of the Act and the crosscomparison study, the establishment and application of an appropriate EA regime that will ensure the improvement of the overall quality of Airport Authority EAs

Commencement of a program aimed at establishing an Airport EA Regime. To date, the first phase of a study of current EA procedures at 22 Airport Authorities has been completed.

Long term

Performance information will be outlined in next year's performance report.



3.3 Statistical Summary of Environmental Assessments

In accordance with subsection 71(2) of the *Canadian Environmental Assessment Act*, the table below provides a statistical summary of all environmental assessments conducted during 1999-2000 under the Act. In total, 5,674 EAs were initiated, as reported by lead department or agency. This compares with 5,650 EAs that were initiated in 1998-1999.

Department / Agency		Screeni	ngs	Comprehensive Studies Quart	
	Total	Completed	Outstanding	Studies	PAN
Agriculture and Agri-Food Canada	215	207	8	_	_
Atlantic Canada Opportunities Agency	187	187	_	1	_
Canadian Food Inspection Agency	7	7	_	_	_
Canadian Heritage	1	1	_	_	_
Canadian International Development Agency	121	121	_	_	_
Canadian Nuclear Safety Commission ⁵	7	_	7	2	_
Canadian Transportation Agency	35	35	_	_	_
Canada Customs and Revenue Agency	2	1	1	_	_
Canada Economic Development	30	30	_	_	_
Canada-Newfoundland Offshore Petroleum Board	_	_	_	1	_
Correctional Service of Canada	9	9	_	_	_
Foreign Affairs and International Trade	3	3	_	_	_
Environment Canada	397	307	90	_	_
Fisheries and Oceans Canada	1,428	1,175	253	2	2
Health Canada	35	33	2	_	_
Human Resources Development Canada	117	116	1	_	_
Indian and Northern Affairs Canada	807	705	102	_	_
Indian Oil and Gas Canada	215	215	_	_	_
Industry Canada	258	258	_	_	_
Millennium Bureau of Canada	271	118	153	_	_
National Defence	181	90	91	1	_
National Energy Board	68	65	3	1	1
National Research Council of Canada	2	2	_	_	_
Natural Resources Canada	18	10	8	_	_
Parks Canada Agency	816	677	139	1	_
Public Works and Government Services Canada	57	46	11	_	_
Royal Canadian Mounted Police	16	16	_	_	_
Transport Canada	200	200	_	_	_
Western Economic Diversification Canada	44	43	1	_	_
Yukon Territory Water Board	115	115	_	_	_
Sub-total	5,662	4,792	870	9	3
Total Initiated in 1999-2000		5,674			

^{4.} One current review panel, the Cheviot Coal Mine Project, was initiated in a previous fiscal year and is not included in this list.

^{5.} On May 31, 2000, the former Atomic Energy Control Board officially changed its name to the Canadian Nuclear Safety Commission (CNSC).



SECTION IV: Financial Performance

4.1 Financial Performance Overview

The Agency ended fiscal year 1999-2000 with a cash balance of 3.6 percent of its operating budget (or total authorities). After calculating entitlements remaining from Treasury Board, such as contingencies for signed collective bargaining agreements, the Agency's final budget surplus was 4.9 percent of its operating budget.

Overall, the Agency spent \$11,415,641 during the fiscal year. Direct expenditures for major areas of activity include:

for major areas or activity include.	(\$000s)
 Regional offices – information, advice, co-ordination and liaison support 	1,392.9
• Background studies, analysis and public consultation regarding the review of the <i>Canadian Environmental Assessment Act</i>	1,278.7
• Tools to advance the implementation of the <i>Canadian Environmental Assessment Act</i> and improve the process, including, development of new regulations, procedural guides and class screening models; delivery of client training and education materials; and Quality Assurance Program	950.1
 Policy initiatives including federal – provincial harmonization, Strategic Environmental Assessment and policy research and development 	762.2
• Support for incorporation of Aboriginal interests and involvement in environmental assessment through development of provisions in land-claim and self-government agreements in addition to fulfilling obligations under the <i>James Bay and Northern Quebec Agreement</i>	490.1
• Costs associated with review panels, including Cheviot Coal Mine Project, Canadian Millennium Pipeline Project, Highwood Storage and Diversion Plan and the Red Hill Creek Expressway	437.8
• Support to other departments in the conduct of comprehensive studies and development of recommendations	333.5
• Modernization and maintenance of the informatics network and preparation for Government on Line initiatives	325.0
• Upgrading and maintenance of the Federal Environmental Assessment Index to enhance reporting capabilities and facilitate improved compliance	170.0



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 approximately \$189,600 from the sale of training services and publications. A further \$154,400 was received from the Province of Newfoundland and Labrador for its share of 1998-1999 costs pertaining to the Voisey's Bay mineral development review panel.

4.2 Financial Summary Tables

This section provides financial performance information using a variety of formats. Summary financial data, such as the information presented in Table 4, are displayed using separate headings. For clarity, these headings are defined as follows.

- **Planned Spending / Revenues –** what the plan was at the beginning of fiscal year 1999-2000.
- **Total Authorities** includes planned spending plus additional spending Parliament has approved for departments to reflect changes in priorities and unforeseen events (referred as operating budget). Total Authorities are Main Estimates plus Supplementary Estimates plus other authorities that are approved.
- Actuals what was actually spent or collected for fiscal year 1999-2000.
- **Respendable Revenues** revenues that can be used by the Agency to offset program expenditures, for example, cost recovery for review panels.
- **Non-Respendable Revenues** revenues collected on behalf of the government which cannot be used by the Agency to offset program expenditures.

Table 4 Financial Requirements by Authority

		-	1999-2000			
Vote	(thousands of dollars)	Planned Spending	Total Authorities	Actual		
	Canadian Environmental Assessment Agency					
15	Program Expenditures	9,364.0	11,034.4	10,420.6		
(S)	Contribution to Employee Benefit Plans	863.0	995.0	995.0		
Total	Agency	10,227.0	12,029.4	11,415.6		

Note: The variance between Total Authorities and Planned Spending of approximately \$1.8 million is due to the following items: supplementary funding for the legislative review of the *Canadian Environmental Assessment Act* (\$1,000,000); carry-over of operating budget from 1998-99 (\$385,000); increments due to collective bargaining agreements (\$225,000) and dispute resolution incremental funding from Justice Canada (\$60,000).



Table 5 Comparison of Total Planned Spending to Actual Spending

		1999-2000	
(thousands of dollars)	Planned Spending	Total Authorities	Actual
Full-Time Equivalents (FTEs)	95	96	96
Operating Voted Grants and Contributions	13,736.0 95.0	15,178.5 454.9	11,304.7 454.9
Total Gross Expenditures	13,831.0	15,633.4	11,759.6
Less: Respendable Revenues	(3,604.0)	(3,604.0)	(344.0)
Total Net Expenditures	10,227.0	12,029.4	11,415.6
Other Revenues and Expenditures			
Non-Respendable Revenues – Cost of Services Provided by Other Departments	1,181.9	1,350.8	(14.9) 1,350.8
Net Cost of the Program	11,408.9	13,380.2	12,751.5

Note: Due to rounding, figures may not add to totals shown. The cost of services provided by other departments is approximately \$169,000 greater than planned as a result of increased employee insurance premiums and expenditures paid by Treasury Board Secretariat, salary and associated costs provided by Justice Canada and accommodation provided by Public Works and Government Services Canada.

Table 6 Historical Comparison of Total Planned Spending to Actual Spending

	1999-2000					
(thousands of dollars)	Actual 1997-98	Actual 1998-99	Planned Spending	Total Authorities	Actual	
Canadian Environmental Assessment Agency	9,758.0	9,757.0	10,227.0	12,029.4	11,415.6	

Table 7 Respendable Revenues

(thousands of dollars)	1999-2000						
	Actual 1997-98	Actual 1998-99	Planned Revenues	Total Authorities	Actual		
Canadian Environmental Assessment Agency	275.3	722.7	3,604.0	3,604.0	344.0		
Total Respendable Revenues	275.3	722.7	3,604.0	3,604.0	344.0		

Note: In September 1998, the Agency received authority to recover the costs of new review panels from project proponents. However, during 1999-2000 no new eligible review panels were established. This resulted in the variance of approximately \$3.3 million between Total Authorities and Actual revenues collected.



Table 8 Non-Respendable Revenues

	1999-2000				
(thousands of dollars)	Actual 1997-98	Actual 1998-99	Planned Revenues	Total Authorities	Actual
Canadian Environmental Assessment Agency	400.9	39.7	_	-	14.9
Total Non-Respendable Revenues	400.9	39.7	_	_	14.9

Note: Actual 1999-2000 non-respendable revenues consisted of monies received for contributions to employee benefit plans in relation to respendable personnel costs.

Table 9 Statutory Payments

	1999-2000				
(thousands of dollars)	Actual 1997-98	Actual 1998-99	Planned Spending	Total Authorities	Actual
Canadian Environmental Assessment Agency	699.0	931.0	863.0	995.0	995.0
Total Statutory Payments	699.0	931.0	863.0	995.0	995.0

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

Table 10 Transfer Payments

			1999-2000		
(thousands of dollars)	Actual 1997-98	Actual 1998-99	Planned Spending	Total Authorities	Actual
CONTRIBUTIONS					
Contribution to the Province of Quebec – James Bay and Northern Quebec Agreement	95.0	95.0	95.0	101.0	101.0
Contributions to support the research, development and promotion of environmental assessment (1)	-	6.0	-	305.8	305.8
Contributions to assist public participation in environmental assessment reviews (2)	411.1	111.3	-	48.1	48.1
Total Contributions	506.1	212.3	95.0	454.9	454.9
Total Transfer Payments	506.1	212.3	95.0	454.9	454.9

Contributions to support research and development during 1999-2000 included supporting the development of consultation papers for the review of the Act, in particular, position papers involving First Nations' interests.

⁽²⁾ The level of demand to fund public participation in review panels depends on the number of major projects under assessment. For 1999-2000 only two review panels, Red Hill Creek Expressway and the Cheviot Coal Mine Project, required funding assistance. Since delays in the conduct of these review panels were not identified until after the Main Estimates were tabled, Planned Spending for 1999-2000 was set at zero.



SECTION V: Departmental Overview

5.1 Mandate, Mission and Vision

The **mission** or **objective** of the Canadian Environmental Assessment Agency is:

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

The Canadian Environmental Assessment Agency's **vision** is to:

- be a proactive organization with a leadership role in federal environmental assessment;
- develop closer and more productive relationships with partners and clients across Canada;
- advance the scientific and research capacities that satisfy the needs of a more efficient and effective process;
- provide information on environmental assessment to Canadians through a variety of effective media; and
- build on prior successes and harness the skill, credibility and commitment of its own work force.

The business of the Agency is to ensure environmental effects are considered in decisions that will affect Canadians. It does this by providing leadership and serving as the centre of expertise for federal environmental assessments. The Agency manages the federal environmental assessment process that saw over 5,600 individual assessments carried out in 1999-2000.

Operating as an independent entity within the portfolio of the Minister of the Environment, the Agency administers the following instruments:

- i) the Canadian Environmental Assessment Act and its accompanying regulations (see Section 6.2);
- ii) the Canada-Wide Accord on Environmental Harmonization and bilateral harmonization agreements with provincial and territorial governments that set out mutually agreed-upon arrangements for environmental assessment; and
- iii) international agreements containing environmental assessment provisions to which Canada is a party, for example, the United Nations Economic Commission for Europe *Convention on Environmental Impact Assessment in a Transboundary Context* (ratified in May 1998);

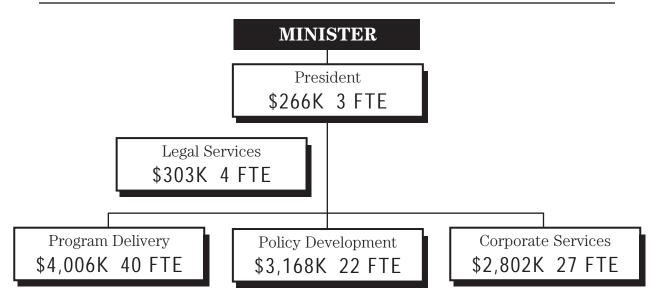


- iv) the 1999 Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals, and the provision of guidance to federal authorities on environmental assessment considerations and requirements in respect of proposed policies and programs; and
- v) an order-in-council designating the President of the Agency as the federal administrator of the environmental and social protection regimes set out in chapters 22 and 23 of the 1975 James Bay and Northern Quebec Agreement, and the North Eastern Quebec Agreement.

5.2 Departmental Organization

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

Table 11 Organizational Chart



Full-Time Equivalent (FTE) is a measure of human resource consumption based on average levels of employment. During 1999-2000 the Agency employed 96 FTEs which is equivalent to 96 individuals working a full year.



SECTION VI: Other Information

6.1 Contact List

Canadian Environmental Assessment Agency - Headquarters

200 Sacré-Cœur Boulevard Hull, Quebec K1A 0H3

Communications Office

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

Media Relations

Tel.: (819) 953-1856 Fax.: (819) 953-2891

E-mail: sylvie.begin@ceaa.gc.ca

Internet Address:

www.ceaa.gc.ca

Federal Environmental Assessment Index

Web site:

www.ceaa.gc.ca/registry/registry_e.htm

E-mail: index@ceaa.gc.ca

Regional Offices

Pacific and Northern Region

Sinclair Centre, Suite 320 757 West Hastings Street Vancouver, British Columbia

V6C 1A1

Tel.: (604) 666-2431 Fax.: (604) 666-6990

E-mail: ceaa.pacific@ceaa.gc.ca

Prairie Region

Suite 263, The Federal Building 123 Main Street Winnipeg, Manitoba

R3C 4W2

Tel.: (204) 983-5127 Fax.: (204) 983-7174

E-mail: ceaa.prairies@ceaa.gc.ca

Quebec Region

Suite 105, $2^{\rm nd}$ Floor 1141 rue de l'Église Sainte-Foy, Quebec

G1V 4B8

Tel.: (418) 649-6444 Fax.: (418) 649-6443

E-mail: ceaa.quebec@ceaa.gc.ca

Alberta Region

Suite 100, Revillon Building 10237 – 104 Street N.W. Edmonton, Alberta

T5J 1B1

Tel.: (780) 422-1410 Fax.: (780) 422-6202

E-mail: ceaa.Alberta@ceaa.gc.ca

Atlantic Region

Suite 1030, TD Centre 1791 Barrington Street Halifax, Nova Scotia

B3J 3L1

Tel.: (902) 426-0564 Fax.: (902) 426-6550

E-mail: ceaa.Atlantic@ceaa.gc.ca

Ontario Region

 $55~\mathrm{St.}$ Clair Avenue East, Room 907

Toronto, Ontario

M4T 1M2

Tel.: (819) 997-2244 Fax.: (819) 994-1469

E-mail: ceaa.Ontario@ceaa.gc.ca



6.2 Legislation Administered and Associated Regulations

The Minister is responsible to Parliament for the following Acts and associated Regulations managed by the Canadian Environmental Assessment Agency:

$Canadian\ Environmental\ Assessment\ Act\$. S.C., 1992, C.37, as amended
Law List Regulations	SOR/94-636 (October 7, 1994), as amended
Comprehensive Study List Regulations	SOR/94-638 (October 7, 1994), as amended
Inclusion List Regulations	SOR/94-637 (October 7, 1994), as amended
Exclusion List Regulations	SOR/94-639 (October 7, 1994), as amended
Federal Authorities Regulations	. SOR/96-280 (May 28, 1996)
Projects Outside Canada Environmental Assessment Regulations	. SOR/96-491 (November 7, 1996)
Regulations Respecting the Co-ordination by Federal Authorities of Environmental Assessment Procedures and Requirements	. SOR/97-181 (April 8, 1997)
Environmental Assessment Review Panel Service Charges Order	. SOR/98-443 (August 26, 1998)
Canada Port Authority Environmental Assessment Regulations	. SOR/99-318 (July 28, 1999)

6.3 Other Agency Statutory Reports and Information

The following reports can be obtained from the Agency's Web site (**www.ceaa.gc.ca**) or by contacting the Agency's Communications Office (**info@ceaa.gc.ca**):

- Canadian Environmental Assessment Agency, 2000-01 Estimates. Part III Report on Plans and Priorities
- Federal Environmental Assessment Making A Difference, March 2000. This is a booklet on benefits and successes of environmental assessment.
- Dilemma at I.M.Perplexed School, Spring 2000. This is a brochure for children on the environmental assessment process.
- Working for Canada's Environment, March 2000. This is a brochure on recent accomplishments and commitments for the Canadian Environmental Assessment Agency.
- Reference Guide for Project Proponents on the Cost Recovery of Environmental Assessment Review Panels, March 2000.
- Evaluation of the Canadian Environmental Assessment Agency's 1997 Sustainable Development Strategy, Spring 2000. This document describes the accomplishments and results for each action plan that was described in its 1997 Sustainable Development Strategy.
- Review of the Canadian Environmental Assessment Act A Discussion Paper for Public Consultation, December 1999.
- Consolidated Regulations Under the Canadian Environmental Assessment Act Inclusion List, Exclusion List, Comprehensive Study List and the Law List, amended November 1999.
- Strategic Environmental Assessment: The 1999 Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals. Guidelines for Implementing the Cabinet Directive, August 1999.
- Federal Environmental Assessment Index.