



Joint Audit and Evaluation of the Management of the Pan-Canadian Framework

March 2020



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List of acronyms and abbreviations

ADM	Assistant Deputy Minister
AEB	Audit and Evaluation Branch
CAIF	Climate Action Incentive Fund
CCC	Climate Change Committee
CCCS	Canadian Centre for Climate Services
CCME	Canadian Council of the Ministers of the Environment
CGCC	Clean Growth and Climate Change
CESD	Commissioner of the Environment and Sustainable Development
DAC	Departmental Audit Committee
DG	Director General
DM	Deputy Minister
DR	Departmental Report
DRF	Departmental Results Framework
DRR	Departmental Results Report
DP	Departmental Program
ECCC	Environment and Climate Change Canada
FPT	Federal, Provincial and Territorial
GDP	Gross Domestic Product
G&Cs	Grants and Contributions
GHG	Greenhouse Gas
HI	Horizontal Initiatives
HMF	Horizontal Management Framework
ICSS	Integrated Classification and Staffing Solutions
LCEF	Low Carbon Economy Fund
MRAP	Management response and action plan
OPI	Office of Primary Interest
OSI	Office of Secondary Interest
PCF	Pan-Canadian Framework on Clean Growth and Climate Change
PCFIB	Pan-Canadian Framework Implementation Branch
PIP	Performance Information Profile
PMBOK	Project Management Body of Knowledge
PTs	Provinces and Territories
TB	Treasury Board
TBS	Treasury Board Secretariat
ToR	Terms of Reference
UNFCCC	United Nations Framework Convention on Climate Change

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Executive summary

The objective of the joint audit and evaluation was to assess the effectiveness of the governance, risk management and performance measurement processes and practices in place to oversee the implementation of the Pan-Canadian Framework on Clean Growth and Climate Change (PCF).

The joint audit and evaluation covered the activities carried out by the Pan-Canadian Framework Implementation Branch's (PCFIB) Horizontal Policy, Engagement and Coordination Directorate from the inception of PCFIB as a distinct branch in 2017, to the end of the examination phase (October 2019).

Why is it important?

Canada and countries around the world are experiencing the devastating impacts of the changing climate, as highlighted by the Intergovernmental Panel on Climate Change's [Special Report on Global Warming of 1.5°C](#) and [Canada's Changing Climate Report](#), the Government of Canada's recent report on climate change. Addressing climate change through the implementation of the PCF is a key commitment of the government. It has been identified in the Minister of Environment and Climate Change's mandate letters as a key commitment to realize for the Department.

The Paris Agreement requires all Parties to put forward their best efforts through nationally determined contributions and to strengthen these efforts in the years ahead. Canada was one of the first countries to ratify the Paris Agreement. Successful implementation of the PCF puts Canada on a path towards meeting its greenhouse gas (GHG) emissions target under the Paris Agreement.

The implementation of the PCF requires a high level of coordination within ECCC, within the federal community, and with provincial, territorial, and Indigenous partners. PCFIB was created to provide national leadership over the PCF by providing oversight and coordinating the implementation of PCF activities with departmental, federal and provincial and territorial partners.

The PCF has generated high public expectations with respect to Canada's leadership in following through on its climate change commitments and demonstrating concrete results. Canada is also expected to maintain a sustained focus on the implementation of the PCF and increase the level of ambition over time, consistent with the commitment under the Paris Agreement.

What we found

Governance – PCF oversight committees

Governance structures are in place to oversee the implementation of federal aspects of the PCF in a coordinated and integrated way, including the PCF Interdepartmental DM Oversight

Committee. This committee, co-chaired by the ECCC Deputy Minister and the Deputy Minister of Intergovernmental Affairs and Youth, Privy Council Office, is mandated to provide strategic oversight and direction on the implementation of federal aspects of the PCF, based on policy and implementation advice received from the PCF Interdepartmental ADM Oversight Committee. As well, an Interdepartmental Assistant Deputy Minister (ADM) Oversight Committee was established to provide policy and implementation advice to the DM Oversight Committee in advance of its meetings.

PCFIB ensured that monthly meetings of these committees were held as planned, attended by core committee members and relevant partners, and organized around common themes and initiatives to promote cooperation and synergies among committee members.

Areas for improvement were identified with respect to the operations of these committees, including enhanced monitoring and reporting of implementation activities and risks to support effective oversight and direct efforts on higher risk and priority areas.

Governance – PCFIB engagement and coordination

PCFIB is responsible for engaging and coordinating with partners at the departmental, interdepartmental, and federal-provincial-territorial levels to ensure a whole-of-Government approach to the implementation of the PCF. This responsibility is challenging because it requires consensus and cooperation among a large number of departments (for example, Natural Resources Canada, Infrastructure Canada), agencies (for example, National Research Council of Canada, Public Health Agency of Canada), and crown corporations (for example, Canada Mortgage and Housing Corporation, Standard Council of Canada), with their respective core mandates, priorities, and interests. This is even more challenging when considering the constitutional jurisdictions and structural realities of the federal government and of those of the provinces and territories.

Despite these challenges, PCFIB has been engaging and coordinating with its partners by co-chairing or supporting various governance structures.

From a federal perspective, PCFIB has an opportunity to increase the effectiveness of its engagement and coordination activities by reviewing, updating, and approving Terms of Reference documenting governance engagement and oversight activities. Furthermore, PCFIB can establish engagement and coordination plans to guide engagement with partners, and to clearly set out operational roles, responsibilities and expectations for all relevant partners.

Risk Management – PCFIB monitoring of progress and risks

There are processes and tools in place to monitor the implementation PCF activities. The DM Task Force, ADM Oversight Committee, DM Oversight Committee and CCME Climate Change Committee provide for active and ongoing monitoring of the implementation of the PCF. In addition, there are tracking tools in place to monitor the implementation of federal PCF activities.

However, PCFIB does not have a formal and systematic risk management process ~~in place~~ to collect, monitor and report on risks related to PCF implementation. There is no risk register in

place. As well, the tracking documents used to monitor federal PCF actions do not capture risk information to support effective oversight of the implementation of the PCF. Executive progress reports on federal activities, which could be used to communicate implementation progress and key risks for the whole of the PCF or key PCF themes, are not presented to the ADM and DM Oversight committees on a regular basis.

Performance measurement and reporting

Overall, PCFIB fulfills its role with respect to supporting implementation reporting of FPT actions through the Annual Progress Report to Canadian Council of Ministers of Environment, and the Annual Synthesis Report to First Ministers and Canadians. PCFIB collects and provides adequate high-level information on progress against implementation of each of the FPT PCF pillars and their related policy actions. There is demonstrated progress towards performance measurement for the Mitigation pillar. Efforts remain necessary to identify appropriate indicators to measure performance and report results for the adaptation pillar.

At the federal level, PCFIB effectively leads the reporting on initiatives for which ECCC is the policy lead under the Horizontal Management Framework for Clean Growth and Climate Change. Progress on these initiatives, including both financial and result information, are reported appropriately via Horizontal Initiatives Tables included in Departmental Plans and Departmental Reports on Results.

The evaluation found no overarching performance measurement framework for the PCF at the FPT and federal levels. The evaluation recognizes the shared responsibility of federal departments and agencies as well as provincial and territorial governments to develop performance indicators and the many challenges associated with this task in a cross-jurisdiction accountability context. PCFIB plays an effective role in coordinating data integration and reporting on the PCF implementation progress. They are encouraged to continue supporting FPT partners in the development of appropriate measures and document these in a framework to enable performance reporting for the PCF as a whole. The evaluators made no recommendation for this criterion.

Recommendations

In response to these findings, the audit team has put forward three recommendations.

Recommendation 1 – Oversight committees

The Assistant Deputy Minister, Pan-Canadian Framework Implementation Branch, should:

- review current planning and prioritization processes in light of the evolution of the activities of the Pan-Canadian Framework Oversight Committees
- formalize the terms of reference accordingly

Recommendation 2 – Engagement and coordination

The Assistant Deputy Minister, Pan-Canadian Framework Implementation Branch, should develop engagement and coordination plans around main deliverables and key themes of the

Pan-Canadian Framework, to guide engagement activities and clearly set out operational roles, responsibilities and expectations for all partners.

Recommendation 3 – Risk management

The Assistant Deputy Minister, Pan-Canadian Framework Implementation Branch, should formalize processes to ensure effective monitoring and communication of implementation risks around key themes of the Pan-Canadian Framework.

1. Background

Environment and Climate Change Canada (ECCC) is the lead federal department for strategic action on a wide range of environmental matters, including action on clean growth and climate change, preventing and managing pollution, conserving nature, and predicting weather and environmental conditions.

In December 2015, Canada and 194 other countries reached the Paris Agreement. As a result, Canada committed to lowering its greenhouse gas (GHG) emissions to 30% below 2005 levels by 2030. Canada also committed to working with provinces, territories, Indigenous peoples, domestic stakeholders and international partners to reach this goal. Every year, Canada reports on progress in meeting its commitment.

In December 2016, Canada's First Ministers adopted the Pan-Canadian Framework on Clean Growth and Climate Change (PCF)¹. The PCF represents a joint commitment by the federal, provincial and territorial governments to work together to address climate change on four pillars:

- carbon pollution pricing
- mitigation (complementary actions to reduce emissions)
- adaptation and resilience
- clean technology, innovation and jobs

The PCF identifies more than 50 concrete actions that cover all sectors of the Canadian economy that aim to help Canada meet its Paris Agreement GHG emissions reduction target. As a key commitment of the federal government, it is identified in the Minister of Environment and Climate Change's mandate letters, as well as in the mandate letters for several other federal ministers who support the PCF.

To help achieve the goals and actions laid out in the PCF, programs and policies put in place will be monitored, results will be measured including impacts on GHG emissions, and actions and performance will be reported on publicly in a way that is transparent and accountable to Canadians. In addition, the Government of Canada's climate action is complemented by ongoing public outreach, including projects that are funded under the Climate Action Fund that are targeting youth, Indigenous peoples and organizations, small- and medium-sized business, not-for-profit organizations and education institutions, to raise awareness of climate change and build capacity to increase climate actions. The effectiveness of actions will also be assessed with a view to ensuring continual improvement, so as to make a more ambitious commitment over time, in accordance with the Paris Agreement.

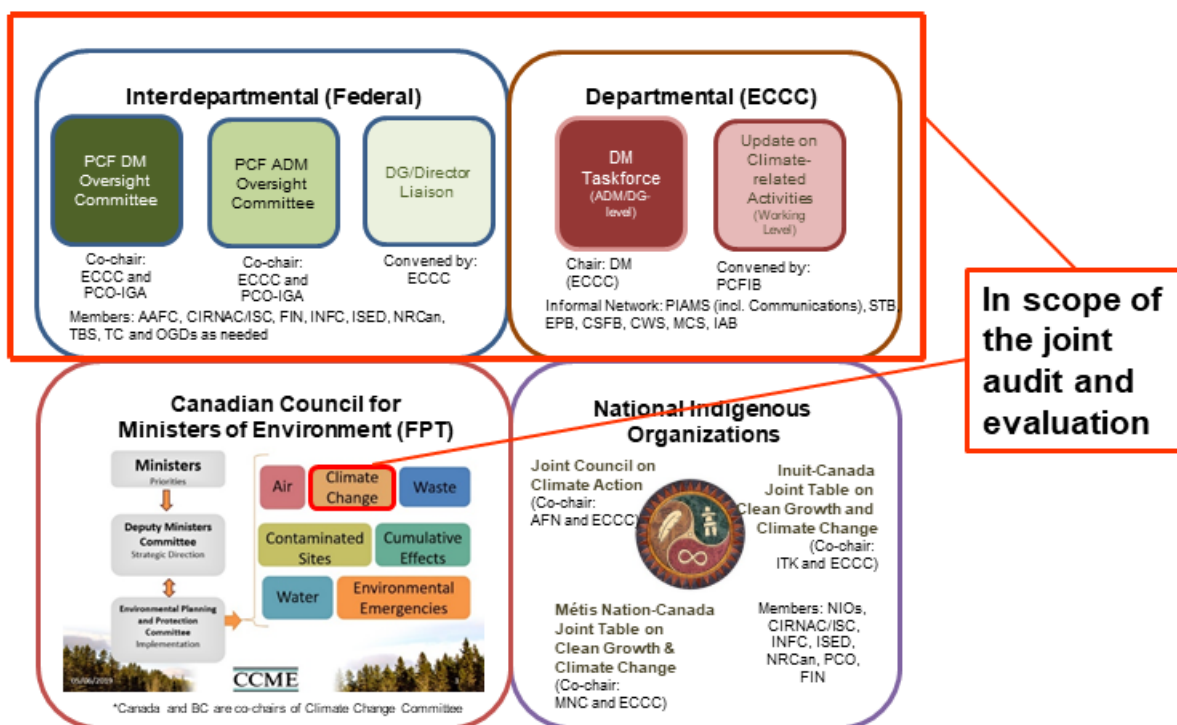
¹ Manitoba and Saskatchewan did not adopt the Pan-Canadian Framework at that time. Manitoba adopted the Pan-Canadian Framework later in February 2018. Saskatchewan has not yet joined the effort, but participates in the annual reporting of the implementation of the PCF.

The Pan-Canadian Framework Implementation Branch (PCFIB) was created within ECCC to provide national leadership over the PCF. It provides oversight and coordinates the implementation of PCF activities with departmental, federal, provincial and territorial partners.

Governance structures

External and internal governance structures were created to support the implementation of the PCF at different levels (see Figure 1). The governance structures reviewed as part of the joint audit and evaluation are listed and described in [Appendix C](#).

Figure 1: climate change and Pan-Canadian Framework governance and coordinating mechanisms



Source: Pan-Canadian Framework Implementation Branch

The **Climate Change Committee**, which is currently co-chaired by ECCC-PCFIB (on behalf of the Government of Canada) and the Government of British Columbia, is a sub-committee of the Canadian Council of Ministers of the Environment established to facilitate federal, provincial and territorial collaboration on the PCF. At the federal level, ECCC created new interdepartmental governance structures, including PCF Oversight Committees at the ADM-level and at the DM-level, which are co-chaired by ECCC-PCFIB and PCO-IGA. These committees are mandated with providing strategic oversight and direction on the implementation of federal aspects of the PCF.

Core members of the **DM-level Interdepartmental Committee** include nine departments. Representatives from other federal departments responsible for issues of interest are also invited to participate at relevant committee meetings as appropriate. Internally, ECCC has a departmental **Task Force on Climate Action**, which was initiated by the DM of ECCC (i.e., DM Taskforce), and a bi-weekly update teleconference call with directors and senior analysts on ECCC climate-related activities.

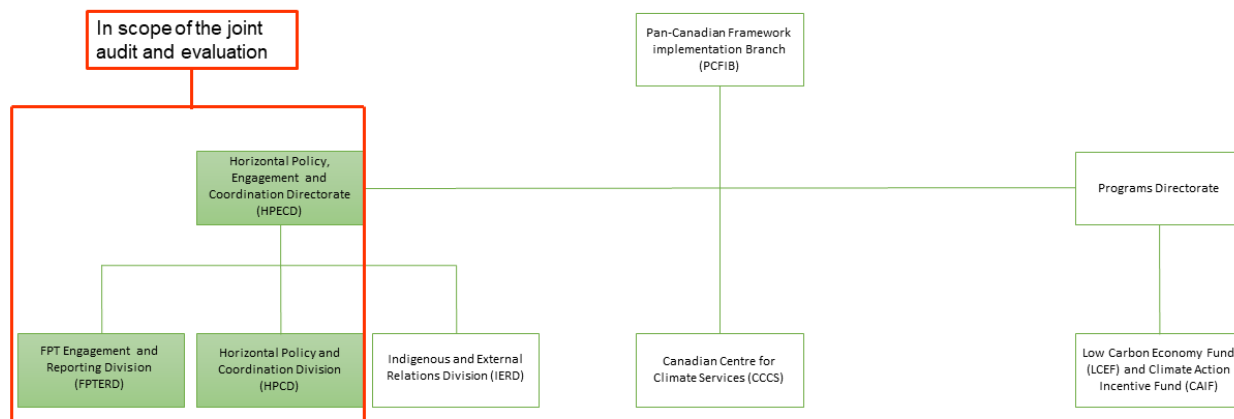
Mandate of the Pan-Canadian Framework Implementation Branch

ECCC's organizational structure evolved to address the requirements of the PCF. In 2017, the Department leveraged the former Climate Policy Office located within the Strategic Policy Branch to establish the Pan-Canadian Framework Implementation Office as a new and separate branch. The organization was renamed as the Pan-Canadian Framework Implementation Branch in 2019.

The mandate of PCFIB is to support the implementation of the PCF. It comprises two directorates and one centre:

- the Horizontal Policy, Engagement and Coordination Directorate (HPECD)
- the Programs Directorate (PD)
- the Canadian Centre for Climate Services (CCCS)

Figure 2: organizational structure of the Pan-Canadian Framework Implementation Branch



The core responsibilities of the two PCFIB directorates and the centre are as follows.

The **Horizontal Policy, Engagement and Coordination Directorate** was created as the lead for federal climate policy and a secretariat to support national leadership on the implementation of the PCF. Its role is to:

- coordinate federal actions to ensure coherence of climate policy and programs across the Government of Canada

- convene the federal departments and agencies involved in the PCF
- support provincial and territorial engagement
- monitor and track the implementation of PCF measures
- report on progress and performance

The **Programs Directorate**:

- administers the Low Carbon Economy Fund (LCEF) to reduce GHG emissions through \$1.9 billion in contributions to provinces, territories, for profit and not-for-profit organizations, municipalities and indigenous communities
- administers the Climate Action Incentive Fund (CAIF), which provides financial support to small and medium-sized enterprises, not-for-profit organizations, municipalities, universities, schools, hospitals and Indigenous communities in fostering energy efficiency and reduction of GHG emissions
- administers the Climate Action Fund, which provides \$3M per year to support innovative ideas. The objectives of projects funded under the program is to raise awareness of climate change and to build capacity of students, youth. Indigenous peoples and organizations, small-and medium-sized business. not-for-profit organizations, in order to increase climate actions that contribute to Canada's clean growth and climate change.

The **Canadian Centre for Climate Services**:

- delivers trusted climate information, data and tools through an online climate information portal to support decision making related to climate change adaptation
- delivers climate services across Canada, in partnership with regional climate organizations

Table 1 sets out the initial budget available to PCFIB to deliver on its mandate in fiscal year 2019 to 2020.

Table 1: budget for the Pan-Canadian Framework Implementation Branch

Salary (\$)	FTEs	O&M (\$)	Capital (\$)	G&Cs (\$)
7,912,158	86	1,840,657	-	605,144,523

Source: PCFIB Operating Initiative Budget Allocation, FY 2019 to 2020

The Assistant Deputy Minister (ADM), PCFIB is the lead for the ECCC "Taking Action on Clean Growth and Climate Change" initiative and PCFIB budget falls within this core responsibility. The Departmental Results Framework (DRF) indicates that all program inventory components contribute directly or indirectly to the PCF results. This increases the complexity of measuring results and ensuring clear accountability.

Other ECCC branches (that is, departmental partners) are responsible for implementing aspects of the PCF or providing enabling support to PCFIB, including:

- **Environmental Protection Branch:** carbon pollution pricing, regulatory mitigation measures (for example, coal phase-out, methane emissions, light-duty and heavy-duty vehicle emissions and the Clean Fuel Standard)
- **International Affairs Branch:** clean technology and innovation, international climate negotiations (for example, internationally transferred mitigation outcomes), international climate financing, Powering Past Coal Alliance, etc.
- **Strategic Policy Branch:** adaptation policy, economic analysis (including GHG and air pollutant emissions trends report), sustainable finance, phase-out of fossil fuel subsidies
- **Science and Technology Branch:** Canada's annual GHG Inventory (an annual United Nations Framework Convention on Climate Change (UNFCCC) reporting requirement)
- other branches, including **Canadian Wildlife Service, Human Resources Branch, Corporate Services and Finance Branch, Public and Indigenous Affairs and Ministerial Services Branch** (departmental communications), are involved with PCFIB and the PCF in a variety of ways, adding to the complexity of the initiative.

Additionally, other federal departments and agencies are responsible for implementing actions and measures under the PCF. Please refer to [Appendix B](#) for a listing of these departments and agencies.

2. Objective, scope and methodology

Objective

The objective of the joint audit and evaluation was to assess the effectiveness of the governance, risk management and performance measurement processes and practices in place to oversee the implementation of the PCF.

Scope

The joint audit and evaluation covered the period from the establishment of PCFIB as a distinct branch in 2017, to the end of the examination phase (October 2019). It focused on the governance, risk management and performance measurement activities of PCFIB Horizontal Policy, Engagement and Coordination Directorate. Activities of the PCFIB Programs Directorate and the Canadian Centre for Climate Services were excluded from the scope.

Due to the large number of partners involved in the PCF and with whom PCFIB engages, the joint audit and evaluation work included PCFIB processes and practices in relation to partners directly responsible for implementing and reporting on the PCF, namely:

- ECCC branches and employees involved in the PCF
- federal government departments involved in the Interdepartmental Deputy Minister Committee and the Horizontal Management Framework
- provinces and territories through the Canadian Council of the Ministers of the Environment

The list of partners who are in scope and out of scope for this joint audit and evaluation is included in [Appendix B](#).

At the time of the joint audit and evaluation, the following additional audits and evaluations (current and planned) will examine other aspects of the PCF:

- the Audit of the administration of the grants and contributions for Low Carbon Economy Fund
- the Evaluation of the Low Carbon Economy Fund
- the Evaluation of Core Climate Change Mitigation
- the Evaluation of Pan-Canadian Carbon Pricing
- the Evaluation of Canadian Centre for Climate Services (Adaptation)
- the Horizontal roll-up of Adaptation evaluations

Methodology

The joint audit and evaluation methodology included, but was not limited to:

- a review of relevant documentation and systems, such as policies, guidelines, procedures, and reports
- interviews with senior management and key personnel at head office
- interviews with senior management in selected federal departments

The joint audit and evaluation lines of enquiry and criteria are provided in [Appendix A](#).

Statement of Conformance

In my professional judgment as the Chief Audit Executive, sufficient and appropriate procedures were performed and evidence gathered to support the accuracy of the audit conclusion. The audit findings and conclusion are based on a comparison of the conditions that existed as of the time of the audit, against established criteria that were agreed upon with management. The audit conforms to the International Standards for the Professional Practice of Internal Auditing, as supported by the results of the quality assurance and improvement program.

A handwritten signature in dark ink, appearing to read 'Paule-Anny Pierre', with a stylized, cursive script.

Paule-Anny Pierre, MBA, CE, CIA
Chief Audit Executive and Head of Evaluation

3. Findings, recommendations and management responses

3.1. Governance – Pan-Canadian Framework oversight committees

Findings: Governance structures are in place to oversee the implementation of federal aspects of the PCF in a coordinated and integrated way, including the PCF Interdepartmental DM Oversight Committee. Monthly meetings of the oversight committees were held as planned, attended by core committee members and relevant departments, agencies and crown corporations, as appropriate. They were organized around common themes and initiatives to promote cooperation and synergies among these organizations to support implementation of measures under the PCF.

Terms of reference have been developed for the oversight committees, but have not been formalized. The audit found some evidence of a planning and prioritization process in place to guide the activities of the committees. However, the current cycle of monthly meetings may not allow sufficient time for committee members to go beyond information sharing and to consider [strategic considerations and directions].

What we examined

The audit assessed whether there were governance structures in place to provide oversight of the implementation of the PCF. This included an examination of the mandate and activities of the governance structures at the departmental, interdepartmental and federal, provincial and territorial levels. The auditors reviewed terms of reference (ToR), and conducted a detailed examination of meeting agendas, meeting binders, minutes and records of decisions during the period from January to May 2019 to assess whether the governance bodies had established clear roles and responsibilities, operated as intended and provided effective oversight of PCF implementation. Placemats were also reviewed in November 2018 and during the period of June to August 2019.

Why is this important? Effective oversight mechanisms are key to ensuring that interdepartmental and departmental committees are able to monitor and provide strategic direction over the implementation of the PCF. Without this in place, federal partners and senior management may be limited in their ability to assess progress, potential delays and risks to inform the management of their respective actions.

What we found

Oversight of the implementation of the PCF is mostly performed at the federal level. The **PCF Interdepartmental DM Oversight Committee**, co-chaired by the ECCC Deputy Minister (DM) and the Privy Council Office (PCO) Deputy Minister, Intergovernmental Affairs and Youth, was established to provide strategic oversight and direction on the implementation of federal aspects of the PCF. As shown in [Appendix C](#), the DM Oversight Committee is composed of nine core member departments responsible for the delivering on federal commitments across all four pillars of the PCF.

Representatives from other relevant departments are also invited to the monthly meetings, to provide additional insights. As well, an **Interdepartmental Assistant Deputy Minister (ADM) Oversight Committee** was established to provide policy and implementation advice to the DM Oversight Committee in advance of its meetings.

PCFIB supports both PCF oversight committees by co-chairing the PCF Interdepartmental ADM Oversight Committee and managing the operations of the PCF Interdepartmental DM Oversight Committee.

The audit found that PCFIB was successful in ensuring that monthly meetings of these committees were held as planned at a two-week interval, with the ADM Committee meeting followed by the DM Committee meeting two weeks later. PCFIB also ensured that the meetings of these committees were well attended by core committee members, and invited other federal partners to attend meetings when relevant. PCFIB prepared meeting agendas that covered the four pillars of the PCF and organized presentations around common themes and initiatives, to promote cooperation and synergies and to oversee implementation of PCF measures among committee members. Placemat reports on key PCF themes were prepared and presented at a number of committee meetings. For example, the November 2018 placemat, entitled “Built Environment: The Federal Agenda”, covered a number of federal building commitments aimed at reducing GHG emissions. There were also other placemats covering themes such as Transportation, Agriculture, and Land Use and Forestry. Achievements to date, challenges, risks, opportunities and issues for consideration were outlined to foster strategic discussion among partners and support the committees in their oversight responsibilities.

The audit reviewed all meeting materials for these two PCF oversight committees for the period from January 2019 to May 2019, to determine if PCFIB was supporting the committees effectively and if the committees were operating as intended. Through this detailed examination exercise, the audit found some areas for improvement with respect to the operations of these committees:

- ToRs are still in draft form, even though the committees have been operating for two years. There is also no indication that the draft ToRs were reviewed since their development in 2017.
- The audit found some evidence of a formal planning and prioritization process in place to guide the activities of the committees. PCFIB planned each meeting in consultation with federal participants, but there was no evidence of a process in place to focus the activities of the committees based on identified priorities and higher risks to the implementation of the PCF.
- The examination of materials revealed that strategic discussions and directions to federal participants are not the focus of these meetings. Most agenda items were “for information” or “update”, and records of decision did not reflect strategic considerations and directions. There was no thematic placemat to inform the discussions at the committees.

- Most action items stemming from the meetings were administrative in nature (for example, further dissemination of documents among participants), had no clear timelines to facilitate monitoring and resolution and were not systematically reviewed at subsequent meetings.

The detailed examination exercise also identified limited reports and discussions on the implementation of the PCF as a whole, including key risks related to the implementation. Implementation progress reports and risks were not a standing agenda item. In addition, PCFIB did not prepare executive reports and dashboards to inform the committees on overall implementation progress and risks. Detailed documents used to track the implementation of PCF federal actions were only provided once to the committees during the reviewed period. The only progress and risks reporting presented to the committees were in relation to specific PCF actions or themes, but not in relation to the PCF pillars or PCF as a whole. In the absence of reports on PCF progress and risks, the audit found that the focus of discussions at the ADM and DM Oversight Committees tended to be on current issues, rather than forward-looking discussions to address anticipated issues and emerging risks. There was no evidence of formal action items or plans to address potential impacts of issues identified during committee meetings.

The audit identified a status report presented to the committees on the PCF implementation as a whole, as part of a stock-taking exercise conducted in August 2019. This report, entitled “Status Update – Federal Progress on the Pan-Canadian Framework on Clean Growth and Climate Change”, covered each of the four PCF pillars. It presented achievements to date, some elements of risks in the form of considerations and next steps based on thematic discussions from previous meetings. Discussions about such progress reporting is a good practice for fostering strategic discussions on progress, challenges and risks, as long as its use is formalized, systematic and focused on priorities and higher risks to the implementation of the PCF.

Given the audit findings, there is a question as to whether the current cycle of monthly meetings allows sufficient time for PCFIB and federal partners to go beyond simple information sharing. PCFIB and federal partners may be limited in their ability to provide effective oversight and direction as part of a cycle in which they are preparing and holding meetings every two weeks.

Adequate prioritization, the efficient use of meetings, systematic reporting on progress and risks, and a focus on strategic discussions are important components to support effective oversight and direction of the implementation of the PCF.

Recommendation 1 – Oversight committees

The Assistant Deputy Minister, Pan-Canadian Framework Implementation Branch, should:

- review current planning and prioritization processes in light of the evolution of the activities of the Pan-Canadian Framework Oversight Committees
- formalize the terms of reference accordingly

Management response

Management agrees with the recommendation.

PCFIB initiated a review and update of the DM and ADM oversight committee terms of reference in Fall 2019. However, Deputy Minister oversight of implementation of the PCF has evolved, following publication of revised DM committee structures by the Privy Council Office in February 2020.

The new Deputy Minister Committee on Climate Change and Energy will be co-chaired by Infrastructure Canada and Agriculture and Agri-food Canada. Although no longer in a position to update and formalize the terms of reference for this DM committee, PCFIB will continue to participate in a number of intra- and inter-departmental committees, and will continue to advocate for effective planning and prioritization processes, and the formalization of terms of reference, consistent with the audit findings.

3.2. Governance – engagement and coordination activities

Findings: PCFIB has been engaging and coordinating with partners at the departmental, interdepartmental and federal, provincial and territorial levels. For the most part, the existing governance structures have been an effective mechanism for fostering engagement and coordination activities. However, PCFIB has not developed engagement and coordination plans around main deliverables and key themes of the Pan-Canadian Framework. Such plans would guide engagement activities and clearly set out roles, responsibilities and expectations for all partners.

What we examined

The audit examined whether PCFIB had effective processes and practices in place to engage and communicate with selected partners, including clear and documented roles and responsibilities. The audit reviewed PCFIB tracking documents, terms of reference for the governance structures, relevant funding submissions and the PCF-related elements in the Ministerial Mandate Letters.

Why is this important? A pan-Canadian initiative such as the PCF requires the involvement and coordination of a large number of partners and stakeholders to achieve its expected results. Without effective engagement and coordination, the expectations, roles and responsibilities of selected partners involved with the PCF may be unclear and lead to operational gaps or duplication of effort.

What we found

The ADM, PCFIB, is accountable for coordinating the implementation of the PCF. This includes engaging and coordinating with departmental and federal partners to ensure a whole-of-government approach to the implementation of the PCF. It also involves fostering collaboration with the provinces and territories, to ensure the successful implementation of the PCF.

This responsibility is challenging because it requires reaching consensus and encouraging cooperation among a large number of departmental, federal and provincial and territorial partners with varying interests and positions. This is even more challenging when considering the structural realities of the machinery of the federal government and those of the provincial and territorial jurisdictions. While PCFIB is responsible for ensuring a whole-of-government approach to the implementation of the PCF, departmental and federal PCF programs are governed within ECCC branches and participating government department. As such, each ECCC ADM and each deputy minister in the other federal departments are accountable for the implementation of PCF initiatives falling within their area of responsibility. PCF programs and initiatives involving or led by provinces and territories depend entirely on the will and cooperation of these jurisdictions. In fact, the PCF implementation approach treats the provinces and territories as equal partners and provides them with the flexibility to design their own policies and programs to meet their own emissions reduction targets, which contribute to the national target under the Paris Agreement.

PCFIB has been engaging and coordinating with partners at the departmental, interdepartmental and federal, provincial and territorial levels by:

- chairing biweekly meetings of the ECCC DM Task Force on Climate Change and conducting debrief calls with directors and senior analysts in the departments after each meeting
- co-chairing monthly meetings of the PCF Interdepartmental ADM Oversight Committee, supporting monthly meetings of the PCF Interdepartmental DM Oversight Committee and leading interdepartmental DG-level debrief calls after each DM-level meeting
- participating in monthly meetings of the Interdepartmental DG-level Communications and Policy PCF Working Group, which coordinates PCF external communication activities
- co-chairing monthly meetings of the federal, provincial and territorial Climate Change Committee

These engagement and coordination activities through the governance structures have been mostly effective. However, PCFIB has not developed plans to guide engagement and coordination activities with partners, and set out roles, responsibilities and expectations. Such plan could complement PCFIB's engagement and coordination activities through the PCF governance by formalizing the responsibilities and contribution of the various partners in supporting the implementation of the PCF. This would include:

- the tasks that PCFIB and partners need to perform individually and collectively to ensure effective coordination of PCF activities
- the deliverables that PCFIB and partners are expected to produce, share and use
- the list of key departmental and interdepartmental officials working on the various tasks and deliverables
- the roles and responsibilities of key officials interacting with PCFIB, including implementing and reporting on a specific activity, and providing PCFIB with the information needed to support coordination efforts and oversight of the implementation of the PCF

Formalized plans around main deliverables and key themes of the PCF are needed to ensure effective coordination and continuity of operations. This is especially important in a context where PCFIB is coordinating the implementation of PCF programs and initiatives that are managed by multiple officials, branches, departments, provinces and territories. Formal plans are also in line with best practices in the field of program and stakeholder management, which call for the establishment of a formal and documented approach to engagement and coordination activities, including roles and responsibilities at all levels.

Strengthened and documented engagement and coordination processes would clarify expectations and roles and responsibilities for partners and help identify, guide and coordinate areas of cooperation and dependencies.

Recommendation 2 – Engagement and coordination

The Assistant Deputy Minister, Pan-Canadian Framework Implementation Branch, should develop engagement and coordination plans around main deliverables and key themes of the Pan-Canadian Framework, to guide engagement activities and clearly set out operational roles, responsibilities and expectations for all partners.

Management response

Management agrees with the recommendation.

Beginning in Fall 2019, key themes under the Pan-Canadian Framework were identified for prioritization. Formal engagement and coordination bodies (that is, sectoral strategy tables) are being established for each of these themes, to ensure that implicated stakeholders, from across the Government of Canada, are engaged in a timely and meaningful way, and that coordinated advice can inform decision-making as implementation of the Pan-Canadian Framework continues.

PCFIB will advocate for terms of references outlining clear roles, responsibilities and expectations for each body. In addition, PCFIB will identify roles and responsibilities associated with key implementation tracking exercises (for example, horizontal initiative tables).

3.3. Risk management – monitoring of progress and risks

Findings: There are processes and tools in place to monitor the implementation of PCF activities. The DM Task Force, ADM Oversight Committee, DM Oversight Committee, and CCME Climate Change Committee provide for active and ongoing monitoring of the PCF. In addition, there are tracking tools in place to monitor the implementation of federal PCF activities.

However, PCFIB does not have a formal, systematic risk management process in place to collect, monitor and report on risks related to PCF implementation. There is no risk register in place. As well, tracking documents used to monitor federal PCF actions do not capture risk information to support effective oversight of the implementation of the PCF. Executive progress reports, which could be used to communicate implementation progress and key risks for the PCF, are not developed on a regular basis.

What we examined

The audit examined whether PCFIB has effective risk management processes and practices in place to oversee the implementation of the PCF. This included determining whether:

- there were processes and tools in place to monitor implementation activities and risks
- progress reporting identified implementation risks that led to action items that were documented, monitored and implemented

The auditors reviewed tracking documents, placemats, meeting materials and minutes from relevant governance committees to understand the risk management process in place and the type of progress and risk reporting made available to partners and senior management.

Why is this important? Without proper risk management processes, practices and tools in place, key risks related to the implementation of the PCF may not be identified, assessed, monitored and mitigated. Furthermore, progress reporting on the implementation may not be complete and relevant to inform effective decision making. This could lead to inefficient use of time and resources, important delays and an inability to implement and deliver the PCF.

What we found

There are processes and tools in place to monitor the implementation of PCF activities, including delays. The DM Task Force, ADM Oversight Committee, DM Oversight Committee and CCME Climate Change Committee provide for active and ongoing monitoring of the PCF. In addition, there are tracking tools in place to monitor the implementation of federal PCF activities. These tools include the **Master PCF Dashboard** (updated semiannually), the **PCF Measures Chart** (updated weekly), the **Funding Placemat**, the **Regulatory Rollout Placemat** and the **Communications Placemat**. Because there is no single implementation plan and tracking tool developed for the PCF as a whole, PCFIB uses these tracking documents to monitor activities across the PCF.

With regard to risk management, the audit found that there are no processes or tools in place to systematically monitor key implementation risks. PCFIB does not collect and monitor risk information from partners in a formal and systematic way, and does not regularly report on key implementation risks. Ongoing risk monitoring is limited to the identification of expected or actual delays to individual PCF activities in the tracking documents mentioned previously. The audit found that risk information, other than delays, is not presented in the tracking documents. For example, legal, political, program, project, financial or partner risks are not identified in the tracking documents. Moreover, tracking documents do not include a summary of major delays or an analysis of the impact of individual delays on other activities and the overall implementation of the PCF. Although PCFIB advised that individual departments are responsible for identifying and managing any risks related to the implementation of their respective activities, the audit expected that delays and the resulting key implementation risks for PCF would be captured in tracking and reporting documents.

With respect to progress and risk reporting, the audit expected to find evidence that PCFIB prepared regular executive reports providing an overview of implementation progress and risks, to support PCF partners and senior management with their management and oversight responsibilities. This is in line with the guidance provided in the TBS [Guide to Departments on the Management and Reporting of Horizontal Initiatives](#). The guidance calls for the lead department of a horizontal initiative to ensure that progress reporting provides a picture of how the initiative is progressing, as well as the challenges it is facing. It also identifies the lead department as being responsible for ensuring that the oversight committee reports on high-risk and high-impact issues.

As described in the section 3.1, placemats on key PCF themes were prepared and presented at a number of committee meetings to outline challenges, risks, opportunities and questions for consideration.

A review of the meeting materials for the ADM and DM Oversight Committees for the examination period from January 2019 to May 2019 revealed that executive progress and risk reports are not provided to the participants on a regular basis. As well, implementation risks are not a standing agenda items for these committees. Rather, PCFIB uses detailed and lengthy tracking documents such as the Master PCF Dashboard and PCF Measures Chart to report to partners involved in federal governance committees on an ad hoc basis on implementation progress. In contrast, the Communications Placemat is provided to participants at each meeting to inform them on upcoming external communications activities. The PCF Measures Chart is also used to report progress to the ECCC Deputy Minister on a weekly basis, without an accompanying cover page or briefing note summarizing content and highest risks. As mentioned before, these tracking documents only provide limited insight into implementation risks. In addition, these documents are working level documents that cannot be used as effective reporting tools to communicate PCF progress and risks.

The audit also examined the quarterly progress reports provided to PCO to account on departmental commitments from the Minister's Mandate Letter. These reports include information on the status of the implementation of the PCF and issues requiring significant

attention. As well, the audit reviewed the progress reports to the Cabinet Committee on Climate Change, which contains key challenges to the implementation of the PCF. These departmental progress reports could be leveraged by PCFIB to improve risk monitoring and reporting. They could also be used to move the discussions with federal partners away from current issues and engage them on proactive management of risks and future activities.

Recommendation 3 – Risk management

The Assistant Deputy Minister, Pan-Canadian Framework Implementation Branch, should formalize processes to ensure effective monitoring and communication of implementation risks around key themes of the Pan-Canadian Framework.

Management response

Management agrees with the recommendation.

Beginning in Fall 2019, key themes under the Pan-Canadian Framework were identified for prioritization (that is, via sectoral strategy tables). These thematic, sectoral strategy tables would undertake research and analysis of potential emission-reduction measures in support of Canada's Paris Agreement commitments, and in keeping with the objectives of the Pan-Canadian Framework.

PCFIB will work with implicated departments and agencies to ensure that implementation risks are identified, assessed, prioritized and disseminated to decision makers. In addition, PCFIB will advocate for the inclusion of risk identification in various governance mechanisms (for example, new Deputy Minister Committee on Climate Change and Energy), and in the tracking of Pan-Canadian Framework implementation.

3.4. Performance measurement and reporting

Findings: PCFIB has effectively supported reporting on the implementation of the PCF at the FPT and federal levels, and demonstrated progress towards performance measurement for the Mitigation, Clean Technology, Innovation and Jobs pillars. No indicators are required for the carbon pricing pillar due to the implementation of the [Greenhouse Gas Pollution Pricing Act](#). There is an ongoing need to identify appropriate indicators to measure performance of the Adaptation pillar and related actions. Notwithstanding the above, the evaluation found no overarching performance measurement framework for the PCF at the FPT and federal levels.

What we examined

Measuring implementation involves such things as identifying whether there are differences between planned activities and projected outcomes, and actual implementation and achieved outcomes. Measuring performance involves comparing results achieved against expected targets. In both cases, measurement and reporting are enhanced through the development of a performance measurement framework or strategy. Such a document usually includes:

- a list of programs, activities, actions and their associated outputs and expected outcome/impact(s)
- indicators for each output and outcome
- baselines, targets, timelines
- data sources, methods, frequency of data collection, authority responsible for data collection
- data management system used

The evaluation sought to determine whether:

- performance measurement frameworks are in place to measure and report on PCF implementation and performance
- processes are in place to assess the relevance, accuracy and timeliness of data for performance monitoring
- reporting on PCF performance is consistent with collected information and provides a clear assessment of progress against planned initiatives, outcomes and targets

Why is this important? Performance measurement and reporting on performance enable management to assess whether resources used and activities undertaken are contributing to achieving expected results. It facilitates management decision making and course adjustments if needed. It also supports public accountability.

What we found

The evaluation identified two key levels of measurement and reporting on the PCF. The first is FPT reporting on the PCF on Clean Growth and Climate Change implementation, and results, via an [Annual Synthesis Report](#). PCFIB directly worked with all provinces and territories to develop the report.

The second level involves federal reporting of indicators, approved by the Treasury Board of Canada Secretariat (TBS), via Departmental Plans (DPs) and Departmental Results Reports (DRRs). At this level, PCFIB is only involved in reporting on initiatives for which ECCC is the policy lead under the [Horizontal Management Framework \(HMF\) for Clean Growth and Climate Change \(CGCC\)](#). These initiatives are reported on via Horizontal Initiatives Tables (HI Tables) included in DPs and DRRs. Federal reporting through DPs and DRRs on Initiatives that are funded under the PCF, but under mechanisms other than the HMF for CGCC and reported on by respective departments or lead departments.

Other PCF initiatives and programs, not delivered under the ECCC HMF CGCC, are reported on by other departments through their respective DPs and DRRs. For example, Infrastructure Canada leads on reporting for the Investing in Canada Plan (IICP) where some elements, led by various federal departments, are aligned to PCF pillars and policy actions. In this case, indicators and results supporting the PCF through the IICP appear in Infrastructure Canada's departmental reports.

3.4.1 Federal, Provincial and Territorial Reporting

Annual Synthesis Report

The primary mechanism for reporting on PCF occurs at the FPT level. Nine ministerial tables, four strategic integration tables, and a Coordinating Committee of Experts support measurement and reporting activities, and indicator development. Annual synthesis reports to First Ministers and Canadians provide information to the public on implementation progress and performance. PCFIB solicits input from all departments, provinces and territories that partner in the PCF. Implementation and performance information is consolidated and structured under PCF pillars in the annual synthesis reports. At the time of the joint audit and evaluation, a synthesis report had been published in 2017 and in 2018. The 2017 Report focused on PCF implementation, while the 2018 Report also included some planned indicators for future performance reporting for the Mitigation pillar. The evaluation found the structure of the reports consistent with the framework's pillars.

A reporting workplan facilitates reporting by supporting data gathering on progress against PCF actions. The process involves collecting information on implementation progress from reports produced by ministerial tables and partners. Reporting call letters were used, and reporting guidance and templates developed to support the process. Change registries and disposition tables to address comments and suggestions made by FPT partners were also used. A stock-taking exercise was performed following the release of each report. This allowed PCFIB to examine how gathering information from the HI tables used at the federal level, and data from provincial and territorial partners, can be improved to support more timely sharing of information. The use of these processes indicates that mechanisms are in place to support the assessment of the relevance and accuracy of information produced on progress being made on PCF implementation.

PCFIB is responsible for coordinating reporting by FPT partners for the annual synthesis reports. With sound reporting processes, PCFIB was able to receive the required information according to established deadlines, but with additional levels of effort. The evaluation team conducted a limited review of processes to assess the relevance, accuracy and timeliness of performance indicators in support of FPT results achievement. Overall, results-oriented performance data is not yet being collected and reported on, given that indicators have only recently been developed (for the Mitigation pillar only), and data lags affect the ability to report on some indicators, including GHG emissions.

The evaluation reviewed extracts from the Synthesis Report detailing implementation progress, comparing them to compiled reporting input provided by FPT partners, CCME progress reports and draft synthesis Reports. The review confirmed that the information reported is consistent with the information collected by FPT partners. In many cases, collected and reported information was supported by web links showing government announcements and reports.

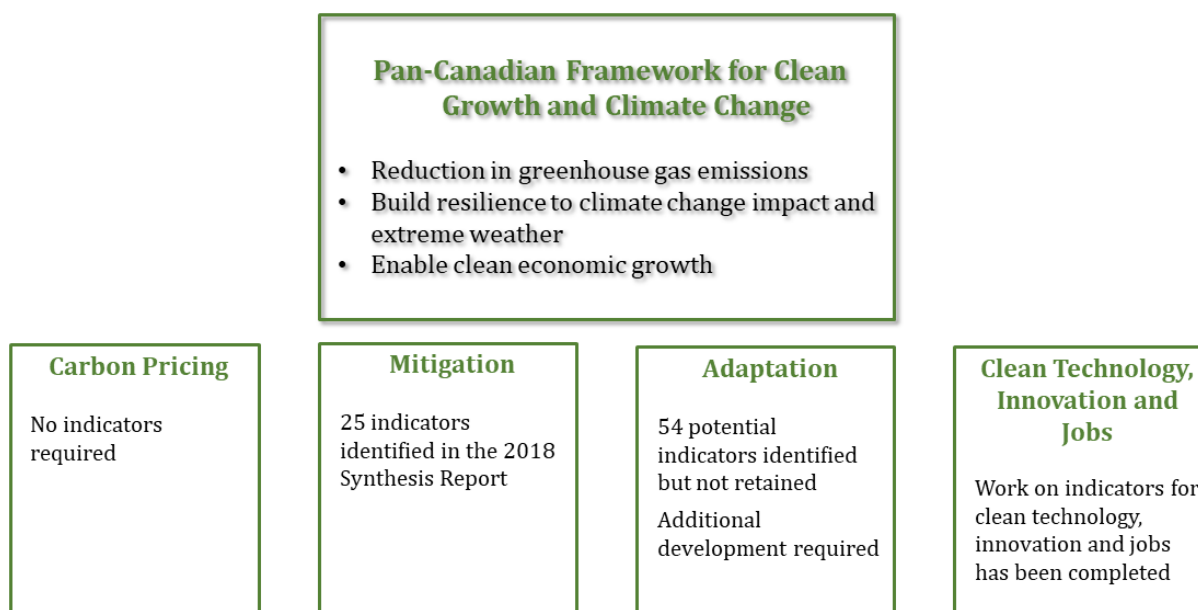
Overall, PCFIB fulfills its role with respect to supporting implementation reporting in the annual synthesis reports. PCFIB provides adequate high-level information on progress against implementation of each of the FPT PCF pillars and their related policy actions.

Performance Indicators

The evaluation found no performance measurement overarching framework or strategy for the PCF at the FPT level. However, there is evidence of work undertaken to identify and report on key performance indicators under the pillars. The status is summarized in Figure 3, on the next page.

For the **Carbon Pricing pillar**, indicators are not required given that carbon pricing is a requirement under the [Greenhouse Gas Pollution Pricing Act](#).

Figure 3: status of the development of indicators under the Pan-Canadian Framework pillars (October 2019)



The **Mitigation Pillar**, which focuses on complimentary actions in support of GHG emissions reduction, is the PCF's key results indicator. The evaluation found that the most significant progress on measurement has been made under this pillar. Twenty-five (25) mitigation-related indicators were outlined in the [Second Annual Synthesis Report \(2018\)](#). Developing the Mitigation indicators required PCF partners, including the provinces and territories, to agree on measurement methodologies, and to ensure that data to report against them would be available. The achievement of identifying reportable indicators across jurisdictions suggests that processes are being developed to ensure that measures are relevant, accurate and timely. While progress is confirmed, at the time of the joint audit and evaluation, no reporting against the mitigation indicators had yet taken place and additional refinement was planned.

For the **Adaptation Pillar**, the Government of Canada, through ECCC, charged an **Expert Panel on Climate Change Adaptation and Resilience Results** with proposing indicators to measure progress on the Adaptation pillar. The panel released a report in 2019 outlining 54 potential indicators intended to inform Government of Canada Adaptation reporting. PCFIB

has indicated that there are no plans to implement the proposed indicators due to cross-jurisdictional applicability challenges. As well, PCFIB indicated that the proposed indicators do not align well with federal reporting against the HMF CGCC.

Two measures related to **Clean Technology** (clean technology contributions to GDP [as dollars] and number of jobs) have been identified and were reported on in the [Second Annual Synthesis Report \(2018\)](#). An **FPT Working Group on Clean Technology Data Strategy** contributed to work performed by Statistics Canada in 2018 in support of the Environmental and Clean Technology Products Economic Account (ECTPEA). The account measures the economic contribution of environmental and clean technology products in terms of output, gross domestic product, employment (number of jobs) and other economic variables.

In terms of the ongoing development of indicators, methodologies and data collection strategies, PCFIB provided a set of activity plans outlining intentions to support FPT reporting.

Implementation of these plans can support ongoing refinement of indicators and measurement methodologies for the Mitigation pillar, and help identify indicators and measurement strategies for the Adaptation. As a result of the current status of indicator development and lags in data availability, no substantive results data has yet been collected or reported on at the FPT level.

3.4.2 Federal Reporting – Horizontal Management Framework for Clean Growth and Climate Change

With respect to the second key means of PCF reporting (federal reporting via DPs and DRRs), the HI table format requires departments to report on indicators, targets, dates of achievement and actual results against targets. PCFIB coordinates and reports on the information from ECCC's HMF of CGCC partners. The process is aligned with the process used for all federal DP and DRR reporting, with government-wide established mechanisms and timelines.

The [HI table produced by ECCC](#) reflects a partial framework for the PCF. It includes indicators that have been approved internally by ECCC and TBS for the ECCC-led portion of activities under PCF and the HMF for CGCC pillars. These public reporting tables do not fully articulate the performance of PCF at a federal level given that they reflect only federal activities undertaken under the HMF for CGCC. Further, there is no evidence of a complete performance measurement framework document, which integrates all performance measures from relevant HI tables across the federal government. Such document could provide visibility on the performance of all federal initiatives and programs under the PCF.

The evaluation found that PCFIB, as the lead on reporting by ECCC's federal partners against the HMF for CGCC, has appropriate tools in place to support the process. Information received by ECCC for inclusion in the HMF for CGCC, by federal partners, is attested to by respective program Directors General and Chief Financial Officers (CFOs). It is approved by DGs before being approved by the ADM, PCFIB, ADM, CSFB, and ECCC's Deputy Minister.

ECCC's Corporate Services and Finance Branch (CSFB) takes the lead on all departmental planning and reporting exercises. For reporting against the indicators in the HI tables, CSFB issues a call for information to other federal government partners. This information is confirmed

and attested to by the respective department's CFOs and program management. CSFB reviews the information received to ensure that it is consistent with previously reported information. PCFIB takes a lead role on coordinating ECCC's input by branches that report on the HMF for CGCC. PCFIB then works with CSFB to obtain the approval of the PCF ADM, the CFO and Deputy Minister before publishing the HI tables. As such, the process for obtaining and validating information for the HMF for CGCC follows the same processes that are used for other departmental reporting designed to produce relevant, accurate and timely information on government performance.

With respect to the indicators appearing in the HI tables, PCFIB indicated that Treasury Board determines the relevance of the indicators, based on its review of indicators in the HMF for CGCC when funding was approved. The evaluation found that some indicators cannot be reported on now, and some contain multiple targets, making it difficult to determine progress against specific desired results.

The evaluation team has not developed a formal recommendation on this topic, given the state of performance measurement development at the FPT level. However, there is a need for PCFIB to continue supporting the CCME, and ECCC branches, through the documentation of indicator development and targets for results achievement, preferably in the form of performance measurement frameworks, with alignment between FPT and federal levels where feasible.

4. Conclusion

PCFIB is carrying out its mandate to support the implementation of the PCF. It has put processes and practices in place to facilitate departmental, federal, as well as provincial and territorial collaboration on the PCF. This includes supporting the various oversight committees in fulfilling their mandate, engaging and coordinating the work of departmental colleagues, as well as federal, provincial and territorial partners, monitoring the implementation of PCF activities and reporting on PCF progress and results.

The joint audit and evaluation identified the following areas for improvement, to strengthen the effectiveness of the activities carried out by PCFIB:

- Review current planning and prioritization processes for the various oversight committees, including the formalization of the terms of reference
- Develop engagement and coordination plans around main deliverables and key themes of the Pan-Canadian Framework to guide engagement activities and clearly set out operational roles, responsibilities and expectations for all partners.
- Formalize processes to ensure effective monitoring and communication of implementation risks around key themes of the Pan-Canadian Framework.
- Continue to work with partners to document key elements of performance measurement frameworks for the PCF and develop indicators to support performance monitoring and reporting, particularly at the FPT level.

Appendix A: lines of enquiry and criteria

Line of enquiry 1: Governance – PCFIB has effective governance structures, processes and practices in place to oversee the implementation of the PCF.
1.1 Governance structures are in place to provide effective oversight.
1.2 Processes are in place to engage and communicate with selected partners.
1.3 Roles and responsibilities are clearly documented and communicated.
1.4 Processes are in place to focus efforts on high risk and priority areas.
Line of enquiry 2: Risk management – PCFIB has effective risk management processes and practices in place to oversee the implementation of the PCF.
2.1 Processes are in place to monitor implementation activities and risks.
2.2 Progress reporting identifies implementation risks and generate action items that are documented, monitored and implemented.
Line of enquiry 3: Performance measurement, tracking and reporting – PCFIB has effective tracking, performance measurement and reporting processes and practices in place to oversee the implementation of the PCF.
3.1 Performance measurement frameworks are in place to measure and report on PCF implementation.
3.2 Processes are in place to assess the relevancy, accuracy, and timeliness of data for performance monitoring
3.3 Reporting on PCF performance is consistent with collected information and provides a clear assessment of progress against planned initiatives, outcomes, and targets.

Appendix B: list and category of partners who are in scope and out of scope

Table 2: list of partners in scope, by category

Category		Partner	
ECCC branches		Pan-Canadian Framework Implementation Branch	
		Environmental Protection Branch	
		Strategic Policy Branch	
		International Affairs Branch	
		Science and Technology Branch	
		Meteorological Service of Canada	
		Canadian Wildlife Service	
		Public, Indigenous and Ministerial Affairs Branch – Communications Directorate	
		Corporate Services and Finance Branch	
		Legal Services Directorate	
		Human Resources Branch	
Federal government departments	Core members of the Interdepartmental Deputy Minister Oversight Committee	Privy Council Office	
		Infrastructure Canada	
		Crown-Indigenous Relations and Northern Affairs/ Indigenous Services Canada	
		Natural Resources Canada	
		Transport Canada	
		Innovation, Science and Economic Development	
		Agriculture and Agri-Food Canada	
		Department of Finance Canada	
		Treasury Board Secretariat	
	OGDs contributing to the Horizontal Management Framework for Clean Growth and Climate Change	Department of Fisheries and Oceans	
		Health Canada	
		Public Health Agency of Canada	
		Canadian Institutes of Health Research	
		Global Affairs Canada	
		Standards Council of Canada	
	Provinces and territories		Secretariat for the Canadian Council of Ministers of the Environment
			Governments and departments from provinces and territories

Table 3: list of partners out of scope, by category

Category	Partner
Other federal partners	Public Safety Canada
	Public Services and Procurement Canada
	Sustainable Development Technology Canada
	National Research Council
	Canada Revenue Agency
	Export Development Canada
	Business Development Bank of Canada
Collaboration partners	First Nations
	Inuit
	Métis
Others (including, but not limited to)	Expert panels and advisory committees
	Municipalities
	Academia
	Non-governmental organizations
	Industry
	Canadian public

Appendix C: governance structures reviewed during the joint audit and evaluation

Departmental governance

ECCC Deputy Minister (DM) Task Force

The DM Task Force is an informal network started by the Deputy. Its purpose is to convene departmental branches working on climate change, including PCF, to share information and seek advice on a regular basis. The DM Task Force meets on a biweekly basis and is chaired by the ADM of PCFIB. Topics covered by the DM Task Force include:

- debrief on discussions held at the Interdepartmental DM Oversight Committee on the PCF
- update on PCF pillars and programs, including Carbon Pricing, Low Carbon Economy Fund, and Revenue Recycling Program
- discussion on public reports, such as the Canada's Changing Climate Report
- external communications activities

Interdepartmental governance

Deputy Minister (DM) Oversight Committee on the PCF

The DM Oversight Committee is an interdepartmental committee chaired by the Deputy Clerk of the Privy Council Office and the DM of ECCC. Core members of the committee include the DM of Infrastructure, the DM of Indigenous and Northern Affairs Canada, the DM of Natural Resources Canada, the DM of Transport Canada, the DM of Innovation, science and Economic Development Canada, the DM of Agriculture and Agri-Food Canada, the DM of Finance Canada, the Secretary of the Treasury Board, and the Deputy Secretary to the Capital (Operations) Privy Council Office. PCFIB provides administrative support to monthly meetings of the Interdepartmental DM Oversight Committee on the PCF. Additionally, the ADM, PCFIB, co-chairs the meetings in the absence of the ECCC DM.

According to the draft Terms of Reference, the mandate of the committee is to provide strategic oversight of, and direction on, the implementation of federal aspects of the PCF. This include:

- coordinate, guide and track actions by departments to deliver on federal commitments across all four elements of the PCF: carbon pricing, mitigation opportunities, adaptation and climate resilience, and clean technology, innovation and jobs
- oversee the implementation of federal/provincial/territorial governance and collaboration, including annual reporting to First Ministers
- oversee the implementation of federal/provincial/territorial engagement with external experts to provide advice to First ministers and decision makers
- review and guide formal federal results and reporting on climate action to ministers

- collectively evaluate progress and support Ministers, led by the Minister of ECCC, in reporting periodically to Cabinet on the progress of the PCF
- identify issues related to implementation, trouble shoot, develop recommendations and seek direction as required

Assistant Deputy Minister (ADM) Oversight Committee on the PCF

The ADM Oversight Committee is an interdepartmental committee established to provide support to the DM Oversight Committee. According to the draft Terms of Reference, the mandate of the ADM Oversight Committee is to provide policy and implementation advice, and to support cross-departmental coordination. Committees meetings occur regularly on a monthly basis, and are scheduled two weeks in advance of the DM Oversight Committee. The ADM of PCFIB is co-chairing these monthly meetings.

Communications and Policy Pan-Canadian Framework Working Group

The PCF Communications and Policy Working Group is an interdepartmental body put in place to help direct and coordinate PCF external communications activities. According to the draft Terms of Reference, the working group has the following objectives:

- foster interdepartmental collaboration to increase the reach and impact of PCF communication opportunities
- coordinate, guide and track actions by departments on their communications initiatives related to the four pillars of the PCF, namely Carbon pricing, Mitigation, Adaptation and climate resilience and Clean technology, innovation and jobs
- identify cross-cutting challenges that could impact PCF communications and develop recommendations as needed

Meetings for the working group occur on a monthly basis and focus on reviewing upcoming PCF communications events, opportunities and/or issues, including a discussion on the description of the proposed event, with the objective of enabling collaboration, synergies and amplification opportunities. The Executive Director of PCFIB responsible for horizontal coordination participates in these meetings co-led by PCO and ECCC Communications Services.

Federal-Provincial-Territorial (FPT) Governance

Canadian Council of Ministers of the Environment's (CCME) Climate Change Committee (CCC)

The Canadian Council of Ministers of the Environment (CCME) is the primary minister-led FPT-intergovernmental forum for collective action on environmental issues of national and international concern. The mandate of the CCME is to:

- enable collaborative discussions on matters of shared concern
- develop frameworks, strategies, policies and tools for environmental management

- facilitate intergovernmental collaboration to implement and report on PCF

The CCC is a subcommittee of the CCME established to facilitate ongoing federal, provincial and territorial engagement on climate change mitigation and adaptation, including work on priority issues identified by the ministers through the CCME. The CCC meets regularly by teleconference approximately once per month and is comprised of ADM and Director General-level officials representing each jurisdiction. At the time of the joint audit and evaluation, the DG HPECD of PCFIB co-chaired the meetings with a provincial representative. The CCC is supported in its role by a series of project teams, and the CCME Secretariat that provides logistical and administrative support.

Figure 4: structure of the Canadian Council of Ministers of the Environment's Climate Change Committee

