

Canadian Environmental Assessment Agency

2004-2005 Report on Plans and Priorities

**The Honourable
Minister of the Environment**

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SECTION I

Messages

Minister's Message

I am pleased to present the Canadian Environmental Assessment Agency's *2004-2005 Report on Plans and Priorities*. This report outlines the Agency's key plans, priorities and expected benefits for Canadians over the next three years. These benefits derive from the Agency's mission to provide Canadians with high-quality environmental assessments that contribute to informed decision making in support of sustainable development.

Environmental assessment is a front-line tool for protecting the environment that Canadians value so much. It is a systematic process of gathering information that helps ensure that projects for which the federal government has decision making responsibilities are compatible with a healthy, sustainable environment for both present and future generations.

Bill C-9, An Act to amend the *Canadian Environmental Assessment Act*, was proclaimed into law on October 30, 2003. Implementing the renewed *Canadian Environmental Assessment Act* will be key to the Agency in 2004-2005, to provide better results for Canadians.

In order to provide a strengthened federal environmental assessment process, the Agency will continue to build stronger partnerships with its stakeholders, deliver its core programs, contribute to federal initiatives, and take steps to improve the consistency and predictability of the process.

By coordinating the environmental assessment process and practices across the country, the Agency will further develop its advocacy and advisory role by providing leadership in this rapidly evolving field.

It gives me pleasure, therefore, to submit the Agency's *2004-2005 Report on Plans and Priorities*.

Stéphane Dion
Minister of the Environment

Management Representation Statement

I submit, for tabling in Parliament, the *2004-2005 Report on Plans and Priorities* for the Canadian Environmental Assessment Agency. This document has been prepared based on the reporting principles and disclosure requirements contained in *the Guide to the preparation of the 2004-2005 Report on Plans and Priorities*:

- It accurately portrays the organization's plans and priorities.
- The planned spending information in this document is consistent with the directions provided in the Minister of Finance's Budget and by the Treasury Board Secretariat.
- It is comprehensive and accurate.
- It is based on sound underlying departmental information and management systems.

The reporting structure on which this document is based has been approved by Treasury Board ministers, and is the basis for accountability for the results achieved with the resources and authorities provided.

Robert G. Connelly
Acting President
April 30, 2004

SECTION II

Raison d'Être

The Agency provides leadership and serves as a centre of expertise for federal environmental assessment. It is responsible for the overall administration of the federal environmental assessment process, which included almost 6,000 assessments carried out by federal departments and agencies in 2002-2003.

The Canadian Environmental Assessment Agency provides Canadians with high-quality environmental assessments that contribute to informed decision making in support of sustainable development.

Headed by the President, who reports directly to the Minister of the Environment, the Agency is mandated by the following instruments:

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

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

The Agency serves Canadians by fulfilling various roles which contribute to its strategic outcomes as follows:

Effective and Efficient Environmental Assessment

- providing administrative and advisory support for review panels, mediations and comprehensive studies;
- administering the federal environmental assessment process established by the Act and its regulations;
- ensuring opportunities for meaningful public participation in the federal environmental assessment process;
- promoting or conducting research on environmental assessment matters; and
- providing participant funding to individuals and organizations to take part in panel reviews and comprehensive studies.

Coordinated and Harmonized Environmental Assessment

- encouraging the development of sound environmental assessment techniques and practices in cooperation with other agencies or organizations; and
- promoting the uniformity and harmonization of environmental assessment activities across Canada at all levels of government.

Consistent and Predictable Application of Environmental Assessment in Federal Decision Making

- promoting the development of class screening processes for projects with insignificant environmental effects;
- promoting the use of strategic environmental assessment as a key tool to support informed decision making; and
- promoting sound environmental assessment practices in a manner consistent with those established in the Act.

In addition, the President of the Agency has been designated by order-in-council as the federal administrator of the environmental and social protection regimes set out in chapters 22 and 23 of the 1975 *James Bay and Northern Quebec Agreement*. As the federal administrator, the President is responsible for ensuring both the integrity and the delivery of environmental reviews under federal jurisdiction in the territory covered by the Agreement. The President also seeks to ensure the coordination of environmental assessment requirements under the Agreement with those of the Act.

SECTION III

Planning Overview

Planning Context

Protecting our environment while building a strong economy is a sustainable development challenge Canadians face every day. Environmental assessment responds to this challenge by helping to prevent harm to the environment before a project begins. The Agency is focused on strengthening the federal environmental assessment regime by: establishing a more predictable, consistent and timely process; improving the quality of federal environmental assessments; and increasing opportunities for public participation.

An important factor influencing the Agency's planning context was Bill C-9, an Act to amend the *Canadian Environmental Assessment Act*, which was proclaimed into law on October 30, 2003. The government has committed \$51 million over five years to implement the improvements. These include, among others:

- ensuring a timely environmental assessment process by establishing a federal coordinator to assist departments and agencies in working together and with other jurisdictions;
- providing the public with improved and up-to-date information on all federal environmental assessments through the creation of an Internet registry;
- improving the quality of environmental assessment by increasing follow-up to ensure that sound mitigation measures are implemented;
- focusing the application of the Act on projects with adverse environmental effects and reducing the need to assess many smaller ones;
- providing a consistent environmental assessment regime by extending environmental assessment obligations to Crown corporations, beginning three years from the date of royal assent; and
- providing a more certain assessment process for large projects by eliminating the possibility of referring the project to a review panel following a comprehensive study assessment.

Critical Issues

This section outlines the main factors affecting the Agency's development of priorities and plans, as well as its program delivery.

Shared Environmental Management Responsibility

Under the Constitution of Canada, responsibility for environmental management is an area of shared jurisdiction between various levels of government. To minimize duplication and delays, the Agency works with its provincial and territorial counterparts to bring about greater cooperation in environmental assessment, and promote the consistent and predictable application of environmental assessment processes across Canada.

Balancing Competing Interests

Large scale projects subject to a public environmental assessment often give rise to many sensitive issues related to development, environmental protection, Aboriginal interests and federal-provincial relations. Projects being assessed can often be complex, with competing stakeholder interests. Balancing these interests while maintaining productive relationships and delivering high-quality assessments, which meet the expectations of Canadians, is an ongoing challenge.

Aboriginal Peoples

Aboriginal peoples have strong interests in environmental assessment issues. These interests include:

- participating in environmental assessments where Aboriginal peoples/groups may be affected by development;
- ensuring that their traditional knowledge is consistent with the conduct of environmental assessments;
- developing the capacity to participate in and conduct environmental assessments on their lands;
- ensuring minimal disruption of traditional lifestyles and the natural environment; and
- developing environmental assessment processes for projects on their own lands in the context of self-government or comprehensive claim negotiations.

The Agency must consult with Aboriginal peoples on policy issues related to the Act. To this end, an Aboriginal advisory committee will be established. The Agency, with input from this committee, will develop guidelines on how traditional knowledge can be assessed and incorporated into environmental assessments.

Improved Federal Policy Development

The Agency is a strong advocate for the application of strategic environmental assessment as a tool to support improved decision making. Since the implementation of *The Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*, federal departments have increasingly recognized the role of this valuable tool in helping to promote sustainable development. The Agency will continue to develop its advocacy and advisory role, track national and international development in the field, and provide leadership in this rapidly evolving field of policy research.

Canadian Competitiveness

In a global economy, countries must compete for foreign investment. Environmental sustainability is emerging as a basis for competitiveness and consumers, producers and investors are responding to this change. The efficiency and effectiveness of an environmental assessment process can contribute to a positive view of the country. A more certain, timely and predictable environmental assessment process will also support Canada's competitiveness on the world stage.

Environmental Assessment and Climate Change

The Government of Canada is committed to the Kyoto Protocol and to reaching its greenhouse gas emissions target of six percent below 1990 levels by 2012. At the same time, increased demand for energy is likely to result in more energy related development projects. Environmental assessment will be a useful tool for ensuring that climate change and the government's climate change policies are considered in project development, and that the project considers the potential effects of changes in the climate.

Stakeholders and Partners

The Agency works with a wide range of stakeholders and develops partnerships to promote sound environmental assessment practices in Canada and abroad. The Agency includes the following among its stakeholders and partners:

Federal Departments and Agencies - The Agency administers the federal environmental assessment process. It assists federal departments and agencies in meeting their obligations under the Act and the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*. Through its operational policies and procedures, the Agency improves the way in which environmental assessments are conducted at the federal level. In addition, the Agency works closely with federal departments and agencies on comprehensive studies, in providing administrative and technical support to review panels and mediators and in developing training and guidance material.

Provincial and Territorial Governments - The Agency works closely with other jurisdictions to coordinate federal and provincial environmental assessment activities, such as joint panel review processes for major projects. It also negotiates federal-provincial framework agreements, and works with provincial and territorial governments on all types of environmental assessment review processes.

Aboriginal Peoples - The Agency advises Indian and Northern Affairs Canada to ensure that the environmental assessment regimes developed and implemented pursuant to comprehensive land claims agreements, self-government agreements and devolution initiatives, such as the *Framework Agreement on First Nation Land Management*, are consistent with the requirements of the Act and can be coordinated with existing environmental assessment regimes.

Industry / Proponents - Central to the Agency's mandate is providing all proponents, including the federal government, with a timely and predictable process, and access to both the tools and the information they need to comply with the Act.

Public and Non-governmental Organizations - The Act promotes the integration of public values in decision making. Accordingly, the Agency seeks to maximize the public's participation throughout the environmental assessment process, and places strong emphasis on transparency and information sharing. The Agency provides participant funding to individuals and non-profit organizations to take part in review panels and comprehensive studies.

International Community - International partnerships give Canada the opportunity to share environmental assessment expertise and, at the same time, provide access to the research being undertaken in other countries. Keeping in step with the environmental initiatives of international organizations and other countries also helps to ensure the competitive position of Canadian exporters. In addition, Canada's international environmental assessment responsibilities must respect foreign policy and trade practices, and ensure consistency with the processes of other countries and organizations. As a party to the United Nations Economic Commission for Europe (UNECE) *Convention on Environmental Impact Assessment in a Transboundary Context*, Canada is required to meet the obligations that it subscribed to under the Convention.

SECTION IV

Plans and Priorities by Strategic Outcome

This section presents the plans and priorities for the Agency's three strategic outcomes, which are the long-term benefits that it seeks to provide to Canadians. Key commitments from the Agency's Sustainable Development Strategy have been integrated into this Report on Plans and Priorities to allow ongoing assessment of the Strategy.

http://www.ceaa-acee.gc.ca/017/0004/001/index_e.htm

The Agency is developing a performance measurement framework for gathering information that will improve decision-making. Measures of performance have been included in this plan. In 2004-2005, systems and processes will be put in place to collect information that will demonstrate how our key activities contribute to our strategic outcomes. Once progress is made in establishing the means for collecting performance information on our key programs, the Agency will begin measuring other areas.

Total Planned Spending (Net of Revenue) by Strategic Outcome	
Strategic Outcomes	
Effective and Efficient Environmental Assessment	\$12,763,000
Coordinated and Harmonized Environmental Assessment	\$5,849,000
Consistent and Predictable Application of Environmental Assessment in Federal Decision Making	\$2,356,000

Strategic Outcome 1: Effective and Efficient Environmental Assessment

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

Environmental assessment at the federal level is based on the principle of self-assessment. Federal departments and agencies are responsible for making decisions regarding projects and are also responsible for conducting the environmental assessments of those projects. They determine the scope of the project and the factors to be considered, manage the process, and ensure that the assessment is conducted according to requirements of the *Canadian Environmental Assessment Act* or the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*.

The Agency is an advocate of effective and efficient environmental assessments. This advocacy is central to its leadership role within the Canadian environmental assessment community. The Agency provides relevant and timely advice, guidance, training and recommendations to federal decision makers and interested stakeholders. Specifically, it provides administrative and advisory support to review panels and it reviews comprehensive study reports for complex projects, making them available to and inviting comments from the public.

It is estimated that the expenditure requirements for this Strategic Outcome will be \$12,763,000.

PRIORITY - Establish, Maintain and Improve Processes and Develop Tools and Mechanisms that Support Environmental Assessment

Benefits / Results for Canadians

Process improvements will contribute to better environmental assessments and therefore address the needs of Canadians in a more effective and consistent manner. Better tools and mechanisms will increase the consistency and predictability of environmental assessments and lead to the consistent application of mitigation measures to deal with potentially adverse environmental effects of projects.

Mechanisms that are well documented and easily accessed lead to a broader understanding of issues such as impacts of trade on the environment, involvement of Aboriginal peoples in the environmental assessment process, as well as research and development activities.

Plans	Expected Results	Time Frame
Manage the panel review process	Effective and efficient environmental assessments that involve public participation	Ongoing
Provide advice, coordination, opportunities for public participation and ministerial support for comprehensive studies and for implementing changes to the comprehensive study and class screening processes	Improved coordination, public participation and process predictability and certainty Compliance with the <i>Canadian Environmental Assessment Act</i> in class screenings and comprehensive studies	Ongoing
Develop guidance material on the interpretation of the <i>Canadian Environmental Assessment Act</i> and its regulations	Improved knowledge and understanding of the application of the Act	Ongoing
Establish the Aboriginal Advisory Committee	Improved incorporation of Aboriginal perspectives and traditional knowledge in environmental assessments	Aboriginal Advisory Committee established in 2004-2005

Plans	Expected Results	Time Frame
Provide leadership and financial support to research and development projects	Improved knowledge in the science and practice of environmental assessment	Ongoing
Provide support and coordination in the application of Chapters 22 and 23 of the <i>James Bay and Northern Quebec Agreement</i> (JBNQA)	High quality environmental assessments conducted pursuant to the JBNQA	Ongoing
Update existing and develop new regulations	Regulatory regime remains relevant to changes in government programs and priorities Improved certainty and consistency by addressing gaps in the application of the Act	Ongoing

Challenges and Risks

- ensuring that environmental assessments comply with legislation and existing agreements, and encourage meaningful public input
- process delays may increase with complexity of issues and resource constraints
- cultivating support within the Aboriginal community for the activities of the Aboriginal Advisory Committee
- addressing the issues of protection of intellectual property and appropriate methodologies for the collection of traditional knowledge which are being debated internationally
- securing adequate stakeholder involvement in the Research and Development Program

Assessing Performance

- satisfaction of stakeholders with the environmental assessment process
- level of public participation
- cost to complete environmental assessments is a small percentage of the total estimated project costs
- increased number of partnerships built within the context of the Research and Development Program

PRIORITY - Provide Opportunities for Public Participation in the Environmental Assessment Process**Benefits / Results for Canadians**

Opportunities for more meaningful public participation will lead to higher quality environmental assessments. Improvements to the public registry system will facilitate more meaningful public participation through the availability of timely information. Facilitating public participation will ensure that the environmental assessment process addresses the needs of Canadians.

Plans	Expected Results	Time Frame
Maintain and promote the Canadian Environmental Assessment Registry Internet Site	High level of compliance and high-quality information to facilitate effective participation	Ongoing
Provide funding and promote the program to facilitate public participation in review of projects undergoing comprehensive studies or panel reviews	Increased quality of participation in the environmental assessment process	Ongoing
Promote public participation in screening assessments	Increased public participation	Ongoing
Issue Ministerial Guidelines on Assessing the Need for and Level of Public Participation in Screening-level Environmental Assessments Under the <i>Canadian Environmental Assessment Act</i>	Meaningful public participation in screening level environmental assessments	2004-2005

Challenges and Risks

- expanded opportunities for public participation

Assessing Performance

- assess the quality of posted information in the Registry against criteria to be developed

PRIORITY - Continuous Learning in the Environmental Assessment Process**Benefits / Results for Canadians**

Continuous learning involves regularly reviewing activities and accomplishments, assessing successes and modifying processes to improve outcomes. Tackling new environmental assessment practices such as incorporating climate change considerations, developing resource material on strategic environmental assessment and coordinated training approaches will improve the overall environmental assessment process within Canada.

Plans	Expected Results	Time Frame
Initiate an ongoing government-wide quality assurance program for federal authorities and entities specifically regulated under the Act	Continuous improvement in compliance and quality Appropriate allocation of environmental assessment resources	Ongoing
Implement the Follow-up Repository and provide access through the Agency Web site	Improved access to quality follow-up data and increased follow-up expertise in the federal government	Ongoing

Challenges and Risks

- obtaining the participation of environmental assessment practitioners to contribute to the Follow-up Repository

Assessing Performance

- monitoring the commitments outlined in the Agency's Sustainable Development Strategy and progress in meeting these commitments through an internally developed management and tracking system
- usage statistics for the Follow-up Repository and the Web pages

Strategic Outcome 2: Coordinated and Harmonized Environmental Assessment

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

With shared responsibility for the environment, a single project in Canada will often be subject to the environmental requirements of more than one level of government. As such, a project may be subject to more than one environmental assessment regime with each party being required to undertake an environmental assessment in accordance with its own legal environmental assessment requirements. Coordination of environmental assessment is therefore required to avoid duplication, increase certainty, as well as reduce costs and delays.

The Agency continues to develop strong relationships with other jurisdictions and partners in order to establish common goals and advance the interest of sound environmental assessment. Improvements that harmonize and coordinate environmental assessments across jurisdictions increase the likelihood that Canadians' needs are being addressed.

It is estimated that the expenditure requirements for this Strategic Outcome will be \$5,849,000.

PRIORITY - Improve Coordination within the Federal Environmental Assessment Process

Benefits / Results for Canadians

Plans	Expected Results	Time Frame
Implement the Federal Environmental Assessment Coordinator (FEAC) role for multi-jurisdictional reviews and comprehensive studies	Improved timeliness and clarity of environmental assessments Improved coordination among federal departments and agencies	Ongoing
Establish and implement an evaluation framework for the Agency as federal environmental assessment coordinator	Continuous improvement for the federal environmental assessment coordinator	Ongoing
Enhance the role of facilitation and dispute resolution in environmental assessment	Greater collaboration among stakeholders resulting in greater clarity and timeliness of environmental assessments	Ongoing

Challenges and Risks

- need for Agency leadership in providing clear communication to increase the understanding of the application of the FEAC process
- balancing the expectations of industry and provincial governments with those of the public and environmental groups in the application of the FEAC process

Assessing Performance

- application of an evaluation framework to measure Agency performance as federal environmental assessment coordinator
- effective use of dispute resolution mechanisms

PRIORITY - Establish Cooperative Environmental Assessment Processes Across Jurisdictions

Benefits / Results for Canadians

Coordinated and cooperative environmental assessment provides a clear and understandable process that facilitates public participation and minimizes conflicts. Cooperation also contributes to efficiency and improved overall effectiveness by ensuring that environmental effects of proposed projects are jointly considered before governments make decisions. Coordination with international jurisdictions ensures that the Canadian perspective is taken into account to protect the interests of citizens and industry.

Plans	Expected Results	Time Frame
Investigate transboundary petitions and requests and provide opportunities for dispute resolution where appropriate	Opportunities available to resolve the issues through interest-based negotiation	Ongoing
Provide support to federal negotiators in addressing environmental assessment issues in Aboriginal land claims and self-government agreements	Sound environmental assessment regimes meet or exceed the requirements of the Act within Aboriginal land claim and self-government agreements	Ongoing
Negotiate and implement agreements on environmental assessment, including bilateral agreements with interested provinces and territories	Better coordination on multi-jurisdictional environmental assessments	Ongoing
Develop Canadian position and participate in negotiations of international agreements	Canadian interests are considered in agreements	When required

Challenges and Risks

- dealing with stalled negotiations which are often outside the control of the Agency
- failing to reach agreement on domestic environmental assessment processes can lead to duplication, extended time frames for assessments and added costs
- need for consistent presence at international negotiations to ensure new obligations for Canada are compatible with environmental assessment practices or legislative requirements

Assessing Performance

- principles of environmental assessment at the federal level are reflected in self-government and land claim agreements, as well as in implementing legislation
- increase in the number of cooperative agreements or arrangements on environmental assessment

PRIORITY - Build Strong Relationships with Partners and Stakeholders**Benefits / Results for Canadians**

Building stronger relationships enables the Agency to conduct its business with stakeholders in a more effective manner, supporting the development and advancement of sound environmental assessment practices across the country. This helps to improve the certainty, predictability, and timeliness of environmental assessments, supporting the government's focus on developing a strong economy in partnership with healthy communities.

Plans	Expected Results	Time Frame
Enhance the role of regional offices as key centres of guidance and assistance to partners in the federal environmental assessment process	Increased understanding of the environmental assessment process	Ongoing
Strengthen relationships with partners through interdepartmental and multi-stakeholder committees	Better collaboration between stakeholders to improve certainty, timeliness and predictability of environmental assessments	Ongoing
Use collaborative processes and dispute resolution techniques where appropriate	Improved relationships with stakeholders	Ongoing

Challenges and Risks

- successfully engaging key partners

Assessing Performance

- stakeholders have a clear understanding of the environmental assessment process
- satisfaction of clients

Strategic Outcome 3: Consistent and Predictable Application of Environmental Assessment in Federal Decision Making

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

The Agency has a leadership role in assisting federal departments and agencies in complying with the *Canadian Environmental Assessment Act* and *The Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*. The Agency's objective is to work with other government departments to promote consistent application of both instruments. In addition, the Agency addresses areas where discrepancies or gaps within the federal environmental assessment process may exist.

Amendments to the *Canadian Environmental Assessment Act* provide a clearer and stronger role for the Agency in promoting, monitoring and facilitating compliance.

It is estimated that the expenditure requirements for this Strategic Outcome will be \$2,356,000.

PRIORITY - Enhance Monitoring and Promote Compliance**Benefits / Results for Canadians**

Responsibility for compliance is shared under the federal environmental assessment process. Responsible authorities assess the environmental consequences of their actions and take these consequences into account in their decisions. The Canadian Environmental Assessment Agency works to ensure the consistency and quality of all environmental assessments involving the federal government.

In addition to the plans detailed below, many other plans listed under other priorities, such as the Quality Assurance Program, the Agency's Registry Web site, as well as the training and advice provided to stakeholders, play a key role in promoting compliance and enhancing monitoring.

Plans	Expected Results	Time Frame
Review new government initiatives for environmental assessment and strategic environmental assessment implications, providing advice to the Minister and other government departments as required	Integration of environmental considerations early in the decision making process Better environmental analysis in support of federal decision making	Ongoing
Improve training and guidance materials to promote consistent application of the Act	Increased understanding of the application of the Act and improved compliance with the Act	Ongoing
Implement the strategic plan for training and guidance	Enhanced knowledge and skills of environmental assessment practitioners and improved compliance with the Act	Ongoing

Challenges and Risks

- complexity and multi-faceted nature of the federal environmental assessment process, and its linkage to environmental assessments of other jurisdictions
- decentralized implementation of most federal environmental assessments
- securing the active participation of other federal departments and agencies in training and guidance activities to promote compliance with the Act

Assessing Performance

- effectiveness of training

PRIORITY - Provide Quality Advice**Benefits / Results for Canadians**

To deliver on its mandate, the Agency must be highly regarded within the environmental assessment community. Providing quality advice to stakeholders will increase the likelihood that appropriate and effective practices are employed during environmental assessments and that the public's issues are considered during the decision-making process.

Plans	Expected Results	Time Frame
Provide training, guidance and advice on environmental assessment, on the implementation of the <i>Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals</i> and on the interpretation of the <i>Canadian Environmental Assessment Act</i>	Improved understanding and application of the <i>Canadian Environmental Assessment Act</i> Improve training and guidance materials to promote consistent application of the Act Improvements in the integration of environmental considerations early in the federal government decision making process	Ongoing
Participate in and provide support to the Regulatory Advisory Committee, the Senior Management Committee on Environmental Assessment and the Aboriginal Advisory Committee	Increased understanding and collaboration among stakeholders in the application of the Act	Ongoing

Challenges and Risks

- continuing to increase Agency's reach
- facilitating strategic environmental assessments will require the participation of departments and agencies

Assessing Performance

- effectiveness of training and guidance

PRIORITY - Maintain a High Level of Internal Expertise**Benefits / Results for Canadians**

Staff expertise and competencies improve the effectiveness and efficiency of environmental assessments. Recognized expertise and competencies promote the credibility of the Agency within the environmental assessment community.

Plans	Expected Results	Time Frame
Link employee competencies and performance to organizational priorities in an effort to move toward a competency-based management model	Agency is able to identify gaps in its competencies and recruit accordingly to maintain a competent workforce	Pilot program in 2004/2005, and widen implementation if successful in 2005/2006
Implement the Agency's continuous learning policy and hold the monthly learning series focussing on learning programs that explore innovative trends in environmental assessment	Staff skills are current and relevant	Ongoing
Provide training in negotiation and facilitation to Agency employees acting in the role of the federal environmental assessment coordinator	Improved ability to facilitate and encourage collaboration among stakeholders	Ongoing
Participate in and plan national and international conferences on environmental assessment	Improved knowledge in the practice of environmental assessment	Ongoing

Challenges and Risks

- implementing a competency-based management system represents a fundamental shift from the management style to which some employees are accustomed, and will require extensive communication with staff
- adapting private sector tools and processes to the federal environment

Assessing Performance

- performance will be measured through a variety of means including employee performance reports and reports to central agencies

SECTION V

Management

Management Accountability

Public service modernization has been a priority for the federal government for several years. As part of this continuing effort, the Treasury Board Secretariat has provided the Management Accountability Framework for management improvement in the public service. The Framework was developed to provide deputy heads and all public service managers with a clear statement of expectations that reflects the different elements of current management responsibilities.

The new Framework builds on modern comptrollership and links to other initiatives currently under way including Human Resources Modernization and Government On-Line. To date, much work has been completed at the Agency on these initiatives. This Framework serves as an important tool in guiding the Agency's activities as it continues to incorporate modern management practices into its work.

Human Resource Management

The Agency is committed to ensuring that it is an exceptional workplace of choice and will continue to improve its human resource management practices and activities in 2004-2005. It will implement the *Public Service Modernization Act*, develop its Human Resources Plan and implement an action plan to address issues from the Public Service Employee Survey.

Modern Comptrollership

Modern comptrollership is a federal management reform that focuses on the sound management of resources and effective decision making. It helps federal departments and agencies focus on Canadians' concerns about the value that they obtain for their tax dollars. The Agency will continue to implement its Modern Comptrollership Action Plan which will embed modern management practices at the Agency.

Government On-Line

In 2003, the Agency developed a Government On-Line strategic plan to guide its electronic service delivery. In fiscal year 2004-2005 the Agency will review and improve the current information management/information technology function. An integrated planning model for technology initiatives will be developed and implemented and the Agency will conduct stakeholder profiling and surveying.

Strategic Outcomes and Agency Business Line

The Agency has one business line, which is also its mission: to provide Canadians with high-quality federal environmental assessments that contribute to informed decision making in support of sustainable development.

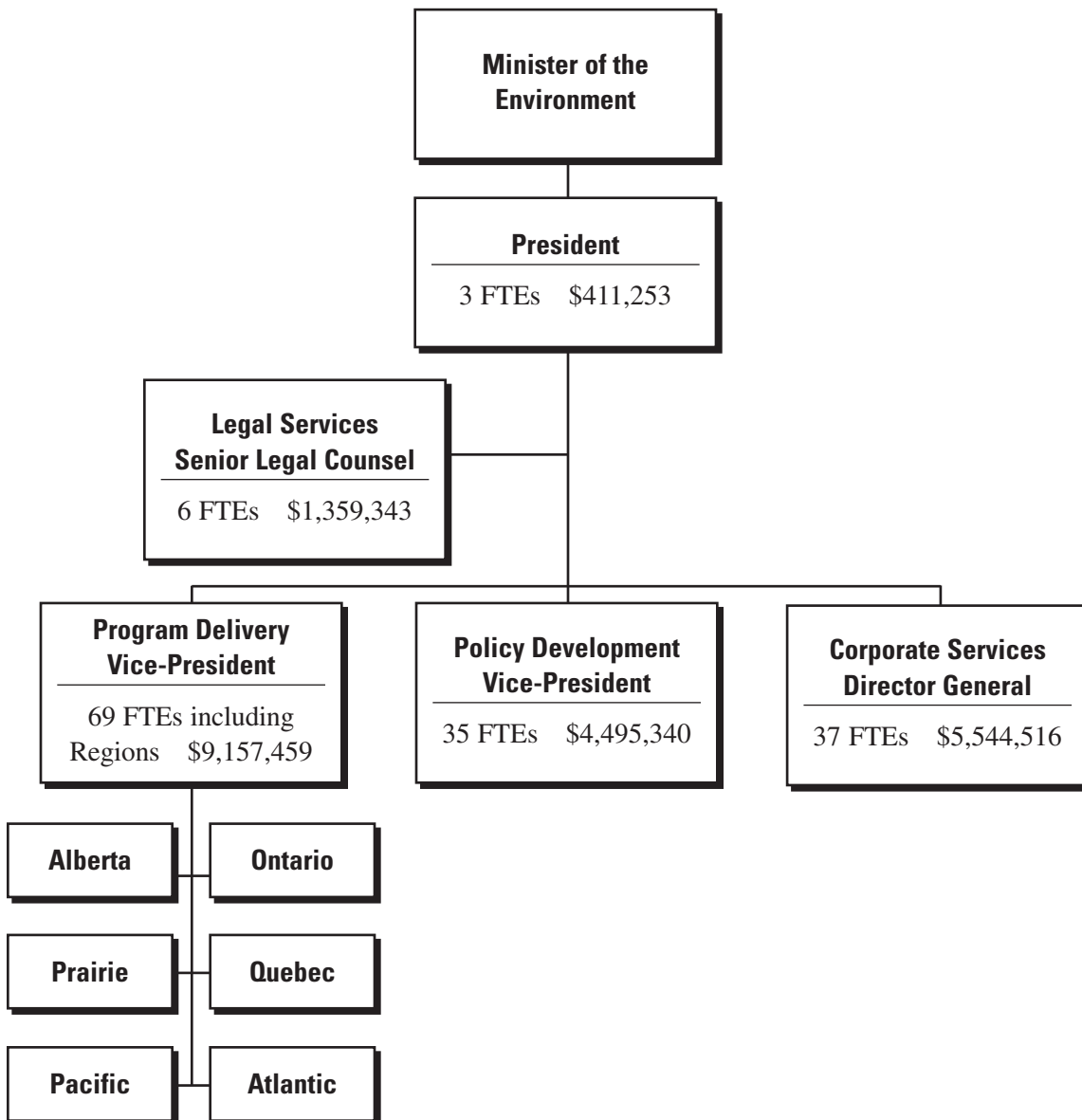
The Strategic Outcomes provide structure to the *2004-2005 Report on Plans and Priorities* and explain the Agency's results and how they benefit Canadians. The cost of each Strategic Outcome includes all direct expenditures, as well as a proportionate allocation of approximately \$6 million in indirect program costs (including management and administration, overhead and services provided without charge). Total resources by Strategic Outcome are thereby reconciled with the net cost of the program figures (see Table 2: Departmental Planned Spending).

Table 1: Strategic Outcomes and Business Lines

	Strategic Outcome 1	Strategic Outcome 2	Strategic Outcome 3	Total
Agency Business Line is Environmental Assessment	Effective and efficient environmental assessment	Coordinated and harmonized environmental assessments	Consistent and predictable application of environmental considerations in federal decision making	
	\$12,763,000	\$5,849,000	\$2,356,000	\$20,968,000

Accountability

The Agency fulfils its mission through one business line – environmental assessment. The reporting structure to the Minister of the Environment is shown in the figure below.



Note: The Program Delivery sector is the source for expertise and advice on the operational aspects of implementing the environmental assessment process under the Act. Sector staff focus on assisting federal authorities on the application and delivery of effective and efficient environmental assessment. Regional staff assist in coordinating federal participation and in working with other jurisdictions to promote harmonized environmental assessment.

The Policy Development sector helps to define the public policy objectives of the government in the area of environmental assessment and develops the conceptual framework required to establish, maintain and promote effective environmental assessment processes. This work includes the policy framework for harmonization and improving the consistency and predictability of environmental considerations in the federal decision-making process.

Corporate and Legal Services provide legal and administrative services to the Agency in support of program and policy operations.

Departmental Planned Spending

Table 2: Departmental Planned Spending

	Forecast Spending* 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006	Planned Spending 2006-2007
	<i>(thousands of dollars)</i>			
Budgetary Main Estimates	16,242	21,384	20,086	19,378
Less: Respendable Revenue	(3,501)	(3,501)	(3,501)	(3,501)
Total Main Estimates	12,741	17,883	16,585	15,877
Adjustments:				
Supplementary funding to implement the renewed <i>Canadian Environmental Assessment Act</i>	4,381	-	-	-
Compensation for collective bargaining and employee benefit	150	-	-	-
Carry forward of 2002-2003 Eligible Lapsing Funds	496	-	-	-
Northern Gas Project	200	300	250	-
Audit and Comptrollership initiatives	108	-	-	-
Forecasted Lapse*	(300)	-	-	-
Net Planned Spending	17,776	18,183	16,835	15,877
Less: Non-respendable revenue	-	-	-	-
Plus: Cost of services received without charge	2,096	2,785	2,797	2,789
Net Cost of Program	19,872	20,968	19,632	18,666
Full-Time Equivalents	130	150	150	142

* Reflects best forecast of total planned spending to the end of the fiscal year.

Note: *Planned spending*

Current year forecast spending is approximately \$5 million greater than the 2003-2004 Main Estimates, due mostly to the additional cost of implementing the renewed *Canadian Environmental Assessment Act*. Spending patterns over the planning horizon reflect a revised annual program cost base of approximately \$18.7 million plus \$3 million in additional temporary implementation costs for the renewed Act, allocated over 2004-2005 and 2005-2006.

SECTION VI

Annexes

Summary of Transfer Payments

Table 3: Summary of Transfer Payments

	Forecast Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006	Planned Spending 2006-2007
	<i>(thousands of dollars)</i>			
Contributions Canadian Environmental Assessment Agency	857	1,474	1,474	1,474
Total Transfer Payments	857	1,474	1,474	1,474

Note: Planned contributions to facilitate public participation in review panels (i.e. participant funding) are directly related to the overall level of panel activity undertaken in a given year. The Agency has established a planned level of \$1 million in participant funding, although actual costs may vary substantially from year to year. At the time of printing, 2003-2004 participant funding costs are expected to be less than \$300,000.

Source of Respendable and Non-respendable Revenue

Table 4: Source of Respendable and Non-respendable Revenue

	Forecast Revenue 2003-2004	Planned Revenue 2004-2005	Planned Revenue 2005-2006	Planned Revenue 2006-2007
	<i>(thousands of dollars)</i>			
Respendable Revenue Revenues credited to the Vote				
Cost recovery for environmental assessment services	200	3,351	3,351	3,351
Cost recovery for publications, training and education materials (federal)	153	90	90	90
Cost recovery for publications, training and education materials (external)	104	60	60	60
Total Respendable Revenue	-	3,501	3,501	3,501
Non-respendable Revenue Refund from Previous Year Expenditures	1	-	-	-
Total Program Revenues	458	3,501	3,501	3,501

Note: The \$3.4 million authority for recovery of panel review costs is dependent on the level of panel activity that is eligible for cost recovery. During 2003-2004, two cost-recoverable panels were undertaken for a total of approximately \$200,000 in forecast revenue from panel activities.

Net Cost of Program for the Estimates Year

Table 5: Net cost of Program for the Estimates Year

	Canadian Environmental Assessment Agency <i>(thousands of dollars)</i>
Net Planned Spending	18,183
<i>Plus: Services Received without Charge</i>	
Accommodation provided by Public Works and Government Services Canada	1,544
Contributions covering employees' share of employees insurance premiums and expenditures costs paid by Treasury Board	727
Workers' compensation coverage provided by Human Resources Development Canada	-
Salary and associated expenditures of legal services provided by Justice Canada	514
2004-2005 Net Cost of Program	20,968

Note: The Agency obtains selected financial services, materiel management, informatics as well as compensation and benefits services under a shared services agreement with Environment Canada.

Major Federal Statutes and Agreements Administered

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

Table 6: Major Federal Statutes and Agreements Administered

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

Regulatory Initiatives

The following table outlines the Agency's major and significant regulatory initiatives scheduled for implementation during 2004-2005.

Table 7: Regulatory Initiatives

REGULATORY INITIATIVES	EXPECTED RESULTS
<p>Development of <i>Crown Corporation Regulations</i></p> <p>Crown corporations will become federal authorities in June 2006. Regulations will set out a modified environmental assessment process for specific Crown corporations or classes of corporations in recognition of their unique circumstances.</p>	<ul style="list-style-type: none"> Frameworks for these regulations will be developed, to serve as a basis for consultations with Crown corporations and interested stakeholders Frameworks will then be drafted into regulation format
<p>Amendments to the <i>Exclusion List Regulations</i></p> <p>New entries will be added to these regulations to prescribe new classes of projects to be excluded from environmental assessment, and to modify thresholds of certain existing entries.</p>	<ul style="list-style-type: none"> Reductions in the number of environmental assessments of projects having insignificant effects conducted by federal responsible authorities, particularly with regard to screening assessments More efficient and effective use of environmental assessment resources
<p>Amendments to <i>Federal Coordination Regulations</i></p> <p><i>Federal Coordination Regulations</i> will be amended to take into account changes brought about by the renewed Act.</p>	<ul style="list-style-type: none"> Increased coordination among federal departments in fulfilling environmental assessment requirements and improved coordination with other participants in the environmental assessment process, including provinces, industry, environmental organizations and others A more timely and predictable environmental assessment process Increased transparency in the environmental assessment process

REGULATORY INITIATIVES	EXPECTED RESULTS
<p>Amendments to <i>Canada Port Authority Environmental Assessment Regulations</i></p> <p>In accordance with changes brought about by the renewed Act, amendments to these regulations are needed to ensure the comprehensiveness, consistency, transparency and overall quality of port authorities environmental assessment processes.</p>	<ul style="list-style-type: none"> • Environmental assessment procedures for port authorities will be consistent with provisions of the amended <i>Canadian Environmental Assessment Act</i>, particularly with regard to comprehensive studies and the Registry
<p>Development of <i>Airport Authority Regulations</i></p> <p>In accordance with changes brought about by the renewed Act, these regulations will close a gap in the Act by requiring airport authorities to conduct an assessment of the environmental effects of projects located on the federal land over which those authorities have administration, management, or other specified rights or interests.</p>	<ul style="list-style-type: none"> • A comprehensive environmental assessment process that captures all appropriate airport authority activities for assessment • Improved consistency and quality of the environmental assessment process for airports • Increased transparency and greater opportunities for public involvement in the assessment process
<p>Amendments to the <i>Inclusion List Regulations</i> and the <i>Law List Regulations</i> to ensure that an environmental assessment under the <i>Canadian Environmental Assessment Act</i> process is conducted prior to the issuance of a licence under the International Boundary Waters Treaty Act Regulations.</p>	<ul style="list-style-type: none"> • Improved consistency and quality of the environmental assessment process for projects and activities affecting Canada – U.S. transboundary waters

For Further Information Please Contact

Director of Communications

Canadian Environmental Assessment Agency
160 Elgin Street, 22nd floor
Ottawa ON K1A 0H3

Telephone: (613) 948-2673

Fax: (613) 957-0946

E-mail: info@ceaa-acee.gc.ca

The Canadian Environmental Assessment Agency's Web site

www.ceaa-acee.gc.ca

The Treasury Board Secretariat's Web site

www.tbs-sct.gc.ca