

# Audit and Evaluation Plan 2006/07 to 2008/09

**March 29, 2006**

***Audit and Evaluation Branch***



Environment  
Canada

Environnement  
Canada

**Canada**

**Acronyms used in the report**

AEB	Audit and Evaluation Branch
CEPA	<i>Canadian Environmental Protection Act</i>
CESD	Commissioner of Environment and Sustainable Development
CESF	Competitiveness and Environmental Sustainability Framework
EC	Environment Canada
DAEC	Departmental Audit and Evaluation Committee
GHG	Green House Gas
IM/IT	Information Management/Information Technology
OAG	Office of the Auditor General
OPG	Outcome Project Grouping
OPP	Outcome Project Plan
PM	Person Months
PSC	Public Service Commission
PSAE	<i>Public Service Employment Act</i>
SARA	Species at Risk Act
TBS	Treasury Board Secretariat

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## **1.0 INTRODUCTION**

The Audit and Evaluation Plan identifies the audit engagements and evaluation projects that are planned for fiscal years 2006/07 to 2008/09. The engagements and projects were selected based upon a risk and opportunities assessment and a consultation and analysis process as described below. They are approved by the Departmental Audit and Evaluation Committee (DAEC).

## **2.0 PLANNING CONTEXT**

### **2.1 *Environmental Scan***

#### **Government Priorities**

On February 6, 2006, the Prime Minister announced a streamlined government structure to promote accountability, efficiency and effectiveness. The Prime Minister reaffirmed the Government's intention to focus on five key priorities:

- Cleaning up government by enacting and enforcing the Federal Accountability Act;
- Lowering taxes for working Canadians, starting with a reduction to the Goods and Services Tax;
- Protecting Canadian families and communities by strengthening the justice system;
- Supporting the child care choices of parents; and
- Delivering health care Canadians need, when they need it, by establishing a patient wait times guarantee with the provinces.

The mission of the new government is to restore Canadians' faith and trust in public institutions by making government more accountable and effective.

As part of the government's commitment to strengthen accountability and transparency to Parliament, the Prime Minister issued a new guide and code of ethics for Ministers and their staff: *Accountable Government: A Guide for Ministers* and the *Conflict of Interest and Post-Employment Code for Public Office Holders*. The *Accountable Government: A Guide for Ministers* reflects the government's commitment to enhanced accountability.

#### **Central Agency Priorities**

The new *Public Service Employment Act (PSEA)*, which came into force in December 2005, allows for broader staffing options that gives new flexibility to managers. Under the new PSEA, the Public Service Commission (PSC) has maximized the delegation of appointment authorities to Deputy Ministers who will in turn sub-delegate authorities to departmental managers. The PSEA also gives the PSC the authority to conduct audits to ensure that organizations are in compliance with the PEA and appointment policy, delegation and accountability requirements.

## **Departmental Priorities**

Last year, Environment Canada (EC) set out on a new direction to improve Canadians' quality of life. The Competitiveness and Environmental Sustainability Framework (CESF) lays out a vision and policy framework to achieve this objective. It sets out EC's long-term directions and the main strategies it will use in getting there. The CESF guides all departmental decisions, from working with the provinces on enhancing Canada's environmental sustainability to protect Canadians from the impacts of severe weather, and everything in between.

The 2005/06 fiscal year was a transition year for implementing Environment Canada's transformation to deliver the Competitiveness and Environmental Sustainability Framework (CESF).

EC has set up a new governance regime based on the results management structure which is supported by the organizational alignment. The results management structure is how all of EC's work is led and delivered.

All major decisions are made through the Executive Management Council (EMC), Policy Brief and Program Brief. There are six Boards composed of Assistant Deputy Ministers and Regional Directors General who work together, as a board of directors, to set priorities related to the departmental strategic results and provide broad direction to Outcome Project Groupings (OPGs). OPGs bring together a set of related Outcome Project Plans (OPPs). OPPs are the basic units of work of the department that defines the deliverables to support the achievement of departmental strategic outcomes, Board Priorities and OPG results.

During the Fall of 2005, EC introduced several changes to its organization structure and began the full implementation of the result management structure in January 2006 by realigning all staff members within the new organization structure as well as within the results management structure.

## **2.2 *Risks and Opportunities Assessment*<sup>1</sup>**

As part of the audit and evaluation planning process, Audit and Evaluation (A&E) conducted an analysis of all departmental Outcome Project Groupings (OPGs) to identify the risks and areas of opportunity for internal audit and evaluation. A number of common, cross-cutting themes emerged from the analysis. More particularly:

### **❑ Internal Controls**

The mechanisms and processes in place for sound management and accountability of departmental human and financial resources continue to emerge as a priority for ongoing attention.

Further, under the new Internal Audit Policy, which will take effect on April 1, 2006 the Chief Audit Executive must provide an annual holistic opinion on internal controls to the Deputy Minister.

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<sup>1</sup> A departmental corporate risk profile was unavailable at the time the plan was being prepared. See Appendix 1 for further details on the risks and opportunities assessment.

❑ **Obligations**

EC's legislative commitments (e.g., CEPA and SARA) are significant and are increasing (e.g., Climate Change). Environmental agreements continues to grow and Canada has made commitments related to global issues such as chemical pollution, climate change, ozone depletion, and biological diversity (e.g., international agreement on the Kyoto Accord, COP 11, Biodiversity Convention, etc.). It will be essential for the department to have a clear sense of whether its resources are aligned effectively to delivering on these commitments and whether in fact the obligations themselves should be revisited.

❑ **Partnerships**

EC's reliance on partnerships for delivering results is pervasive. This provides the organization with many unique opportunities to build common agendas and lever resources in the pursuit of those agendas. These program areas offer an opportunity to evaluate the relevance and/or effectiveness of existing partnerships to deliver on environmental results. In addition, given the financial complexity of some of these relationships they emerge as program areas warranting ongoing monitoring to ensure appropriate controls and accountabilities are in place.

❑ **Governance**

The department is transforming its governance structure and processes and re-organizing key parts of the department. Once in place, the new governance regime will provide a strong basis for effective and accountable management control systems. During the transition period it will be important for senior management to be aware of the risks and uncertainties and have effective mitigation strategies.

Accordingly, governance should be a priority for audit and evaluation for the next three years.

❑ **Instruments**

While EC employs regulations to achieve results, it also uses non-regulatory instruments such as information and education, and voluntary agreements. Few of these have yet been evaluated.

The department has also been working to increase the use by the federal government of economic instruments such as tax incentives. The most significant innovations have been in the design of federal programs for achieving Canada's climate change goals such as a system for creating and trading greenhouse gas emissions reduction credits.

This area represents a risk in terms of our lack of knowledge of the effectiveness of current regulatory and non-regulatory instruments. It also represents an opportunity in terms of learning from over two decades of experience – and learning from the implementation of climate change market-based programs.

❑ **Information Management**

Retaining, safeguarding and ensuring the accessibility of information is a key factor in the Department's capacity to function effectively, fulfil its mandate, and respond to the information needs of Canadians. The analysis revealed the absence of a global approach to information management in EC.

Information management has been a recurring area of concern for the last several years and will continue to require attention from management. In the context of the new governance structure, the department needs to address this issue through effective internal controls for managing information.

**❑ Performance Measurement**

Good performance planning and reporting is fundamental to effective governance and accountability to Parliament. Canadians also want to know if they received good value from their government in return for their taxes. The Office of the Auditor General (OAG) has also indicated that progress related to performance measurement in federal departments is disappointing.

Despite significant improvements in this area, the analysis revealed that most OPGs need to improve their description and logic model/results architecture to clarify their role and demonstrate how they will achieve desired results, particularly in the context of the CESF. The OPGs should provide the necessary information to facilitate decision-making and resource allocation to the highest priorities in support of CESF outcomes.

The evaluation framework approved by DAEC for testing the alignment of programs to CESF outcomes should provide an important tool for helping to address this issue.

The results of the analysis supported a strategic discussion at the DAEC meeting in November, 2005.

In addition to the above, A&E conducted a risks and opportunities analysis of Outcome Project Plans (OPPs) pertaining to the OPGs assessed as having a high level of risk and/or providing an evaluation opportunity. (See Appendix 2 – OPPs Risk Assessment Results)

### ***2.3 Identification and Prioritization of Projects***

The list of potential audit engagements and evaluation projects was developed by:

- ❑ identifying engagements and projects from areas with a high level of risk and/or providing an evaluation opportunity for A&E, resulting from the above risks and opportunities analysis;
- ❑ reviewing last year's A&E plan to identify both audit engagements and evaluation projects originally scheduled for 2005/06 that will be carried forward into the new plan as well as those already identified for future years;
- ❑ assessing management requests and suggestions for evaluation or audit work received during the year;
- ❑ identifying audits or evaluations being carried out by other departments in which A&E is involved; and
- ❑ identifying external audits and studies by organizations such as the office of the Auditor General planned for the next fiscal year.



Consultations were conducted with Boards and senior management in the department to discuss the potential list of audit engagements and evaluation projects and to obtain advice on the priority areas, scope and timing. Those consultations were also used to identify any additional internal audit and evaluation requirements such as obligations outlined in Treasury Board submissions, audits of contribution agreements, requirements under government-wide quality programs or any other proposals.

## **3.0 AUDIT AND EVALUATION BRANCH ACTIVITIES**

### **3.1 *Proposed Audit and Evaluation Activities for 2006/07 to 2008/09***

#### **Evaluation Projects**

Table 1 describes the recommended evaluation projects for the next three years. The table also shows resource requirements in person months (PM) and dollars for 2006/07. Some of the key changes from last year's plan are as follows:

- A Public Security and Anti-Terrorism (PSAT) Funds evaluation was originally planned for 2005/06. The funds were used for three initiatives which now show up as three projects in the Plan. The scope of the evaluations has also been expanded to look at the broader program areas of the initiatives (rather than a narrow focus on just the PSAT initiatives): National Environmental Protection Intelligence (evaluation to be planned in 2006/07 and implemented in 2007/08); Tracking of cross-border movement of hazardous wastes and hazardous recyclable materials (to be evaluated in 2007/08); and Environmental Emergency Regulations (part of the Environmental Emergencies Program evaluation currently underway).
- The Contaminated Sites evaluation originally planned for 2005/06 was postponed to 2007/08 since AEB will be involved into the Treasury Board evaluation of the Federal Contaminated Sites Action Plan scheduled for 2006/07.
- The departmental Climate Change - Science and National Inventory evaluations originally planned for 2006/07 were also postponed to 2007/08. AEB will await the results of the Climate Change audit conducted by the Commissioner of the Environment and Sustainable Development (CESD) to inform future evaluation.

In addition, the following key new evaluations will be carried out during 2006/07:

- Species at Risk Act (Evaluation Plan)
- Canadian Biodiversity Strategy (Evaluation Plan)
- North American Commission for Environmental Cooperation (CEC)
- Regulations and Tools – Air Quality Regulations and Programs
- Canadian Shellfish Sanitation Program
- Canadian Cooperative Wildlife Health Centre

## **Internal Audit Engagements**

Table 2 describes the recommended internal audit engagements for the next three years. The table also shows resource requirements in person months (PM) and dollars for 2006/07. Some of the key changes from last year's plan are:

- The audit of hospitality transactions originally planned for 2005/06 has been delayed and will be completed in 2006/07.
- The Information Technology Security audit originally planned for 2006/07 was postponed to 2007/08 to allow the program to comply with TBS standards.
- The follow-up to the Audit of Occupational Health and Safety which was originally planned for 2006/07 will be conducted through the ongoing tracking of management actions against recommendations.
- The audit of the implementation of EC's Strategy for People was replaced with a classification audit and a staffing audit scheduled for 2007/08. The intention is to audit elements of the strategy and the new Public Service Employment Act (PSEA) as they are being implemented.

The following key new engagements will be carried out during 2006/07:

- EC's Transformation Agenda Assessment (Plan)
- Delegation Authority - Financial
- Employment Equity – Developmental Audit & Value for Money Audit
- Audit of mandatory disclosures
- Canada's GHG Offset System Program
- Continual Auditing: Revenues
- Decision Support Systems
- IM/IT Audit Plan
- Travel

## **Office of the Comptroller General Internal Audit**

The Office of the Comptroller General may require the department to conduct sectoral and horizontal audits. However, this annual plan does not reflect any resources that may be required for possible audits.

## **Projects Led by Other Departments/Agencies**

Table 3 describes evaluations being carried out by other departments in which Environment Canada evaluation will be involved. The table also indicates the resources requirements in person months for 2006/07.

## External Audits and Studies

Table 4 contains the list of external audits and studies to be carried-out by the Office of the Auditor General (OAG), the Commissioner of the Environment and Sustainable Development (CESD) and other entities such as: the Public Service Commission (PSC); the Access to Information Commissioner; and the Commissioner of Official Languages during the next fiscal year.

Of particular note is the 2006 Report of the Commissioner of the Environment and Sustainable Development in which the department is significantly involved. This report, on climate change, covers such issues as federal management, impacts and adaptation, greenhouse gas mitigation measures and others.

## 3.2 Resource Requirements

For 2006/07, the professional resource requirements are 157 person months and \$500,000. For this same period, there is 156 person months available. A break down of the person month allocation and professional services by function is shown below in Figure 1. The person month resource requirements are determined by deducting the various leave entitlements of audit and evaluation staff and represent an approximation of project time available during 2006/07. This figure does not include resources dedicated to management activities.

**FIGURE 1: PERSON MONTH (PM) ALLOCATION AND PROFESSIONAL SERVICES**

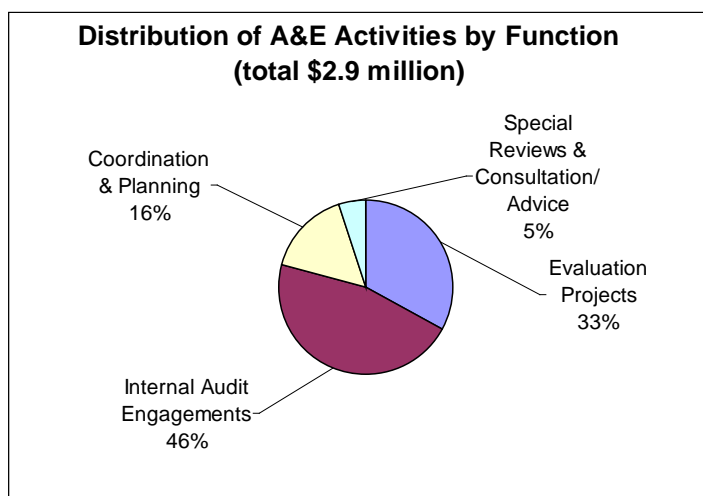
Function	Person Month (PM)	Professional Services \$K
Evaluation Projects	46	260
Internal Audit Engagements	73	225
Coordination & Planning	29	15
Special Reviews & Consulting/Advice	10	0
<b>TOTAL</b>	<b>157</b>	<b>500</b>
<b>AVAILABLE STAFF RESOURCES</b>	<b>156</b>	

### Category description:

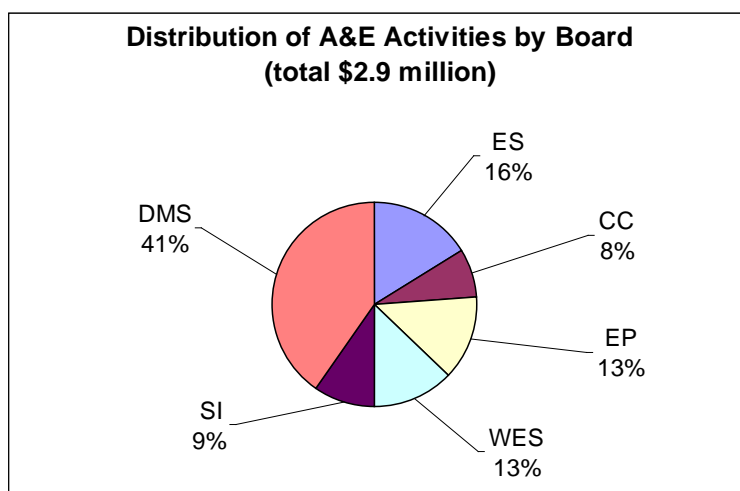
- Evaluation projects: Includes all resources dedicated to evaluation projects and resources involved for projects led by other departments and agencies.
- Internal Audit Engagements: Includes all resources dedicated to internal audit engagements.
- Coordination and Planning: Includes all resources dedicated to the coordination of audits being carried-out by the OAG, the CESD and other organizations. It also includes resources dedicated to environmental petitions, risk-based planning and reporting, recommendations follow-up, support to DAEC and quality assurance.
- Special Projects and Consulting/Advice: Includes resources for conducting special investigations, and providing consultation and advice on an ad hoc basis (for example, concerning the incorporation of evaluation perspective during program design).

Figure 2 and 3 provide a break down of A&E activities and resources by function and board for 2006/07. These figures represent all of AEB activities and resources including management activities.

**FIGURE 2: 2006/07 DISTRIBUTION OF A&E ACTIVITIES BY FUNCTION**



**FIGURE 3: 2006/07 DISTRIBUTION OF A&E ACTIVITIES BY BOARD**



**Table 1: Evaluation Projects**

PROJECT NAME	BOARD	PROJECT DESCRIPTION / BACKGROUND	RESOURCES 2006/2007		YEAR			COMMENTS
			PM	\$K	2006/ 2007	2007/ 2008	2008/ 2009	
STRATEGIC ISSUES								
Canadian Biodiversity Strategy	ES	To conduct an evaluation of the progress on the implementation of the department's Biodiversity Strategy.	2.5		X	X		In response to an audit conducted by the CESD in 2005/06 Start planning in 2006/07.
Commission for Environmental Cooperation (CEC)	SI	Evaluation of the value-for-money and contribution to CESF objectives derived from contribution to CEC.	5	50	X			Significant expenditure (largest EC contribution to an international agency), has never been evaluated.  Develop evaluation plan and conduct evaluation in 2006/07.
Ecosystem Initiatives	ES	To evaluate the effectiveness of ecosystem initiatives, specifically, cost-effectiveness and alignment to departmental result.	2	40	X			Evaluation framework and plan completed in 2005/06.  Evaluation in 2006/07 with Georgia Basin Action Plan as pilot.
Regulations and tools	SI/EP	To evaluate the effectiveness of Air Quality Regulations and Programs.	7	75	X			Regulatory tools have not been evaluated.  TB submission requirement.  Program interest in evaluating the administration of regulations and collaborative opportunities.  High risk area resulting from the OPP risk assessment findings.
Species at Risk Act	ES	To provide evaluation information for EC management in support of parliamentary committee review	2.5		X	X		Evaluation Plan to be developed in 2006/07. Evaluation to be conducted in 2007/08. Legislative requirement for Parliamentary Review in 2008/09.
Departmental Climate Change	CC	To evaluate two specific climate change programs:				X		CESD looking at climate change in 2006/07 including Science.

PROJECT NAME	BOARD	PROJECT DESCRIPTION / BACKGROUND	RESOURCES 2006/2007		YEAR			COMMENTS
			PM	\$K	2006/ 2007	2007/ 2008	2008/ 2009	
		1. Science  To evaluate the accuracy, capacity and usefulness of science programs						Await the results of the CESD Climate Change Science audit.  An evaluation of the Canada's GHG Offset System Program is scheduled for 2007/08.
		2. National Inventory				X		Await results of the CESD report on Climate Change. National Inventory not in place yet.
International activities	SI	To evaluate the implementation of the departmental International Strategy.				X		
Outreach	SI	To evaluate how the reformed outreach activities are contributing to the CESF.				X		Not previously evaluated; fragmented programs; multiple objectives; this topic may be dealt with by the Boards; looked at the One Tonne Challenge under Climate Change in 2005/06.  Will revisit scope and timing based on the findings of the One Tonne Challenge evaluation.
Sector Sustainability Tables (SSTs)	SI	To evaluate the effectiveness of the Sector Sustainability Tables.				X		Management review of the SSTs will be conducted in 2006/07.
Ecosystem Initiatives	ES	To continue evaluating the effectiveness of ecosystem initiatives.				X	X	Further evaluations to await results of the Georgia Basin Action Plan evaluation scheduled for 2006/07.
National Aboriginal Strategy	SI	To evaluate the effectiveness of the implementation of the Aboriginal Strategy.					X	
Water	ES	To evaluate the implementation of the Water Strategy.					X	Water policy and programming identified as a high risk area.  Raised by senior management as a high priority area.  New Water Strategy in development. Key element of the CESF.

PROJECT NAME	BOARD	PROJECT DESCRIPTION / BACKGROUND	RESOURCES 2006/2007		YEAR			COMMENTS
			PM	\$K	2006/ 2007	2007/ 2008	2008/ 2009	
PROGRAM ISSUES								
Environmental Emergencies Program	EP	To evaluate the program in light of national program results and common indicators	4.5	50	X			Highly partnered; health and safety issues; linked with TB requirement on Anti- terrorism; similar project approved in previous year's plan. Plan started in 2005/06.
Public Security and Anti- Terrorism (PSAT) Funds	EP/ CC	To conduct a formative evaluation of three PSAT initiatives:	1.5		X	X		PSAT Requirement: Evaluation Plan in 2006/07; Evaluation will be completed in 2007/08, but of whole program, not just PSAT elements
		1. National Environmental Protection Intelligence				X		Evaluation of whole transboundary movement program will also cover TB PSAT requirement.
		2. Tracking of cross-border movement of hazardous wastes and hazardous recyclable materials.						
		3. Environmental Emergency Regulations	See Environmental Emergencies Program		X			PSAT component will be part of the Environmental Emergency Program evaluation.
Canadian Shellfish Sanitation Program	ES	To evaluate the effectiveness of EC activities in support of water quality protection for shellfish harvesting areas.	4.5	5	X			Capacity to deliver unknown; health and safety issues; not previously evaluated; similar project approved on previous plan.  Need to determine timing in context of program changes. Evaluation will be involved early during changes.
Canadian Cooperative Wildlife Health Centre	ES	Evaluation of the Canadian Cooperative Wildlife Health Centre.	4	5	X			Identified by senior management. Complex delivery arrangements.
Public SCRIBE	WES	To evaluate the effectiveness of the SCRIBE software tool for public forecasting.	4	35	X			High reputational risk.
Canada's GHG Offset System Program	CC	To evaluate the effectiveness of this new program planned to begin in 2006-07.				X		Must evaluate the activities of this new program's first year (06-07) for input in the long-term delivery model planned to be put in place in 07-08 or 08-09.
Ecological Monitoring and Assessment Network (EMAN)	ES	To evaluate the relevance and effectiveness of community-based monitoring activities				X		Highly partnered; look at how information is used; \$444K for O&M and 6 PYs

PROJECT NAME	BOARD	PROJECT DESCRIPTION / BACKGROUND	RESOURCES 2006/2007		YEAR			COMMENTS
			PM	\$K	2006/ 2007	2007/ 2008	2008/ 2009	
Federal Contaminated Sites Action Plan	EP	To conduct a formative evaluation.				X		TB evaluating in 2006/07. EC will be involved.
Ice Program	WES	To evaluate if the recent application of changes in technology and program delivery are successful in safeguarding public safety				X		Not previously evaluated; EC puts approx. \$3 million into this and DFO spends approx. \$8/9 million; similar project approved in previous year's plan
MSC Transition	WES	To evaluate how successful the MSC is in its modernization efforts				X		Look at the performance measurement system; evaluation framework approved at DAEC on April 22, 2005
Protected Areas (National Wildlife Areas, Migratory Bird Sanctuary)	ES	To evaluate if there is sufficient capacity to fulfill and comply with protected area agreements				X		Risk of not having sufficient capacity to meet objectives; CESD identified concerns in 2004 report; recent substantive changes by the program; similar project approved in previous plan
Weather Predictions	WES	To evaluate the use of science/research in weather predictions.				X		Not previously evaluated; contribution to protecting economy, environment and health.
Enforcement Program	EP	To evaluate the effectiveness of the enforcement program.					X	
Risk Assessment and Risk Management processes under CEPA	EP	To evaluate the internal management and decision making processes under CEPA					X	Follow up to implementation of QMS.
Strategic Environmental Assessment (SEA)	EP	To evaluate the effectiveness of the SEA internal process and procedures					X	Management request to look at how effective the SEA process has been implemented.



**Table 2: Internal Audit Engagements**

PROJECT NAME	BOARD	PROJECT DESCRIPTION / BACKGROUND	RESOURCES 2006/07		YEAR			COMMENTS
			PM	\$K	2006/ 2007	2007/ 2008	2008/ 2009	
Audit of mandatory disclosures	DMS	To conduct an audit of compliance to the disclosure requirements for contracts over \$10K, for reclassification of positions, and possible for Gs & Cs.	4		X			Reputational and materiality risks.
Business Continuity for Weather Prediction	WES	To audit the readiness of weather prediction in case of extreme/unusual events.	8	75	X			Major operational changes; mission critical, importance of maintaining service/transmitting data if a centre goes down; information is needed in this area prior to the MSC Transition evaluation.
Canada's GHG Offset System Program	CC	To audit the operational and/or management processes of this new program set to begin in 2006-07.	4	50	X			New and complex program with high materiality risks.
Continual Auditing: Acquisition Cards; Compensation	DMS	To periodically audit financial and human resources databases for early detection of irregularities.	3		X	X	X	Identification of high-risk and unusual transactions.
Continual Auditing: Revenues	DMS	To periodically audit revenue transactions for early detection of irregularities.	3		X	X	X	Identification of high-risk and unusual transactions.
Contracts/Contributions	DMS	To conduct an audit of contracts/contributions for organizations receiving high levels of funding.	4		X			Materiality; some organizations receive high levels of funding from several sources within EC; assess overlap and delivery.
Decision Support Systems	DMS	To conduct an audit of the system under development of decision support systems.	4	50	X			
Delegation Authority	DMS	To audit compliance with the new financial delegation authority.	5		X			Materiality; appropriate level of signing authority.
Departmental Climate Change	CC	1. CoP 11  To audit the compliance of financial transactions and staffing actions to legal and policy requirements.	2	25	X			

PROJECT NAME	BOARD	PROJECT DESCRIPTION / BACKGROUND	RESOURCES 2006/07		YEAR			COMMENTS
			PM	\$K	2006/ 2007	2007/ 2008	2008/ 2009	
EC's Transformation Agenda Assessment (Plan)	DMS	To develop a plan to assess EC as it goes through transformation, using the NQI approach.	3.5	25	X	X		Assessment Plan to be completed in 2006/07.  Assessment to be completed in 2007/08.
Employment Equity	DMS	A) Employment Equity Developmental Audit: <ul style="list-style-type: none"> <li>to support the program with a developmental audit (system under development audit) to be ready to sustain the Human Right Commission compliance audit planned for 2007-08.</li> </ul> B) Employment Equity Value for Money Audit: <ul style="list-style-type: none"> <li>To assess the effectiveness of the program through a value for money audit.</li> </ul>	5  4		X  X			Human Rights Commission will be auditing in 2007/08.
Hospitality	DMS	To audit the compliance of hospitality transactions to legal and policy requirements and to the disclosure initiative.	5		X			Audit plan completed in 2005/06. Audit to be completed in 2006/07.
Information Technology Security	DMS	To audit compliance with Treasury Board policies and reporting requirements.	3		X	X		Auditor General identified overall weakness in government; government mission critical facilities. Postponed to end of 2006/07 to allow the program to comply with TBS standards. Audit plan to be completed in 2006/07. Audit to be completed in 2007/08.
IM/IT Audit Plan	DMS	To develop a multi-year audit plan for IM/IT.	6		X			
Montreal Protocol	EP	To conduct an audit of the Montreal Protocol.	3		X			
Travel	DMS	To audit the processes of: approval; travel requests; payment of travel claims. The audit includes an audit of the Travel Expert System (TES).	6		X			High reputational risk.

PROJECT NAME	BOARD	PROJECT DESCRIPTION / BACKGROUND	RESOURCES 2006/07		YEAR			COMMENTS
			PM	\$K	2006/ 2007	2007/ 2008	2008/ 2009	
		(All travel including international travel)						
Audit of Management controls - Maintenance of monitoring stations	WES	To audit program efficiency in relation to the development, upgrading, management (quality assurance, trouble shooting, staff training and recruitment) of atmospheric and hydrometric data systems networks.				X		Potential issues with the management of this program have been identified in the past.
Cash Advances	DMS	To audit compliance with departmental and Treasury Board Policies.				X		Not previously audited; major changes since AMEX credit card implementation; similar project approved in previous year's plan.
Classification	DMS	To audit the classification process of positions, in particular its compliance to policies, as well as to evaluate consistency across the department.				X		Classification has not been audited recently.
Corporate Administrative Shared System (CASS)	DMS	To conduct a system under development audit of CASS.				X		
Financial Statements	DMS	To conduct audits of financial controls to ensure they support auditable financial statements.				X	X	
Hydrometric Monitoring Stations – Federal Provincial Agreements	WES	To audit the various arrangements for the operations and the maintenance of hydrometric monitoring stations, including the agreements with the various provinces.				X		Complex delivery arrangements.
Motor Vehicle Policy	DMS	To audit the compliance with Treasury Board and departmental policies.				X		Not previously audited; quality of controls unknown; similar project approved in previous year's plan.
Occupational Health and Safety	DMS	To audit the occupational health and safety program to ensure an appropriate framework is in place and implemented.				X		Concerns expressed by senior management.
Specified Purpose Accounts	DMS	To audit the utility, appropriateness, and compliance of Specified Purpose Accounts.				X		Not previously audited; quality of controls unknown; approximately \$12 million was received in 2004/05.

***Audit and Evaluation Plan***

PROJECT NAME	BOARD	PROJECT DESCRIPTION / BACKGROUND	RESOURCES 2006/07		YEAR			COMMENTS
			PM	\$K	2006/ 2007	2007/ 2008	2008/ 2009	
								Await results of the continual auditing on revenues.
Staffing	DMS	To audit the staffing process, mainly for term positions.				X		High risk area.
Vote Netted Revenue	DMS	To audit how Vote Netted Revenues are collected, managed, and used by programs as well as departmental compliance				X		Not previously audited; quality of controls unknown.  Await results of the continual auditing on revenues.
Official Languages Policy	DMS	To audit compliance with Treasury Board policy on Official Languages.					X	High visibility; previous cases of non-compliance; there is awareness of what needs to be done; official languages task force developed.

**Table 3: Projects Led By Other Departments/Agencies**

PROJECT NAME	BOARD	PROJECT DESCRIPTION / BACKGROUND	RESOURCES 2006/07		YEAR			COMMENTS
			PM	\$K	2006/ 2007	2007/ 2008	2008/ 2009	
Canadian Regulatory System for Biotechnology	ES	To participate in an evaluation led by the Canadian Food Inspection Agency and Health Canada.	.5		X			TB requirement for 2005/6  Just started in 2005/06.
Federal Contaminated Sites Action Plan	EP	To participate in an evaluation led by TBS on the management of the program, focusing on the roles of the TBS and the FCSAP Secretariat.	1.5		X			Will contribute to our own evaluation scheduled for 2007/08.
National Agri-environmental Standards Initiative (NAESI)	ES	To evaluate results and effectiveness of standards, specifically their application and alignment with Agriculture Canada Policy Framework (APF) environment chapter programs. To be led by AAFC.	1.5		X			5 year initiative ending in 2007-2008. TB requirement. Not previously evaluated. Will align with/contribute to AAFC evaluation of its own APF programs planned for 2007/08.  Note: AAFC currently determining whether to proceed this year.
Oceans Action Plan	ES	To measure and report on progress during Phase I (2005-2007) to ensure that established objectives are being achieved. 2-year horizontal initiative involving 7 depts, DFO lead.	1.5		X			TB requirement. Will inform development of Phase II of the OAS.
Building Public Confidence in Pesticide Regulation and Improving Access to Pest Management Products	ES	To assess the delivery, design and governance of a pest management initiative, involving 6 federal departments, and agencies, including EC. EC's funding is \$8M over FY 2002-03 to 2007- 08. EC will receive ongoing funding starting in FY 2008-09. Evaluation led by Health Canada.	.5		X			TB Requirement. Formative evaluation, started in 2005-06, will address requirements for a future summative evaluation.



**Table 4: External Audits and Studies**

TITLE	STATUS
<b>Office of the Auditor General (OAG)</b>	
<b>OAG Report - April 2006</b> 01 The Management of Government Information 02 The Government's Expenditure Management Systems 03 CRA - Collections 04 Public Safety Probity Issues 05 Implementing the Government's Innovation Strategy 06 Financial Management and Control - DND 07 Financial Management and Control - Health Canada 08 Income Security Programs 09 Rating of Departmental Performance Reports 10 Source Deductions	The Department is not implicated in any of the Audits for the April 2006 report.
<b>OAG Report - November 2006</b> 01 CFIA 02 Safety Issues for Key Transport Facilities 03 Managing for Results 04 Study on Surveys 05 HRM Capacity / Learning 06 Study of International Practices of Government Evaluation 07 First Nation's Justice 08 DFAIT/CIDA/CIC (TBD) 09 CCRA - Information Technology Systems	The Auditor General has not yet identified which, if any, audit chapters the department may be covered by.
<b>Commissioner of the Environment and Sustainable Development (CESD)</b>	
<b>CESD Report - Fall 2006 – Climate Change</b> The 2006 Report will contain the following chapters: 00 Commissioners Perspective 01 Federal Performance in Managing (Climate Change) 02 Sustainable Development Technology Canada Foundation 03 Impacts and Adaptation 04 Reducing GHG During Energy Production and Consumption 05 Sustainable Development Strategies 06 Environmental Petitions	The 2006 report will focus on the theme of climate change. The department is actively involved with the CESD.
<b>Public Service Commission (PSC)</b>	
Possible audits of delegated EX staffing.	PSC is in the process of finalizing their plan.
<b>Access to Information Commissioner (ATI)</b>	
	No indication of studies/projects involving EC to take place in 2006/07.
<b>Commissioner for Official Languages (COL)</b>	
	No indication of studies/projects involving EC to take place in 2006/07.
<b>Human Rights Commission (HRC)</b>	
HRC will be auditing Employment Equity in 2007/08.	





# **Appendix 1**

## **Risks and Opportunities Assessment Working Paper for 2006/07 – 2008/09 Audit & Evaluation Plan**

**Environment Canada  
December 2005**

**Acronyms used in the report**

A&E	Audit and Evaluation
CEPA	Canadian Environmental Protection Act
CESF	Competitiveness and Environmental Sustainability Framework
CRP	Corporate Risk Profile
DAEC	Departmental Audit and Evaluation Committee
EC	Environment Canada
EMC	Executive Management Council
OAG	Office of the Auditor General
OPG	Outcome Project Groupings
RBAF	Risk-Based Accountability Framework
RMAF	Result-Based Management and Accountability Framework
SARA	Species at Risk Act
TBS	Treasury Board Secretariat

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## **1.0 PURPOSE**

The purpose of this working paper is to present the final results of a risk and opportunity analysis conducted by Audit and Evaluation (A&E) as part of the 2006/07 to 2008/09 audit and evaluation planning process. The analysis was conducted to support a strategic discussion at the Departmental Audit and Evaluation Committee (DAEC) meeting on November 24, 2005. The report has incorporated the comments and suggestions made by the Committee.

This analysis of risk and opportunities provides input into the selection of potential audit engagements and evaluation projects for consultations with Boards and senior management in the department. It is a bottom-up risk analysis of departmental activities rather than a corporate-level analysis of risks. That said, the results of this analysis are being considered in the preparation of the departmental corporate risk profile scheduled for discussion at the Executive Management Council (EMC) in January, 2006.

## **2.0 METHODOLOGY**

A team of departmental internal auditors and evaluators conducted an analysis of all 35 departmental Outcome Project Groupings (OPGs) based on the following documentation:

- Overview of Board Priorities deck – October 24-26, 2005;
- OPG decks – October 24-26, 2005; and
- Results of the Independent Review Team – October 2005.

Five risk criteria were used:

- materiality – e.g., financial resources, program expenditures;
- profile/visibility/reputational risk – e.g., public and media interest or expectations, corporate reputation, domestic and international reputation, political factors;
- complexity – e.g., internal governance, partnerships, horizontality, federal/provincial delivery, attribution, level of decentralization;
- threats to delivering results – e.g., unclear linkages or alignment; and
- impacts on not delivering results – e.g., impacts on human health.

A scale of high, medium and low risk was developed for each risk criterion based on descriptive indicators (see Annex 1). Each OPG was assessed against each of these criteria. An overall relative risk ranking for each OPG was calculated by assigning values to the risk scale scores of each criterion (high - 3, medium - 2, low - 1), totalling the value for the OPG and then ranking the OPGs according to these risk ratings. For example, the OPG with the highest score was ranked as the #1 risk. OPGs were then grouped into high, medium and low risks with, for example, rankings of 10 and above considered high

Various sensitivity analyses were also conducted to test the sensitivity of the rankings to changes in the relative weights assigned to each risk criterion. The base case assigns equal weightings to each risk criterion. Five separate sensitivity analyses were performed by doubling the weight for each of the five criteria (one at a time), recalculating the ratings and subsequently reassessing the rankings. A sixth sensitivity analysis was conducted by doubling the weighting for both the profile and impact criteria.

In addition to the above, consideration was given to whether there were significant strategic benefits for the department to evaluations of OPGs and/or programs within the OPGs, for example, to test alignment with the Competitiveness and Environmental Sustainability Framework (CESF) or improve program design and delivery.

Based on these findings, cross-cutting, thematic risks and opportunities were identified.

### **3.0 FINDINGS**

A summary of the risk rankings for each OPG, including sensitivity analyses, is provided in Annex 2.

#### **3.1 Sensitivity Analysis**

The risk ranking of OPGs did not reveal any significant sensitivity to changes in the weights assigned to individual risk criteria. Consequently, the final results summarized below by Board, are based on the “no weight” or base case.

#### **3.2 Summary of Findings by Board**

The following table presents the number and percentage of OPGs within each Board according to risk rankings.

**Summary of OPG Ranking by Board**

Boards	High		Medium		Low		Total
	# OPGs	%	# OPGs	%	# OPGs	%	
Ecosystem Sustainability	4	80	1	20	0	0	5
Weather and Environmental Predictions	4	67	1	16.5	1	16.5	6
Environmental Protection	2	40	2	40	1	20	5
Climate Change	1	33	2	67	0	0	3
Strategic Integration	0	0	5	62.5	3	37.5	8
Departmental Management Services	0	0	5	62.5	3	37.5	8

The results of the risk assessment revealed that eighty percent of the OPGs of the Ecosystem Sustainability Board, sixty-seven percent of the OPGs of the Weather and Environmental Predictions Board and forty percent of OPGs of the Environmental Protection Board ranked as high. Some of the factors that contributed to these results are the following:

- demonstrated direct or significant impact on Canadians' health and well-being, the environment, and the economy;
- significant media and public exposure;
- significant reputation risk at the national and international level;
- important dependence on multiple internal and external partners to achieve outcomes and delivering results;
- very complex and decentralized delivery (i.e. at more than 5 locations); and
- unclear linkages between strategic outcomes, intermediate outcomes, near-term results (indicators), activities and deliverables.

Further, sixty-seven percent of the OPGs of the Climate Change Board, sixty-two percent of the OPGs of the Strategic Integration Board and sixty-two percent of the OPGs of the Departmental Management Services Board ranked as medium risks. The factors that contributed to these results are the following:

- mostly indirect impacts on Canadian's health and well-being and on the environment but essential for managing long-term impacts;
- moderate level of reputational risk at national and international level; and
- involve mostly internal partners for delivery (Climate Change is the notable exception).

## **4.0 THEMATIC RISKS AND OPPORTUNITIES**

A number of common, cross-cutting themes emerged from the analysis.

### **Internal Controls**

While considerable progress has been made, the mechanisms and processes in place for sound management and accountability of departmental human and financial resources continue to emerge as a priority for ongoing attention.

Further, under the new Internal Audit Policy, which will take effect on April 1, 2006, the Chief Audit Executive must provide an annual holistic opinion on internal controls to the Deputy Minister and the department's Audit Committee.

### **Obligations**

The department's legislative commitments (e.g., CEPA and SARA) are extensive and are increasing (e.g., Climate Change). In addition, the number of environmental agreements continues to grow, with new agreements at the global, regional and bilateral levels. There are multilateral and international environmental agreements to which Canada has made commitments related to global issues such as chemical pollution, climate change, ozone depletion, and biological diversity (e.g., international agreement on the Kyoto Accord, COP 11, Biodiversity Convention, etc.). It will be essential for the department to have a clear sense of

whether its resources are aligned effectively to delivering on these commitments and whether in fact the obligations themselves should be revisited.

### **Partnerships**

Environment Canada's reliance on partnerships for delivering results is pervasive. This provides the organization with many unique opportunities to build common agendas and lever resources in the pursuit of those agendas. These program areas offer an opportunity to evaluate the relevance and/or effectiveness of existing partnerships to deliver on environmental results. In addition, given the financial complexity of some of these relationships they emerge as program areas warranting ongoing monitoring to ensure appropriate controls and accountabilities are in place.

### **Governance**

The department is transforming its governance structure and processes and re-organizing key parts of the department. Once in place, the new governance regime will provide a strong basis for effective and accountable management control systems. During the transition period it will be important for senior management to be aware of the risks and uncertainties and have effective mitigation strategies.

Accordingly, governance should be a priority for audit and evaluation for the next three years. In addition, at its November 24, 2005 meeting, DAEC requested Audit and Evaluation to develop an evaluation framework for assessing the effectiveness of the new governance structure.

### **Instruments**

The analysis of OPGs revealed that while Environment Canada employs regulations to achieve results, it also uses non-regulatory instruments such as information and education, and voluntary agreements. That said, few of these have actually been evaluated.

The department has also been working to increase the use by the federal government of economic instruments such as tax incentives. The most significant innovations have been in the design of federal programs for achieving Canada's climate change goals such as a system for creating and trading greenhouse gas emissions reduction credits.

This area represents a risk in terms of our lack of knowledge of the effectiveness of current regulatory and non-regulatory instruments. It also represents an opportunity in terms of learning from over two decades of experience – and learning from the implementation of climate change market-based programs.

### **Information Management**

Retaining, safeguarding and ensuring the accessibility of information is a key factor in the Department's capacity to function effectively, fulfil its mandate, and respond to the information needs of Canadians. The analysis revealed the absence of a global approach to information management in EC.

Information management has been a recurring area of concern for the last several years and will continue to require attention from management. In the context of the new governance structure, the department needs to address this issue through effective internal controls for managing information.

### **Performance measurement**

Good performance planning and reporting is fundamental to effective governance and accountability to Parliament. Canadians also want to know if they received good value from their government in return for their taxes. The OAG has also indicated that progress related to performance measurement in federal departments is disappointing.

Despite significant improvements in this area, the analysis revealed that most OPGs need to improve their storyline and logic model/results architecture to clarify their role and demonstrate how they will achieve desired results, particularly in the context of the Competitiveness and Environmental Sustainability Framework. The OPGs should provide the necessary information to facilitate decision-making and resource allocation to the highest priorities in support of CESF outcomes.

The evaluation framework approved by DAEC for testing the alignment of programs to CESF outcomes should provide an important tool for helping to address this issue.

## **5.0 CONCLUSION**

This analysis suggests that any list of potential audit engagements and evaluation projects should be based on a careful consideration of the activities of the Ecosystem Sustainability Board and to a lesser extent the Environmental Predictions Board and Environmental Protection Board. Furthermore, emphasis should be put on audit engagements and evaluation projects that assist in mitigating the cross-cutting risks or exploit the horizontal opportunities for evaluating program relevance and effectiveness as identified above.



## Annex 1

### Risk Assessment Rating Scale

RISK CRITERIA	RISK RATING SCALE		
	High	Medium	Low
<b>Materiality</b> <ul style="list-style-type: none"> <li>Financial resources</li> <li>Program expenditures</li> </ul>	<ul style="list-style-type: none"> <li>The OPG ranking, defined by its respective resource allocation as a percentage of EC's total budget, falls within the upper quartile of the OPG data set.</li> </ul>	<ul style="list-style-type: none"> <li>The OPG ranking, defined by its respective resource allocation as a percentage of EC's total budget, falls between the median and the third quartile, inclusive, of the OPG data set.</li> </ul>	<ul style="list-style-type: none"> <li>The OPG ranking, defined by its respective resource allocation as a percentage of EC's total budget, is lower than the median of the OPG data set.</li> </ul>
<b>Profile/Visibility/Reputational</b> <ul style="list-style-type: none"> <li>Public/media interest or expectations</li> <li>Corporate reputation</li> <li>Domestic, international reputation</li> <li>Political factors</li> </ul>	<ul style="list-style-type: none"> <li>Outside parties (news media, citizen groups, general public) have shown a major interest in the area</li> <li>Significant loss of client group trust</li> <li>Public or media outcry for removal of Minister and/or departmental official</li> <li>Criticism by agencies (e.g., OAG, CESD, TBS, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Outside parties (news media, citizen groups, general public) have shown moderate interest in the area</li> <li>Some loss of client group trust</li> <li>Some unfavourable media attention</li> <li>Some unfavourable observation by agencies (e.g., OAG, CESD, TBS, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Outside parties (news media, citizen groups, general public) have shown little interest in the area</li> <li>No apparent problems (little to no criticism by media, OAG, CESD, TBS, etc.)</li> </ul>
<b>Complexity</b> <ul style="list-style-type: none"> <li>Complexity of internal operations (e.g., interaction with other OPGs)</li> <li>Multiple partners involved – interaction</li> <li>Horizontal cooperation with OGDs or Agencies</li> <li>Horizontal cooperation with Provinces/Territories/NGOs</li> <li>Shared accountabilities</li> <li>Attribution</li> <li>Decentralization/Centralization (e.g., possibility of regional variation)</li> </ul>	<ul style="list-style-type: none"> <li>Difficult and complex operations involving multiple internal and external partners, mostly external (OGDs, Agencies, NGOs, etc.)</li> <li>Operations mostly decentralized at more than 5 locations</li> </ul>	<ul style="list-style-type: none"> <li>Slightly complex operations involving mostly internal (EC) partners and few external partners</li> <li>Operations decentralized at 2 to 5 locations</li> </ul>	<ul style="list-style-type: none"> <li>Simple and straight forward operations involving very little partners</li> <li>Operations housed at 1 location</li> </ul>
<b>Threats to delivering on results</b> <ul style="list-style-type: none"> <li>Capacity to deliver OPG results (e.g., HR, Tools, Technology, Science, Systems, Processes, Information)</li> <li>Logical linkages between strategic outcomes, intermediate outcomes, near-term results (indicators), activities and deliverables (logic model)</li> </ul>	<ul style="list-style-type: none"> <li>Low capacity for delivering OPG results</li> <li>Linkages/alignment are unclear</li> </ul>	<ul style="list-style-type: none"> <li>Moderate capacity to deliver OPG results</li> <li>Linkages/alignment are somewhat clear – room for improvement</li> </ul>	<ul style="list-style-type: none"> <li>Sufficient capacity to deliver OPG results</li> <li>Linkages/alignment are clear</li> </ul>
<b>Impacts of not delivering results</b> <ul style="list-style-type: none"> <li>Impacts on human health and safety</li> <li>Impacts on fauna, flora and ecosystems</li> </ul>	<ul style="list-style-type: none"> <li>Potential significant impacts on Canadians' health and well-being (e.g., security, weather predictions, potable/drinking water, etc.)</li> <li>Potential significant impacts on fauna, flora and/or ecosystems</li> </ul>	<ul style="list-style-type: none"> <li>Potential moderate impacts on Canadians' health and well-being (e.g., security, weather predictions, potable/drinking water, etc.)</li> <li>Potential moderate impacts on fauna, flora and/or ecosystems</li> </ul>	<ul style="list-style-type: none"> <li>Potential little to no impacts on Canadians' health and well-being (e.g., security, weather predictions, potable/drinking water, etc.)</li> <li>Potential little to no impacts on fauna, flora and/or ecosystems</li> </ul>

## Annex 2

### A&E Risk Assessment Findings Based on OPG Rank

OPG Name		No Weight	Materiality X2	Profile X2	Complexity X2	Threats X2	Impacts X2	Profile & Impacts X2
H I G H	1B1: Aquatic ecosystems are conserved and protected	1	1	1	1	1	1	1
	4A1 The climate change plan, Moving Forward on Climate Change, is implemented	2	3.5	2	2	2	2	2
	1A1: Wildlife is conserved and protected	4.5	3.5	6	4	5	4.5	5.5
	1C1: Integrated information and knowledge enables integrated approaches to protecting and conserving priority ecosystems	4.5	8	6	4	3	4.5	5.5
	2B1: Environmental forecasts and warnings are produced and to enable the public to take action to protect their safety, security and well being.	4.5	3.5	2	8	5	4.5	3
	3A1: Air Quality is improved	4.5	3.5	6	4	5	4.5	5.5
	1A2: Land and Landscapes are Managed Sustainably	9	8	12	8	11	10	11.5
	2A1: Monitoring and Reporting - Environmental Monitoring allows EC to identify, analyze and predict weather, air, water and climate conditions	9	8	12	8	11	10	11.5
	2A2: Environmental Prediction Science supports weather and environmental services, decision making and policy	9	8	12	8	11	10	11.5
	2B2: Service improvement, Delivery and Partnership	9	11	6	8	11	10	8.5
	3A3: Risk to Canadians and their environment posed by pollutants or other harmful or dangerous substances are managed	9	8	6	13.5	17	7	5.5
	2B3: Canadians benefit from the creation and use of meteorological and environmental information by Environment Canada and its federal, provincial and territorial partners in support of programs of common interest.	15	16.5	12	13.5	17	14.5	11.5
M E D I U M	3A2: Risks to Canadians and their environment posed by pollutants or other harmful or dangerous substances are assessed	15	12.5	12	21.5	17	10	8.5
	3B2: Sector-based and other approaches to Sustainable Consumption and Production are developed and implemented.	15	16.5	17	13.5	11	14.5	16
	4A2 The long-term global climate change regime is consistent with Canadian interests	15	16.5	17	13.5	11	14.5	16
	4B1: Adaptive strategies to address the impacts of climate change are developed and implemented for the benefit of Canadians and the environment	15	16.5	17	13.5	11	14.5	16
	5B1: Partnerships with other levels of governments are managed effectively	15	16.5	12	13.5	11	19	16
	6A2: Financial Management Frameworks are established and high quality financial services are provided.	15	12.5	12	18	11	19	16
	5A1 Integrated strategic policy with respect to nature, health and competitiveness is developed	20	22	20	18	21	19	20
	5B2: Canada's environmental and international interests are protected and promoted	20	22	20	18	21	19	20
	6A4 Information Management/Information Technology	20	16.5	20	21.5	21	19	20
	1C2: Information, assessment and understanding of the state of the ecosystem sustainability supports decision-making	24.5	22	27	25.5	21	26	28.5
	5A2 Policy research and economic analysis supports decision making	24.5	26.5	27	21.5	25.5	22.5	24
	5A3 Effective communication of environmental priorities ensures support for the departmental agenda	24.5	26.5	23	21.5	25.5	26	24
	6A1 Corporate management and planning support departmental progress on results.	24.5	22	23	25.5	25.5	26	24
	6A3: Administration and Assets Management	24.5	22	23	25.5	25.5	26	24
	6A5: Human Resources	24.5	26.5	27	25.5	21	22.5	24
L O W	2B4: Environmental information and services empower Canadians to take action on environmental priorities	29	26.5	27	30.5	29.5	29.5	28.5
	5A4 Information and indicators are strategically managed and integrated to ensure relevance, utility, and sharing of information across the department, OGDs, nationally and internationally	29	29.5	27	28.5	29.5	29.5	28.5
	5A5 Strategic approaches to education and engagement are developed and implemented	29	29.5	30.5	28.5	29.5	26	28.5
	3B1: Canadians are informed of environmental pollution and are engaged in measures to address it	32	32	33.5	30.5	32.5	32	33
	5B3: Partnerships and Consultations	32	32	33.5	32.5	29.5	32	33
	6B3 - Audits and evaluations are used to improve departmental policies, programming and management	32	32	30.5	32.5	32.5	32	31
	6B2: Effective legal services are delivered	34	34	33.5	34	34	34	33
	6B1: Effective departmental and ministerial support are provided.	35	35	33.5	35	35	35	35

**Legend:**

No Weight	All criteria have the same weight
Materiality X 2	Materiality criteria was weighted twice as high as the other criteria
Profile X 2	Profile/Visibility/Reputational criteria was weighted twice as high as the other criteria
Complexity X 2	Complexity criteria was weighted twice as high as the other criteria
Threats X 2	Threats to delivering on results criteria was weighted twice as high as the other criteria
Impacts X 2	Impacts of not delivering results criteria was weighted twice as high as the other criteria
Profile & Impacts X 2	Profile/Visibility/Reputational and Impacts of not delivering results criteria was weighted twice as high as the other criteria



## Appendix 2 - OPPs Risk Assessment Results

OPP Name	Ranking Criteria				Total Rank
	Profile/ Visibility/ Reputational H/M/L	Complexity H/M/L	Threats to delivering results H/M/L	Impacts of not delivering results H/M/L	H/M/L
<b>OPG: 1B1: Aquatic ecosystems are conserved and protected</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>H</b>
1B1a. Strategic water policy	H/M	H/M	H/M	H/M	H
1B1b. Water S&T program integration	L	M	M	L	L
1B1c. Water S&T support			M	L	L
1B1d. Water quality and aquatic ecosystem monitoring and reporting	OPP Not Available				
1B1e. Impacts of contaminants and other substances of concern on aquatic ecosystems and water resources	OPP Not Available				
1B1f. Research on the impacts of human activities on hydrology water resources and aquatic ecosystem	OPP Not Available				
1B1g. Techniques for rehabilitation and conservation of water resources	OPP Not Available				
1B1h. Water management and performance promotion	OPP Not Available				
1B1i. Education and engagement	OPP Not Available				
<b>OPG: 2A1: Monitoring and Reporting - Environmental Monitoring allows EC to identify, analyze and predict weather, air, water and climate conditions</b>	<b>M</b>	<b>H</b>	<b>M</b>	<b>M</b>	<b>H</b>
2A1c. Inland water levels and flows are monitored	H	H	M-H	M-H	H
<b>OPG: 2B1: Environmental forecasts and warnings are produced and to enable the public to take action to protect their safety, security and well being.</b>	<b>H</b>	<b>M</b>	<b>M</b>	<b>H</b>	<b>H</b>
2B1a. Weather warnings, forecasts and information	H	H	H	H	H
2B1b. Marine warnings, forecasts and information	H	M-H	M	H	H
<b>OPG: 3A1: Air Quality is improved</b>	<b>M</b>	<b>H</b>	<b>M</b>	<b>H</b>	<b>H</b>
3A1b. Reduced transboundary flows of air pollution	H	H	M	H	H
3A1c. Reduced emissions from vehicles, engines & fuels, industrial & other sectors	H	M	M	H	H
3A1d. Acid rain – reduction	M	H	M	H	H
3A1e. Stratospheric ozone - protection and recovery	H	H	M	H	H
3A1f. International based partnerships	OPP Not Available				
3A1g. HAPs - reduction	H	H	M	H	H
<b>OPG: 3A3: Risk to Canadians and their environment posed by pollutants or other harmful or dangerous substances are managed</b>	<b>H</b>	<b>M</b>	<b>L</b>	<b>H</b>	<b>H</b>
3A3c. Permits issued	M	H	H	H	H
<b>OPG: 1A1: Wildlife is conserved and protected</b>	<b>L</b>	<b>H</b>	<b>M</b>	<b>H</b>	<b>H</b>
1A1d. CITES/WAPPRIITA	M	H	M	M	M
1A1g. Migratory bird program coordination and regulatory activities	M	H	L	M	M
1A1h. Education and engagement - migratory birds	OPP Not Available				
1A2a. Habitat program coordination and regulatory activities	M/L	H	H/M	M	M
1A2d. Broader conservation agenda - reflection in policy and program development of others	M/L	M	H/M	M	M
1A2e. Program coordination including policy, planning and reporting	M/L	H	H/M	M	M
1A2f. Strategies and reports – conservation of biological diversity and related international meetings	H	H	M	L	M
1A2i. Ecosystem rehabilitation and management techniques	H/M	M	L	M	M

OPP Name		Ranking Criteria				Total Rank
		Profile/ Visibility/ Reputational H/M/L	Complexity H/M/L	Threats to delivering results H/M/L	Impacts of not delivering results H/M/L	H/M/L
MEDIUM	<b>OPG: 2A1: Monitoring and Reporting - Environmental Monitoring allows EC to identify, analyze and predict weather, air, water and climate conditions</b>	<b>M</b>	<b>H</b>	<b>M</b>	<b>M</b>	<b>H</b>
	2A1a. Atmospheric conditions near the surface are monitored	L-M	H	M-H	M	M
	2A1b. Atmospheric conditions aloft are monitored	L	H	M-H	M-H	M
	2A1d. Emerging space-based monitoring is accessed	L-M	H	H	M	M
	2A1e. Engineering technical and maintenance support is provided to monitoring networks	L-M	H	M	M	M
	2A1f. Network planning management and standards ensures integrity of monitoring networks	L	H	M	M	M
	2A1g. All monitoring data is stored and easily accessible	L	H	M	M	M
	2A1h. Integrated monitoring and reporting strategy	M	M-H	H	L-M	M
	<b>OPG: 2A2: Environmental Prediction Science supports weather and environmental services, decision making and policy development.</b>	<b>M</b>	<b>H</b>	<b>M</b>	<b>M</b>	<b>H</b>
	2A2a. Numerical weather prediction and marine meteorology techniques	M	H	M	M	M
	2A2c. Cloud physics and severe weather research	M	H	M	M	M
	2A2e. Hydrologic modeling	M	H	L	M	M
	2A2f. Emerging environmental prediction science	L	M	M	M	M
	2A2g. Climate modeling	L	M	M	M	M
	2A2i. Climate trends	M	H	M	M	M
	2A2j. Stratospheric studies	M	L	M	L	M
	<b>OPG: 2B1: Environmental forecasts and warnings are produced and to enable the public to take action to protect their safety, security and well being.</b>	<b>H</b>	<b>M</b>	<b>M</b>	<b>H</b>	<b>H</b>
	2B1c. Environmental emergency forecasts	M	H	H	M	M
	2B1d. Air Quality warnings, forecasts and information	M	H	M	M	M
	2B1e. Improved and emerging environmental prediction capabilities	L-M	M	L-M	M	M
	2B1f. Better warning preparedness	M	M	L	H	M
	2B2i. Specialized commercial meteorological services	M	M	L	M	M
	<b>OPG: 3A1: Air Quality is improved</b>	<b>M</b>	<b>H</b>	<b>M</b>	<b>H</b>	<b>H</b>
	3A1a. Targets are continuously improved	M	M	M	L	M
	<b>OPG: 3A3: Risk to Canadians and their environment posed by pollutants or other harmful or dangerous substances are managed</b>	<b>H</b>	<b>M</b>	<b>L</b>	<b>H</b>	<b>H</b>
	3A3d. Prevention & control applications	L	H	H	L	M
	3A3h. Enforcement	M	H	H	M	M

OPP Name	Ranking Criteria				Total Rank
	Profile/ Visibility/ Reputational H/M/L	Complexity H/M/L	Threats to delivering results H/M/L	Impacts of not delivering results H/M/L	H/M/L
<b>OPG: 1A2: Land and Landscapes are Managed Sustainably</b>	<b>M</b>	<b>H</b>	<b>M</b>	<b>M</b>	<b>H</b>
1A2h. 2010 Olympics – environmental sustainability	M/L	M/L	L	L	L
<b>OPG: 2A2: Environmental Prediction Science supports weather and environmental services, decision making and policy development.</b>	<b>M</b>	<b>H</b>	<b>M</b>	<b>M</b>	<b>H</b>
2A2b. Data assimilation and satellite meteorology techniques	L	M	L	L	L
2A2h. Climate processes	L	M	M	L	L
2A2k. Atmospheric science based assessment	L	L	M	L	L
<b>OPG: 2B2: Service improvement, Delivery and Partnership</b>	<b>H</b>	<b>H</b>	<b>M</b>	<b>M</b>	<b>H</b>
2B2a. Dissemination systems	L	M	M	L	L
2B2b. Service Innovation	L	M	L	L	L
2B2c. Development of improved services for Canadians	M	H	L	L	L
2B2d. Climate applications, services and information	L	H	M	L/M	L
2B2f. Performance management including ISO 9001 certification	L	M	L	L	L
2B2g. Global partnerships	M	L	L	L	L
2B2h. GEOSS	M	M	L	L	L
<b>OPG: 3A3: Risk to Canadians and their environment posed by pollutants or other harmful or dangerous substances are managed</b>	<b>H</b>	<b>M</b>	<b>L</b>	<b>H</b>	<b>H</b>
3A3f. Compliance promotion-air	L	M	M	L	L
3A3g. Compliance promotion-toxics	L	M	M	L	L