





2023–2027 Departmental Sustainable Development Strategy (DSDS) Canada Economic Development for Quebec Regions Cat. No.: lu90-1/10E-PDF ISSN: 2291-3955

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Canada Economic Development for Quebec Regions Mailing address: 800 René-Lévesque Boulevard West, Suite 500, Montréal, Québec, H3B 1X9 Telephone: 514-283-6412 Fax: 514-283-3302 Site Web: <u>https://ced.canada.ca/</u>

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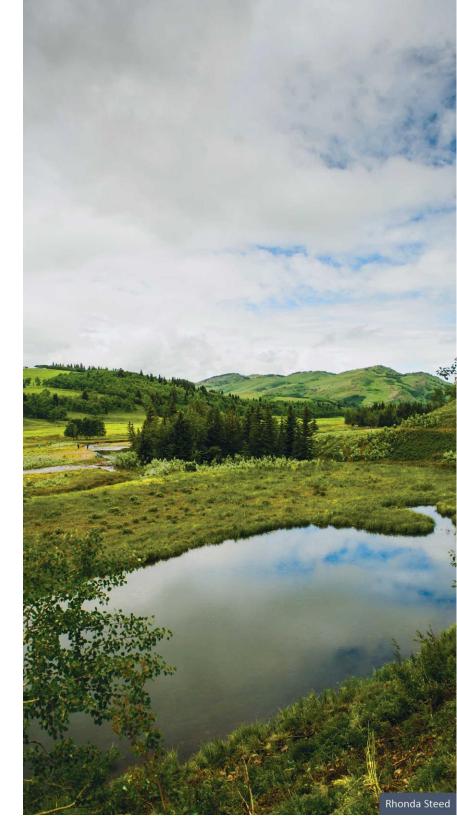
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SECTION 1 Introduction to the Departmental Sustainable Development Strategy

The 2022 to 2026 Federal Sustainable Development Strategy (FSDS) presents the Government of Canada's sustainable development goals and targets, as required by the *Federal Sustainable Development Act* (FSDA). This is the first FSDS to be framed using the 17 Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda and provides a balanced view of the environmental, social and economic dimensions of sustainable development.

In keeping with the purpose of the Act, to make decision-making related to sustainable development more transparent and accountable to Parliament, Canada Economic Development for Quebec Regions (CED) supports the goals laid out in the FSDS through the activities described in this Departmental Sustainable Development Strategy (DSDS).



The <u>Federal Sustainable Development Act</u> also sets out <u>7 principles</u> that must be considered in the development of the FSDS as well as DSDSs. These basic principles have been considered and incorporated in CED's DSDS.

In order to promote coordinated action on sustainable development across the Government of Canada, this departmental strategy integrates efforts to advance Canada's implementation of the 2030 Agenda National Strategy, supported by the Global Indicator Framework (GIF) and Canadian Indicator Framework (CIF) targets and indicators. The strategy also now captures SDG initiatives that fall outside the scope of the FSDS to inform the development of the Canada's Annual Report on the 2030 Agenda and the SDGs.

SECTION 2

Canada Economic Development for Quebec Regions' Vision for Sustainable Development

Introduction

CED's mission is to promote the long-term economic development of Quebec regions by giving special attention to those in which economic growth is slow and opportunities for productive employment are inadequate.

CED adheres to a sustainable development approach that contributes to the advancement of Quebec's economy while respecting the environment as well as inclusive and sustainable economic growth. More specifically, CED is concerned with four objectives of the Federal Sustainable Development Strategy.

- Goal 8: Encourage inclusive and sustainable economic growth in Canada
- Goal 10: Advance reconciliation with Indigenous Peoples and take action to reduce inequality
- Goal 12: Reduce waste and transition to zero-emission vehicles
- Goal 13: Take action on climate change and its impacts

Some of CED's one-time interventions also contribute to the following objectives.

- Goal 9: Foster innovation and green infrastructure in Canada
- Goal 11: Improve access to affordable housing, clean air, transportation, parks, and green spaces, as well as cultural heritage in Canada

CED's Vision

CED's vision is based on two main lines of action. First, CED intervenes through its programs and initiatives by financially supporting projects by businesses and organizations that contribute to sustainable and inclusive growth. Second, CED is continuing to green its own operations to reduce its environmental impact while internally promoting equity, diversity and inclusion (EDI) practices.

1) Support for projects that contribute to sustainable and inclusive growth

CED supports the idea that the long-term competitiveness of Quebec's economy depends on innovation that goes hand in hand with greener, more inclusive growth for businesses and communities in all regions.

Small and medium-sized enterprises (SMEs) are the engine of our regional economies. Their activities are reportedly linked to approximately 30% of Canada's greenhouse gas emissions. Their full participation is therefore essential to achieving Canada's greenhouse gas emissions reduction targets. In Quebec, SMEs say they are aware of the need to adapt their business practices, but they do not always have the resources or expertise to implement the necessary technologies, practices and investments.

As a key federal partner in regional economic development in Quebec, CED is determined to further support the green transition of SMEs and regional economies by prioritizing strategic investments in clean technologies, organizations that integrate environmentally responsible practices into their operations and regional ecosystems that support SMEs taking action. By acting today to support the environmental transition of businesses and communities, CED is contributing to Canada's goals of reducing greenhouse gas emissions by 2030 while working together to build a resilient, sustainable and competitive economy for tomorrow.

By providing small business interventions and economic development organizations in all regions, CED also addresses socio-economic inequalities and disparities and seeks to promote inclusive prosperity and equal opportunities for all. CED is thus continuing its commitment to equity, diversity and inclusion (EDI), its support for

entrepreneurs from various underrepresented groups through targeted programs, and its backing the economic development of Indigenous communities (First Nations, Inuit and Métis)¹ in Quebec. CED is paying particular attention to the needs of Indigenous communities in Quebec by adapting its interventions as part of economic recovery initiatives and implementing the Inuit Nunangat Policy to ensure their participation in economic development according to their specific realities, challenges and opportunities.

In addition, as part of its mandate, CED remains attentive to the vulnerabilities and needs of SMEs and communities, which differ from one region to another. CED promotes short- and long-term economic development in Quebec's regions, particularly those with low economic growth or where there are insufficient productive employment opportunities, by delivering programs and access to expertise suited to different regional realities. This ensures that businesses and organizations in all regions, particularly rural and small communities, have access to programs and support tailored to local conditions and needs, including in terms of sustainable development.

Moreover, to promote equitable access to its programs and services, CED is strengthening its internal EDI and Gender-based Analysis Plus (GBA Plus) practices and capacity, making GBA Plus an essential component of the development, design, implementation and evaluation of its policies, programs and services. For example, since 2022, CED clients have had to declare their organizational EDI practices. Also, all CED clients are invited to voluntarily declare in a self-declaration form whether the business or organization is managed or belongs to a member of an underrepresented group and whether the submitted project aims to directly support one or more of these groups. This information allows CED to determine to what extent the investments contribute to inclusive economic growth and whether adjustments are required to implement this priority.

2) Greening CED operations and internal promotion of EDI practices

CED intends to continue greening its own operations to reduce its environmental impact, whether as part of managing of its automobile fleet or procurement processes. At the same time, CED continues to implement various eco-responsible initiatives to integrate sustainable development into everyday work practices.

¹ Throughout this document, the term "Indigenous" is used to refer to First Nations, Inuit and Métis people while acknowledging the distinction between their specific realities.

Furthermore, CED's commitment to EDI is reflected in its management, as well as in its human resources policies, programs and practices. Whether it be by supporting Indigenous employees in their career advancement, acknowledging the networks of employees from diverse backgrounds or making all employees aware of the importance of ensuring an inclusive workplace for all, CED is keen to encourage and concretely promote EDI practices.

SECTION 3 Listening to Canadians

As required by the *Federal Sustainable Development Act*, CED has taken into account comments on the draft 2022-2026 FSDS made during the public consultation held from March 11 to July 9, 2022. During the public consultation, more than 700 comments were received from a broad range of stakeholders, including governments, Indigenous organizations, non-governmental organizations, academics, businesses, and individual Canadians in different age groups and of various backgrounds. The draft FSDS was also shared with the appropriate committee of each House of Parliament, the Commissioner of the Environment and Sustainable Development, and the Sustainable Development Advisory Council for their review and comment.

What we heard

Across the submissions received, CED identified the sustainable development priorities and issues that affect us.

- Action on climate change was identified as a top priority during the consultations as was the need to consider the close links between social, economic and environmental issues, all within a context of sustainable and inclusive economic development. This priority involves CED and the fulfillment of its mandate. CED intends to help build a sustainable and inclusive economy, enabling Quebec SMEs to meet the expectations of Canadian consumers and workers, and to seize domestic and international business opportunities. Businesses that are going green want to make sure they are attractive and competitive and continue to grow while contributing to the long-term well-being of their community.
- Respect for self-determination rights and economic reconciliation with Indigenous peoples were also strong themes during the public consultation. The feedback highlighted the importance of a distinctions-based approach, which means moving beyond a one-size-fits-all perspective and considering the unique history and experiences of First Nations, Inuit and Métis peoples. The consultations also highlighted the importance of

incorporating place-based perspectives by emphasizing that Indigenous knowledge systems are inherently land-based.

What we did

CED took the above-mentioned key priorities and issues into consideration in this DSDS, including:

• The fight against climate change is among CED's priorities. CED supports the green transition of SMEs and regional economies. Under its <u>action plan</u>, CED is doubling its investment target in support of the green transition to \$50 million per year by 2025–26 and is easing its financing conditions for SMEs taking action.

In addition, since April 1, 2023, by applying an environmental grid to all its programs, CED has been informing and raising awareness among its clients about the importance of integrating environmental considerations into their business model to ensure competitiveness, resilience and long-term growth. This grid allows CED to document the extent to which its clients' activities and projects are part of a dynamic of transition towards a green economy.

• Economic reconciliation with Indigenous peoples is a priority for CED. CED supports the <u>Inuit Nunangat Policy</u> and contributes to the implementation of the United Nations Declaration on the Rights of Indigenous Peoples. CED also recognizes the existence of inequities and the specific realities of Inuit, First Nations and Métis peoples compared to the non-Indigenous population, thereby justifying the use of a distinct approach in implementing its interventions with regards to these peoples.

In 2018, the Agency made some of its programs more flexible for Indigenous clients to facilitate access to available funding and to intensify its interventions in their communities. The ultimate objective is to increase their participation in the Quebec economy, in connection with the implementation of the United Nations Declaration on the Rights of Indigenous Peoples.

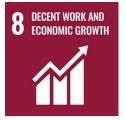
Furthermore, as the Inuit Nunangat Policy is implemented, CED's approach and the easing begun as part of its programming for the economic development of Quebec's Indigenous peoples will be adjusted to take into account the specific reality of the Inuit.

Finally, since 2022, CED has been jointly administering Initiative Verte du Québec with Indigenous Services Canada. The objective of this initiative is to support Indigenous peoples in Quebec to seize economic development opportunities related to the development of the green energy sector and to participate in Quebec's energy transition. The initiative will be in effect until March 31, 2024. In 2022–23, it supported 17 projects for a total of \$4.079 million in government contributions.

Please find more information on the FSDS public consultation and its results in the <u>FSDS consultation report</u>.

SECTION 4 Canada Economic Development for Quebec Regions' Commitments





GOAL 8: ENCOURAGE INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH IN CANADA

FSDS Context:

CED helps foster inclusive and sustainable economic growth by implementing programs and initiatives that support business development, regional innovation ecosystems, local economic development and the economic vitality of communities. CED's interventions have a positive impact on businesses, their growth rate and job creation. They also contribute to per capita GDP growth and community well-being.

As set out in its <u>Plan for Accelerating the Green Transition</u>, CED will step up its green investments through all of its grants and contributions programs to Quebec SMEs and communities to encourage them to go green. CED will focus on the capacity of SMEs to improve their environmental performance, adopt greener technologies and business practices, and develop cleaner technologies and solutions.

CED defines a "green investment" as any financial assistance to a project that, in addition to its impact on economic development, contributes significantly to reducing environmental impacts, limiting greenhouse gas emissions, minimizing environmental degradation or conserving resources.

These investments will focus on the transition to a greener economy by :

- Development, production or commercialization of a green product or service, including new clean/green technologies;
- Adopting (or adapting) a clean/green process or technology;

- Implementing environmentally responsible practices in communities; and
- Capacity building for business in terms of environmental transition.

All of CED's s grants and contributions programs and initiatives will contribute to achieving CED's SDG 8 target.

CED's three regular programs will contribute to achieving SDG 8 as follows:

- The <u>Regional Economic Growth through Innovation</u> (REGI) program aims to increase business productivity and expansion, particularly in the case of SMEs, especially those led by members of underrepresented groups. It is also intended to support the development of regional innovation ecosystems, including regional industrial, economic and technology clusters.
- <u>Quebec Economic Development Program</u> (QEDP) backs the economic development and diversification of communities in order to support the prosperity of Quebec's economy and create good jobs for the middle class. Diversification is a prerequisite for the growth, innovation and resilience of regional economies, particularly those that depend on a single sector.
- The <u>Community Futures Program</u> (CFP) supports local economic development and strengthens the capacity of communities to develop their full potential in a sustainable manner.

The following one-off and targeted initiatives will also contribute to achieving SDG 8 for part of the period from 2023 to 2027.

- <u>Major Festivals and Events Support Initiative</u> (MFESI): Through MFESI national initiative –, CED ensure that major festivals and events in Quebec continue operations so that they can generate economic tourism benefits for their communities. The MFESI ends March 31, 2024.
- <u>Tourism Relief Fund Quebec</u> (TRF): Through TRF national initiative –, CED supports tourism businesses and organizations to adapt their operations to meet public health requirements while investing in products and services to facilitate their future growth. The tourism sector has been among the hardest hit by the COVID-19 pandemic, notably because public health measures and restrictions on movement and travel. By helping to strengthen this sector, CED fosters inclusive economic growth. The TRF ends March 31, 2024.

- Jobs and Growth Fund (JGF): Through JGF national initiative –, CED will continue its financial support for projects by SMEs and organizations that support the transition to a green economy and an inclusive recovery, while supporting business competitiveness and job creation. The JGF ends March 31, 2024.
- <u>Aerospace Regional Recovery Initiative</u> (ARRI): Through the ARRI national initiative –, CED fund projects by businesses and the organizations that support them to adopt clean technologies and green their operations, while encouraging product innovation, commercialization and export. The ARRI ends March 31, 2024.
- <u>Canada Community Revitalization Fund</u> (CCRF): Through the CCRF national initiative –, CED intervenes to
 mitigate the asymmetric impacts of the COVID-19 pandemic in all Quebec regions and communities to help
 them carry out community facility projects and improve public spaces. The initiative aims to build strong and
 inclusive communities by engaging with underrepresented groups, including women, youth, Indigenous
 peoples, Black communities, racialized communities, persons with disabilities, LGBTQ2 communities, members
 of official language minority communities and newcomers to Canada, as well as immigrants. The CCRF ends
 March 31, 2024.
- <u>Initiative for Infrastructure Development</u> (IID): This initiative aims to support the construction, modernization or expansion of tourism, transport and research infrastructure projects to improve regional attractiveness and tourism. The initiative ends March 31, 2024.
- <u>Black Entrepreneurship Program</u> (BEP): This national four-year initiative, announced in September 2020, supports Black community-led organizations to develop new or expand existing services, such as mentoring, networking, financial planning and business training to Black community entrepreneurs. This program ends March 31, 2025.
- <u>Hurricane Fiona Recovery Fund</u> (HFRF): This fund supports local communities and businesses affected by the hurricane in Quebec and contributes to recovery efforts. It is implemented by two regional economic development agencies: Canada Economic Development for the regions of Quebec (CED) and the Atlantic Canada Opportunities Agency (ACOA). This fund is a temporary measure that ends March 31, 2024.
- <u>Regional Quantum Initiative</u> (RQI): This national initiative aims to help SMEs and NPOs adopt, develop and commercialize quantum technologies and products based on these technologies, thereby strengthening Canada's global leadership in the quantum sector. The RQI ends March 31, 2028.

• <u>Economic Development Initiative – Official Languages</u> (EDI): Since 2008, CED has been delivering this national initiative, which supports the economic development of official language minority communities (OLMCs) in Quebec.

Implementation strategies supporting the goal

This section is for implementation strategies that support the goal 'Encourage inclusive and sustainable economic growth in Canada' but not a specific FSDS target

| IMPLEMENTATION STRATEGY | DEPARTMENTAL ACTION | PERFORMANCE INDICATOR STARTING POINT TARGET | HOW THE DEPARTMENTAL ACTION CONTRIBUTES TO THE GOAL AND TARGET AND, WHERE APPLICABLE, TO CANADA'S 2030 AGENDA NATIONAL STRATEGY AND SDGS |
|--|--|---|--|
| Supporting workers, businesses and communities | CED continues to support businesses and communities in their transition to a greener and more inclusive economy through all of its grants and contributions programs and initiatives. Programs: - Regional innovation - Community vitality - Temporary or targeted support | Performance indicator: Green investments² (annual expenditures) Starting point: An average of \$43M was invested annually in clean technology projects between 2017 and 2023.³ Target: \$50 million in green investments by 2025–26 (annual expenditures) | CED helps achieve this goal by delivering programs and initiatives that promote business development, regional innovation ecosystems, local economic development, sustainable tourism development and the economic vitality of communities. They have a positive impact on businesses, their growth rate, job creation and per capita GDP growth. Relevant targets or ambitions: <i>CIF ambition/target:</i> Ambition: Canadians have access to quality jobs. Ambition: Canadians contribute to and benefit from sustainable economic growth. <i>GIF targets:</i> Target 8.1: Sustain per capita economic growth in accordance with national |

² Any financial assistance to a project that, in addition to its impact on economic development, contributes significantly to reducing environmental impacts, limiting greenhouse gas emissions, minimizing environmental degradation or conserving resources.

³ The last two editions of CED's DSDS (2017–2020 and 2020–2023) set out our commitment to invest \$25M per year in support of clean technology projects. CED invested an average of \$43M annually between 2017 and 2023 in support of these projects. As part of this DSDS, CED commits to investing \$50 million annually for projects supporting the green transition (including support for clean technologies) by 2025–2026 in accordance with the Accelerating the Green Transition action plan.

| IMPLEMENTATION STRATEGY | DEPARTMENTAL ACTION | PERFORMANCE INDICATOR STARTING POINT TARGET | HOW THE DEPARTMENTAL ACTION CONTRIBUTES TO THE GOAL AND TARGET AND, WHERE APPLICABLE, TO CANADA'S 2030 AGENDA NATIONAL STRATEGY AND SDGS |
|-------------------------|---------------------|---|--|
| | | | circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries. |
| | | | Target 8.2: Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value-added and labour-intensive sectors. |
| | | | Target 8.3: Promote development- oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services. |
| | | | Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. |
| | | | Target 8.9: By 2030, develop and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products. |



GOAL 9: FOSTER INNOVATION AND GREEN INFRASTRUCTURE IN CANADA

Initiatives advancing Canada's 2030 Agenda and SDG 9 – Industry, Innovation and Infrastructure

The following initiatives show how CED's programming supports the 2030 Agenda and SDG 9.

| PLANNED INITIATIVES | NATIONAL TARGETS OR AMBITIONS AND/OR ASSOCIATED GLOBAL TARGETS |
|--|---|
| <u>Regional Economic Growth through Innovation</u> (REGI) including the following one-off initiatives: <u>Initiative for Infrastructure Development</u> (IID) – Research stream <u>Regional Quantum Initiative</u> (RQI) (Please refer to the descriptions of these initiatives under Goal 8) | National ambitions (CIF): Canada fosters sustainable research and innovation; Canadians have access to modern and sustainable infrastructure. Global target (GIF): Target 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities. |



GOAL 10: ADVANCE RECONCILIATION WITH INDIGENOUS PEOPLES AND TAKE ACTION ON INEQUALITY

FSDS Context:

The Government of Canada, through the FSDS, aims to advance reconciliation with Indigenous peoples and take action to reduce inequality by directly supporting target 10.2 of the global SDG indicator framework: "By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status."

CED contributes to this objective by implementing programs and initiatives that help reduce inequalities and disparities in economic opportunities in all regions of Quebec. CED will therefore continue to foster more inclusive economic growth by supporting entrepreneurs from various underrepresented groups. The details are illustrated in the table outlining initiatives and actions advancing Canada's 2030 Agenda and SDG 10.

In support of this objective, CED is committed to paying particular attention to the needs of Indigenous communities by adapting its intervention to the specific realities of Inuit, Métis and First Nations. CED will thus ensure the growing participation of Indigenous peoples in Quebec's economy as required by the *United Nations Declaration on the Rights of Indigenous Peoples Act*. In addition, as the Inuit Nunangat Policy is rolled out nationally, CED will adjust its response to Inuit, whose needs and realities may differ from those of other communities.

Moreover, as part of its mandate, CED will remain attentive to the vulnerabilities and needs of SMEs and communities that differ from one region and one sector to another.

CED has made equity, diversity and inclusion (EDI) an in-house priority in its human resources management practices and programs. A concrete example of this commitment is the development of a new talent management program by and for employees from various backgrounds representing Canada's diversity. By including the employees that the program aims to support from the design stage and by listening to specific needs and experiences, CED wants to offer employees support that will meet their real professional needs.

To ensure an inclusive workplace, CED is aware that EDI must be part of the organization's culture and understood by all its employees. To achieve this goal, CED has made sure to include EDI training not only in the learning roadmaps for managers but for all CED employees. This includes training on topics such as inclusion, workplace diversity, cultural bias and prejudice.

Target theme: Advancing reconciliation with First Nations, Inuit and Métis communities

Target: Between 2023 and 2026, and every year on an ongoing basis, develop and table annual progress reports on implementing the United Nations Declaration on the Rights of Indigenous Peoples Act (Minister of Justice and Attorney General of Canada)

| IMPLEMENTATION STRATEGY | DEPARTMENTAL ACTION | PERFORMANCE INDICATOR STARTING POINT TARGET | HOW THE DEPARTMENTAL ACTION CONTRIBUTES TO THE FSDS GOAL AND TARGET AND, WHERE APPLICABLE, TO CANADA'S 2030 AGENDA NATIONAL STRATEGY AND SDGS |
|---|---|--|---|
| Implement the United Nations Declaration on the Rights of Indigenous Peoples Act | Under the <u>Directive on the Management of</u> Procurement, which came into force on May 13, 2021, CED must ensure that it awards at least 5% of the total value of contracts to Indigenous businesses. Program: Internal Services | Performance indicator: Proportion of contract value allocated to Indigenous businesses Starting point: 3% in 2022–2023⁴ Target: At least 5% per year from 2023–24 | CED is advancing economic reconciliation with Indigenous peoples and reducing inequalities by increasing opportunities for First Nations, Inuit and Métis businesses through its procurement processes. Relevant targets or ambitions: <i>CIF ambition/target:</i> Canadians live free of discrimination and inequalities are reduced. GIF target: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. |

⁴ CED has reached the 3% target it had set for 2022-2023 with regard to contract value allocated to Indigenous businesses.

| IMPLEMENTATION STRATEGY | DEPARTMENTAL ACTION | PERFORMANCE INDICATOR STARTING POINT TARGET | HOW THE DEPARTMENTAL ACTION CONTRIBUTES TO THE FSDS GOAL AND TARGET AND, WHERE APPLICABLE, TO CANADA'S 2030 AGENDA NATIONAL STRATEGY AND SDGS |
|-------------------------|--|---|--|
| | Include mandatory training on Indigenous cultural bias in the learning roadmap of all CED employees and managers. Program: Internal Services | Performance indicator: Percentage of CED employees (for at least 12 months) who have completed training on Indigenous cultural bias Starting point: 15% in 2022–23 Target: 100% as of March 31, 2025 | CED employees play a role in reconciliation with Indigenous peoples, whether in carrying out their duties with CED's Indigenous clients or in the workplace they share with their Indigenous colleagues. Awareness of cultural bias allows employees to have a clearer view and judgment and removes potential barriers to positive relationships. Relevant targets or ambitions: <i>CIF ambition/target:</i> Canadians live free of discrimination and inequalities are reduced. <i>GIF target:</i> Target 10.3: Ensure equal opportunity and reduce inequalities of outcomes, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard. |

Initiatives advancing Canada's 2030 Agenda and SDG 10 – Reduced Inequalities

The following table shows how CED initiatives and programs support the 2030 Agenda and SDG 10 and complements the information presented above. The following programs help reduce inequalities and disparities in economic opportunities in Quebec regions.

| PLANNED INITIATIVES | NATIONAL TARGETS OR AMBITIONS AND/OR ASSOCIATED GLOBAL TARGETS |
|---|---|
| CED is contributing to the United Nations Declaration on the Rights of Indigenous Peoples Act Action Plan 2023–2028 (UNDA) by implementing the following measures: CED continues to apply flexibility introduced to programs and initiatives for Indigenous clients; CED is continuing to review its interventions with regard to Indigenous clients and is adjusting its approach to their distinct needs; CED is implementing the Inuit Nunangat Policy in the Agency's practices. CED will report on the progress of these measures on an annual basis through Justice Canada's proposed departmental feedback template, the content of which will be incorporated into the annual progress report on the implementation of the UNDA. <u>Black Entrepreneurship Program – Ecosystem Fund</u> (BEP) (Please refer to the description of this initiative under Goal 8) <u>Economic Development Initiative – Official Languages</u> (EDI) | National Ambition (CIF): Canadians live free of discrimination and inequalities are reduced. Global Target (GIF): Target 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. |
| (Please refer to the description of this initiative under Goal 8) Diversity and inclusion are among the implementation priorities of Budget 2021's five economic recovery initiatives. The Jobs and Growth Fund (JGF) The Aerospace Regional Recovery Initiative (ARRI) The Tourism Relief Fund – Quebec (TRF): Under the TRF, a budget allowance was made for Indigenous tourism; The Major Festivals and Events Support Initiative (MFESI) The Canada Community Revitalization Fund (CCRF) CED will continue to implement initiatives that end on March 31, 2024. | |

| PLANNED INITIATIVES | NATIONAL TARGETS OR AMBITIONS AND/OR ASSOCIATED GLOBAL TARGETS |
|--|--|
| (Please refer to the description of this initiatives under Goal 8) | |
| CED will continue joint administration of Initiative Verte du Québec with Indigenous Services Canada. The objective of this initiative is to help Indigenous peoples in Quebec to seize economic development opportunities related to the development of the green energy sector and to participate in Quebec's energy transition. | |
| CED will continue to implement the EDI approach launched in fall 2022 in all its programs and initiatives: | |
| Since November 2022, all CED clients have had to declare their organizational EDI practices. Specifically, clients should indicate whether they have integrated EDI components into their business model and whether they intend to pursue or begin steps to do so. CED has also provided its clients with <u>tools</u> to raise awareness and encourage the adoption of EDI practices from a growth and organizational resilience perspective. | |
| In relation to <u>CED's statement of intent</u> in terms of GBS Plus, CED will continue the collective commitment to integrate gender and diversity considerations in the pursuit of the Agency's mandate. | |
| CED is committed to integrating and supporting the implementation of Gender-based Analysis Plus (GBA Plus) across the organization to ensure that the principles of diversity and gender equality are an integral part of policy development and program design and evaluation, internal practices and client services. | |
| CED's mission is to promote the long-term economic development of Quebec regions by "giving special attention to those where slow economic growth is prevalent or opportunities for productive employment are inadequate." To identify these regions, the Agency has developed an Economic Development Index (EDI) that allows it to compare the economic growth potential of Quebec's 104 regional county municipalities (RCMs). | |
| According to this index, a region's economic development is based on its advantages and ability to exploit them. A region with few advantages or difficulties in exploiting them will have low potential for economic growth. This index enables CED to adapt its interventions based on the needs of different regions and their specific opportunities and to propose making its usual parameters more flexible. | |



GOAL 11: IMPROVE ACCESS TO AFFORDABLE HOUSING, CLEAN AIR, TRANSPORTATION, PARKS, AND GREEN SPACES, AS WELL AS CULTURAL HERITAGE IN CANADA

Initiatives advancing Canada's 2030 Agenda and SDG 11 – Sustainable cities and communities

The following table shows how CED's initiative supports the 2030 Agenda and SDG 11.

| PLANNED INITIATIVE | NATIONAL TARGETS OR AMBITIONS AND/OR ASSOCIATED GLOBAL TARGETS |
|---|--|
| <u>Canada Community Revitalization Fund – Quebec</u> (CCRF – Quebec), implemented through the QEDP. | <i>National Ambition (CIF):</i> Canadians live in healthy, accessible, and sustainable cities and communities. |
| (Please refer to the description of this initiative under Goal 8) | <i>Global Target (GIF):</i> Target 11.7: By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities. |

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

GOAL 12: REDUCE WASTE AND TRANSITION TO ZERO-EMISSION VEHICLES

FSDS Context:

Although waste management is the responsibility of Brookfield Global Integrated Solutions (BGIS) and Public Services and Procurement Canada (PSPC), CED participates in its partners' efforts. With respect to fleet management, CED's sustainable management context is influenced by the Greening Government Strategy, the FSDS and PSPC's procurement principles, which incorporate environmental considerations into the development of common-use procurement instruments, particularly those enabling the adoption of zero-emission vehicles (ZEVs) across government fleets, including CED. In order to deliver concrete results, CED has put in place an internal directive on fleet management, which incorporates the objectives of government strategies and policies.

Target theme: Federal Leadership on Responsible Consumption

Target: The Government of Canada's procurement of goods and services will be net-zero emissions by 2050, to aid the transition to a net-zero, circular economy (All Ministers)

| IMPLEMENTATION STRATEGIES | DEPARTMENTAL ACTIONS | PERFORMANCE INDICATORS STARTING POINTS TARGETS | HOW THE DEPARTMENTAL ACTION CONTRIBUTES TO THE FSDS GOAL AND TARGET AND, WHERE APPLICABLE, TO CANADA'S 2030 AGENDA NATIONAL STRATEGY AND SDGS |
|--|--|---|--|
| Transform the federal light-duty fleet | In line with the Greening Government Strategy, ensure that all new fleet vehicle purchases are zero-emission or hybrid. Program: Internal Services | Performance indicator: Percentage of zero-emission or hybrid vehicles in the fleet Starting point: 5% in 2022–23 Target: 20% by March 31, 2024, and 35% by March 31, 2027 | CED plays a role in achieving federal net- zero targets. Since fleet management is centralized in administrative services, CED is able to establish a fleet transformation strategy and ensure that new purchases follow that strategy. Relevant targets or ambitions: <i>CIF Ambition:</i> Canadians consume in a sustainable manner. <i>CIF target:</i> Target 12.1: Zero-emission vehicles represent 10% of new light-duty vehicle sales by 2025, 30% by 2030 and 100% by 2040. |

| IMPLEMENTATION STRATEGIES | DEPARTMENTAL ACTIONS | PERFORMANCE INDICATORS STARTING POINTS TARGETS | HOW THE DEPARTMENTAL ACTION CONTRIBUTES TO THE FSDS GOAL AND TARGET AND, WHERE APPLICABLE, TO CANADA'S 2030 AGENDA NATIONAL STRATEGY AND SDGS |
|---------------------------------------|--|--|--|
| Strengthen green procurement criteria | Incorporate environmental considerations into procurement management processes and controls, specifically by optimizing the use of Public Services and Procurement Canada (PSPC) procurement instruments and ensuring that bids submitted through competitive tendering processes comply | Performance indicator: Proportion of contracts issued for the acquisition of professional goods and services using PSPC standing offers Starting point: 60% in 2022–23 | Green procurement incorporates environmental considerations into purchasing decisions and is expected to motivate suppliers to adopt environmental protection activities or management practices. |
| | with the Policy on Green Procurement and are submitted electronically, whenever possible. | Target: 100% each year ⁵ Performance indicator: Percentage of tenders submitted in | Relevant targets or ambitions: <i>CIF Ambition:</i> Canadians consume in a sustainable manner. |
| | Program: Internal Services | electronic format for contracts and through public procurement. Starting point: 100% in 2022–23 | <i>CIF indicator:</i> Indicator 12.2.1: Proportion of businesses that adopted selected environmental protection activities and management practices |
| | Ensure that all employees on the procurement team have completed training on green procurement. Program: Internal Services | Target: 100% each year Performance indicator: Percentage of procurement team employees who have completed the Canada School of Public Service Green Procurement course. | practices. <i>GIF target:</i> Target 12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities. |
| | | Starting point: 100% in 2022–23 Target: 100% each year | |

⁵ PSPC standing offers (SOs) are used differently based on the nature of the procurement requirements. CED routinely uses mandatory and non-mandatory SOs, wherever possible, to obtain best value and ensure the timeliness and cost effectiveness of each contract. Our target includes only purchases that can be made using SOs wherever possible.



GOAL 13: TAKE ACTION ON CLIMATE CHANGE AND ITS IMPACTS

FSDS Context:

The real property work context is shared between departments and the facilities management service provider, BGIS and PSPC. CED is responsible for the real property aspects within its facilities. Although efforts to reduce waste or GHG emissions are directed by the owners, CED is committed to promoting the implementation of waste/consumption reduction and reuse strategies.

With respect to fleet management, CED's sustainable management context is influenced by the Greening Government Strategy, the FSDS and PSPC's procurement principles, which incorporate environmental considerations into the development of common-use procurement instruments, particularly those enabling the adoption of zero-emission vehicles (ZEVs) across government of Canada fleets, including CED. In order to deliver concrete results, CED has put in place an internal directive on fleet management, which incorporates the objectives of government strategies and policies. Target theme: Federal Leadership on Greenhouse Gas Emissions Reductions and Climate Resilience

Target: The Government of Canada will transition to net-zero carbon operations for facilities and conventional fleets by 2050 (all Ministers)

| IMPLEMENTATION STRATEGY | DEPARTMENTAL ACTION | PERFORMANCE INDICATOR STARTING POINT TARGET | HOW THE DEPARTMENTAL ACTION CONTRIBUTES TO THE FSDS GOAL AND TARGET AND, WHERE APPLICABLE, TO CANADA'S 2030 AGENDA NATIONAL STRATEGY AND SDGS |
|---|--|---|--|
| Implement the Greening Government Strategy through measures that reduce greenhouse gas emissions, improve climate resilience, and green the government's overall operations | In line with the Greening Government Strategy, ensure that every new vehicle in the fleet is zero emission or hybrid. Program: Internal Services | Performance indicator: Percentage reduction of GHG emissions produced by the motor vehicle fleet Starting point: 22.2 tonnes in 2022–23 Target: 15% reduction in GHG fleet emissions between fiscal years 2022–23 and 2026–27 | CED plays a role in achieving federal net- zero emissions targets, and the fleet directly affects our greenhouse gas emissions. Since fleet management is centralized in administrative services, CED is able to establish a fleet transformation strategy that reduces GHG emissions. Relevant goals or ambitions: <i>CIF ambition:</i> Canadians reduce their greenhouse gas emissions. <i>CIF target:</i> Target 13.1: By 2030, reduce Canada's total greenhouse gas emissions by 40 to 45%, relative to 2005 emission levels. By 2050, achieve economy-wide net-zero greenhouse gas emissions. <i>GIF target:</i> Target 13.2: Integrate climate change measures into national policies, strategies and planning. |

SECTION 5 Integrating Sustainable Development

CED subscribes to the basic principle of the *Federal Sustainable Development Act* (FSDA), wherein it states that "sustainable development is based on an ecologically efficient use of natural, social and economic resources and acknowledges the need for the Government of Canada to integrate environmental, economic and social factors in the making of all decisions by government." This principle is incorporated into the work of the following CED committees and sectors:

Executive Committee

The Executive Committee is chaired by the Deputy Minister/ President of CED. It is responsible for collectively managing all CED activities and advising the Deputy Minister on management issues and directions.

Policy and Communications sector

Policy, Economic Intelligence and Results Branch:

• In co-operation with the other CED directorates, assists with the drafting of the DSDS and associated reporting;



- Incorporates DSDS commitments into policies and programs, particularly in terms of departmental results;
- Incorporates, from the outset, a systematic strategic environmental assessment process when designing its programs, policies, initiatives and strategies;
- Develops tools related to specific DSDS commitments;
- Ensures interdepartmental liaison with active FSDS stakeholders by participating in Assistant Deputy Minister and Director General committee meetings;
- Contributes to reporting on DSDS goals in the appropriate departmental reports;
- Maintains a GBA Plus expertise centre.

Communications Directorate:

- Provides CED personnel with all relevant information pertaining to sustainable development and associated activities, in addition to informing them about actions taken to green government operations;
- Posts all information concerning the FSDS and the various versions of CED's DSDS and associated reports on the Agency's website.

Operations sector

Responsible for implementing CED's programs, the Operations sector has a network of business offices throughout Quebec and contributes to the implementation of the DSDS. Specifically, it:

- Assumes responsibility for the achievement of the targets associated with the "Encourage inclusive and sustainable economic growth in Canada" goal in the 2020–23 DSDS;
- Develops, supports and follows up on business projects that contribute to sustainable development by taking into account the realities of their territories;
- Drafts regional strategies that take the action plan to accelerate the green transition into account;

- Invites all businesses and NPOs submitting an application to show the extent to which the project's activities or, more generally, their normal activities or business strategies are part of a dynamic transition to a green and inclusive economy through an environmental grid and an EDI grid;
- In the case of all projects funded by CED, determines whether they are subject to the requirements of the *Impact Assessment Act* (IAA);
- Identifies the projects that contribute to the FSDS (environmental and inclusion and diversity commitments) in its grant and contribution management system, specifically in order to facilitate performance measurement and the achievement of CED targets.

Corporate Services sector

The Corporate Services sector contributes to the implementation of the DSDS by:

- In co-operation with other CED directorates, assists with the drafting of the DSDS and associated reporting;
- Is responsible for meeting specific targets, including through those that contribute to greening government, reconciliation with Indigenous peoples and reducing inequalities;
- Incorporates a review of GBA Plus and sustainable development components in CED program evaluations.

To support the greening of government, as well as the measures introduced in the DSDS, CED is taking daily actions by implementing various eco-responsible initiatives. To this end, nearly 50% of the boxes used for our mail-outs are from recovered parcels. The same applies to bubble wrap, which is reused from one package to another. A battery recycling program is in place, and we encourage our employees to bring their old batteries so that they do not end up in a landfill. Finally, we are completing a guide for holding eco-responsible events within CED.

Equity, diversity and inclusion are at the heart of CED's human resources management practices. CED's commitment to EDI is reflected, among other things, in its targeted staffing practices, in its new talent management program for employees from various diversity groups, including Indigenous employees. It is also reflected in the training provided

in CED's learning roadmaps, such as training on Indigenous cultural biases, intended for all employees, or on inclusive staffing, intended for managers.

Strategic Environmental Assessment

Whenever CED develops a new program or initiative, and is required to submit its proposal to Cabinet and seek implementation authority from Treasury Board, a strategic environmental assessment (SEA) is systematically carried out. CED conducted a strategic environmental assessment of the Quebec Economic Development Program and updated it in accordance with the *Impact Assessment Act* (IAA), which came into force in 2019 and replaces the *Canadian Environmental Assessment Act*, *2012* (CEAA). The assessment concluded that the program's implementation was not likely to generate significant environmental effects.

CED will continue to ensure that its decision-making process includes consideration of FSDS goals and targets through the SEA process. An SEA for a policy, plan or program proposal includes an analysis of the impacts of the given proposal on the environment, including on relevant FSDS goals and targets. In accordance with the <u>Cabinet Directive on the Environmental Assessment of Policy</u>, Plan and Program Proposals, the Agency draws up a public statement concerning environmental impact after a strategic environmental assessment or a preliminary scan has been conducted. Public statements on the results of CED's assessments are made public when an initiative that has undergone a detailed SEA (see <u>here</u>). The purpose of the public statement is to demonstrate that the environmental effects, including the impacts on achieving the FSDS goals and targets, of the approved policy, plan or program have been considered during proposal development and decision-making.

To comply with the CEAA, CED has put in place internal tools and a process for analyzing the projects to be funded in order to conduct a preliminary assessment of their impact on the environment and Indigenous rights. CED carries out these activities in partnership with Public Services and Procurement Canada. For each project, the process identifies whether an environmental assessment is required. If so, CED ensures that it complies with the CEAA (signage, environmental study, etc.) and that it follows up, with the developer, on applicable mitigation measures.