

Audit of Land Management

Internal Audit Report

Prepared by: Audit and Assurance Services Branch

January 2024



Indigenous Services
Canada

Services aux
Autochtones Canada

Canada

Table of Contents

ACRONYMS	II
EXECUTIVE SUMMARY	III
1. CONTEXT	1
1.1 <i>Land Management</i>	1
1.2 <i>Reserve Land and Environment Management Program</i>	1
1.3 <i>First Nations Land Management</i>	2
1.4 <i>Land Use Planning Initiative</i>	3
1.5 <i>Roles and Responsibilities</i>	3
2. ABOUT THE AUDIT	6
2.1 <i>Why It Is Important</i>	6
2.2 <i>Audit Objective</i>	6
2.3 <i>Audit Scope</i>	6
2.4 <i>Audit Approach and Methodology</i>	6
3. KEY FINDINGS AND RECOMMENDATIONS	7
3.1 <i>Reserve Lands and Environmental Management Program (RLEMP) Capacity Building</i>	7
3.2 <i>First Nations Land Management Capacity Building</i>	17
3.3 <i>Land Use Planning Initiative</i>	22
3.4 <i>Oversight and Risk Management Mechanisms for RLEMP, FNLM and LUPI</i>	27
4. CONCLUSION	31
5. MANAGEMENT ACTION PLAN	32
ANNEX A: AUDIT CRITERIA	38

Acronyms

CANDO	Council for the Advancement of Native Development Officers
CIRNAC	Crown-Indigenous Relations and Northern Affairs Canada
FA	Framework Agreement on First Nations Land Management
FNLM	First Nations Land Management
FAFNLMA	Framework Agreement on First Nation Land Management Act
FNLMRC	First Nations Land Management Resource Centre
HQ	Headquarters
ILRS	Indian Lands Registry System
ISC	Indigenous Services Canada
LAB	Lands Advisory Board
LEMB	Lands and Environmental Management Branch
LMM	Land Management Manual
LUP	Land Use Plan
LUPI	Land Use Planning Initiative
NALMA	National Aboriginal Land Managers Association
PLMCP	Professional Land Management Certification Program
RLA	Regional Lands Association
RLEMP	Reserve Land and Environment Management Program
TMPD	Training, Mentoring, and Professional Development Group

Executive Summary

Land management includes activities related to the planning, use, and development of reserve lands, environment, and resources for personal, community, and economic purposes. Effective land management provides a strong foundation for most activities on reserve, including programs in housing, infrastructure, environmental management, community health, education, economic development, and additions to reserve lands. Land management supports the three dimensions of sustainable development - economic, social, and environmental.

The objective of this audit was to provide assurance that Indigenous Services Canada (ISC) is supporting the establishment of processes to govern and support capacity building of First Nations which allows them to manage their own lands, should they wish to do so, and supporting First Nations that have assumed land management responsibilities. The audit also assessed how ISC is supporting First Nations in the land use planning process. The audit found that ISC collaborates with the National Aboriginal Land Managers Association (NALMA) and the First Nations Land Management Resource Centre (FNLMRC), along with the Lands Advisory Board (LAB), to support First Nations to take on greater control over their reserve lands, including providing essential capacity-building supports for First Nations. These partnerships, vital for the Reserves Land and Environmental Management Program (RLEMP) and the implementation of the Framework Agreement on First Nations Land Management are designed to be responsive and adaptable to the evolving needs of First Nations. They include mechanisms for feedback integration and the sharing of best practices and lessons learned.

Additionally, funding from ISC is provided to NALMA and FNLMRC to administer the Land Use Planning Initiative (LUPI), which offers First Nations under the *Indian Act* and those in the Framework Agreement (FA), resources for developing and implementing land use plans. The audit noted that oversight mechanisms are in place for ISC to monitor these capacity-building efforts and address any associated risks, ensuring a comprehensive and responsive approach to First Nations' land management.

Although the findings of the audit are generally positive, there are some opportunities for improvement as it relates to the sufficiency of funding, integration of Land Use Plans, and oversight. Therefore, the following recommendations have been made:

1. The Assistant Deputy Minister of Lands and Economic Development should conduct a comprehensive review of RLEMP funding, with a focus on the alignment of the RLEMP funding formula with the evolving funding requirements, including the cost to retain Certified Land Managers and maintain Land Offices, as well as the sufficiency of the overall funding level to allow First Nations to access this program.
2. The Assistant Deputy Minister of Lands and Economic Development should ensure there are effective mechanisms for RLEMP First Nations to have access to updated ISC policies, procedures, and guidance relevant to land management.

3. The Assistant Deputy Minister of Lands and Economic Development should ensure the development and regular updating of Land Use Plans (LUPs), in partnership with Indigenous communities, to keep them relevant and effective. Additionally, the Assistant Deputy Minister should collaborate with departmental stakeholders to raise awareness and understanding of First Nations LUPs. This collaboration should aim to verify and align LUPs with ISC's land management services and funding decisions for projects, improving the integration of LUPs into decision-making processes.
4. The Assistant Deputy Minister of Lands and Economic Development, in collaboration with the Senior Assistant Deputy Minister, Associate Assistant Deputy Minister and Regional Directors General of the Regional Operations Sector, should identify and address any barriers that prevent ISC regions from conducting the monitoring and reporting activities required of RLEMP, or that may prevent First Nations from providing activity reports to ISC regions. In the assessment to identify these barriers, it is important to consider whether the information collected from First Nations is valuable and utilized by the Department to support decision-making. Additionally, it should be evaluated whether the monitoring and reporting activities for RLEMP should be modified to better suit the needs of the program and senior management.

Statement of Conformance

The audit conforms with the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing and the Government of Canada's *Policy on Internal Audit*, as supported by the results of the Quality Assurance and Improvement Program.

Management's Response

Management is in agreement with the findings, has accepted the recommendations included in the report, and has developed a management action plan to address them. The management action plan has been integrated into this report.

1. Context

1.1 Land Management

Land management includes activities related to the planning, use, and development of reserve lands, environment, and resources for personal, community, and economic purposes. Reserve land can be managed according to the *Indian Act* and associated regulations; the Framework Agreement on First Nations Land Management (given legal effect by the *Framework Agreement on First Nation Land Management Act (FAFNLMA)*); and self-government legislation and agreements. Although First Nations have an inherent right and recognized interest in reserve land, the Minister of Indigenous Services Canada (ISC) must approve or grant most land transactions under the *Indian Act*.

The relationship between ISC and the over 630 First Nations in Canada is a crucial element in the ongoing journey towards reconciliation and the development of a strong nation-to-nation relationship. ISC directly administers reserve lands for over 400 First Nations under the *Indian Act*. Recognizing the importance of self-determination and to support First Nations who are interested in assuming greater responsibility over their lands, ISC supports the transition of land management services and responsibilities to First Nations through the Reserve Land and Environment Management Program (RLEMP), the First Nations Land Management (FNLM) Framework Agreement (FA).

1.2 Reserve Land and Environment Management Program

RLEMP provides funding to First Nations to offset the costs of managing land, natural resources, and the environment on reserve land under the *Indian Act*. RLEMP is structured into three progressive levels of land management responsibility by First Nations for their lands. Funding provided through RLEMP also increases as the First Nations take on greater land management responsibility. The funding allocated for each First Nation is based on a formula that considers factors such as volume of land transactions, population, and reserve area. The areas of RLEMP are:

- Training and Development;
- Operational; and
- Delegated Authority.

First Nations that wish to enter into the Training and Development level of RLEMP enter into a formal training program and have increased responsibility for basic land transactions, as well as environmental and natural resource management such as drafting land instruments and conducting environmental compliance-related activities. ISC Regions will continue to provide land management services to support the First Nation at the Training and Development level.

After completing the Training and Development level of RLEMP, or if a First Nation already possesses the required land management experience and expertise, RLEMP First Nations progress to the Operational level. To enter the operational phase of the program, First Nations must have a certified Land Manager on staff and administer their lands consistent with the

requirements of the *Indian Act*. The First Nation takes over responsibility for preparing land instruments, ensuring land appraisals are conducted as needed, entering transaction particulars into the Indian Lands Registry System (ILRS)¹, collecting rents, and enforcing other agreement requirements. Operational RLEMP First Nations are responsible for managing all components of land transactions up to the point of Ministerial approval. ISC Regions remain responsible for providing Ministerial approval for land transactions and providing technical support where required.

Under RLEMP, in 2022-2023, there were 10 First Nations in the Training and Development stage and 119 in the Operational stage. These First Nations received a range of funding from \$8,000 to \$475,000 for a total of \$12,275,000.

A third level of RLEMP exists called the Delegated Authority Level. At this level, First Nations perform all the operational level activities of RLEMP, as well as approving land transactions. There are 8 First Nations at the Delegated Authority level.

1.3 First Nations Land Management

Together, the Framework Agreement on First Nations Land Management (*FA*) and the *FAFNLMA* form FNLM. The *FA* is a government-to-government relationship through which First Nations develop and approve a land code that re-establishes their control over their lands, natural resources, and environment. The *FA* was signed in 1996 and was assented in 1999. Once the community-approved land code comes into effect, responsibility for land management is transferred to the First Nation. The First Nation takes on jurisdiction, opting out of 44 sections of the *Indian Act* related to land management and ISC no longer oversees the First Nation's land management activities.

Once a First Nation has joined FNLM by signing onto the *FA*, it progresses through two levels of funding:

- Developmental funding (\$164,500 over two years) for developing a land code, negotiating an individual agreement with the Crown, and holding a community ratification vote; and
- Operational funding (between \$283,313 to \$510,942 in 2022-23 based on a negotiated formula) for managing land, environment and natural resources.

There is also a transitional funding that is available as a top-up to operational funding for the first two years in which the First Nations are operational.

As of May 30, 2023, there were 204 signatories to the Framework Agreement, 103 FNLM First Nations were in the operational phase and 55 were active in the developmental phase. On average, since 2017, there have been 10 new entrants to FNLM every year.

¹ The ILRS records information concerning interests accepted for registration against reserve lands. The land register provides a list of transactions that affect a parcel of reserve land and the reserve as a whole, as well as the nature of the transaction and scope of the interest.

1.4 Land Use Planning Initiative

The Land Use Planning Initiative (LUPI) provides First Nations with project funding to develop a community approved land use plan. Land use planning identifies distinct areas within the overall reserve lands and documents the community's decisions about the acceptable use of these areas in the future. Land planning considers best use of available land, prevents incompatible land uses, and helps protect important conservation areas, cultural resources, and traditional grounds. When integrated with community, environment, and economic development planning, the implementation of land use plans can be an effective approach to mitigate against climate change impacts (including the building of climate resilient infrastructure), support source water protection, and contribute to the overall improvement in socio-economic conditions.

Program delivery and intake for the LUPI has been devolved to two service delivery partners (First Nations Land Management Resource Centre (FNLMRC) and National Aboriginal Land Managers Association (NALMA) who are responsible for administering funds received from ISC to First Nations through LUPI funding agreements. The LUPI received \$22.5M over 2018-2023 to support the initial development of land use plans (LUP). The LUPI has since been granted an additional \$47M over five years starting in 2023-24 to continue supporting the development of new LUPs as well as support the implementation of LUPs.

1.5 Roles and Responsibilities

This section provides a high-level overview of the roles and responsibilities of key stakeholder groups involved in the delivery of RLEMP, FNLM, and LUPI. Additional detail is provided in Section 3 – Key Findings and Recommendations.

ISC Headquarters – Lands and Environmental Management Branch

The Community Lands Development (CLD) Directorate, within the Lands and Environmental Management Branch (LEMB) of the Lands and Economic Development Sector, provides oversight of RLEMP, FNLM, and the LUPI. This includes:

- Defining annual priorities, strategic outcomes, and related performance measurement strategies;
- Liaising with regions and Indigenous partners to identify and address emerging issues and developing options for continuous program improvement;
- Analyzing national funding needs and setting regional budgets;
- Managing the funding agreements in place with Indigenous service delivery partners who support capacity building for First Nations through RLEMP, FNLM, and LUPI;
- Negotiating the FNLM operational funding formula amounts every five years;
- Providing oversight of the RLEMP Compliance Framework; and
- Providing policy advice and direction to the regions regarding the implementation of Canada's commitments under the *FA*.

The Lands Administration and Additions to Reserve Directorate, within LEMB, provides oversight of lands administration activities. This includes:

- Co-developing policies, procedures, and tools with Indigenous partners to support the implementation of *Indian Act* provisions;
- Managing technology systems, including the ILRS, the First Nation Land Registry System (for FNLM First Nations), the Integrated Environmental Management System, and the National Additions to Reserve Tracking System; and
- Managing and overseeing the Additions to Reserve process.

Regional Operations Sector

The Regional Operations sector is responsible for delivering ISC programming and services within seven regions across Canada: British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, and Atlantic. The Regional Directors of Lands and Economic Development work with the Lands and Economic Development Sector to deliver land and economic development programs within their respective regions. This includes the provision of land management services (e.g., administration of leases, permits, and other interests) to First Nations operating under the *Indian Act* (i.e., not for First Nations who operate under the *FAFNLMA*).

For RLEMP, the regions are responsible for:

- Managing the application intake process, including assessing a First Nation's capacity and readiness for entry into the program;
- Review and seek approval of land instruments developed by First Nations by the Minister of ISC;
- Managing the funding agreements with RLEMP First Nations, including completing annual reporting and monitoring activities against the RLEMP Compliance Framework; and
- Providing technical support to First Nations as required.

For FNLM, the regions are responsible for:

- Supporting outreach and awareness initiatives to First Nations who have not yet entered into FNLM;
- Conducting a review of incoming First Nations to indicate any potential issues related to governance, financial management, or litigation that could inhibit the First Nations' progress during the FNLM developmental phase;
- Working with First Nations in the developmental phase to develop an individual agreement, which outlines elements such as the environmental condition of the land, existing lands interests (e.g., permits and leases), and the description of the land which will be brought under land code; and
- Supporting the service delivery partners and Community Lands Development Directorate Headquarters (HQ) in the development and expansion of the initiative.

For LUPI, the regions are responsible for:

- Supporting the Indigenous service delivery partners as required and staying informed of program status; and

- Providing relevant information to First Nations developing a LUP such as extracting status reports from ILRS to identify all registered land instruments on reserve.

Despite a general responsibility for management of reserve lands, regions do not perform any LUP activities on behalf of First Nations as the process should be community-driven and led by the First Nation based on their specific needs and priorities.

Indigenous Service Delivery Partners

National Aboriginal Lands Managers Association

NALMA is an Indigenous-led organization composed of eight Regional Lands Associations (RLAs) (Ontario, Quebec, Atlantic, Manitoba, Saskatchewan, Alberta, British Columbia, and Nunavut) which represent 234 First Nations and Inuit communities. NALMA and the RLAs provide technical training and networking opportunities for land managers and First Nations. Technical specialists employed by NALMA are also available to support First Nations land managers.

For RLEMP, NALMA is responsible for delivering the Professional Land Management Certification Program (PLMCP), through entering into agreements with post-secondary institutions for the delivery of Level 1, and directly delivering the Level 2.

NALMA also administers a portion of the LUPI by reviewing applications and administering funding to First Nations operating under the *Indian Act* as well as providing relevant training and capacity development support.

Land Advisory Board (LAB)

To assist First Nations in managing their land outside of the *Indian Act*, the FA established the LAB and the FNLMRC.

The LAB is the representative body and voice for First Nations in FNLM through the FA. Among its roles, the LAB proposes legislative changes to the FA and federal legislation as directed by the signatory Councils, and advocates for and negotiates funding with the Government of Canada on behalf of the First Nations signatory communities. The LAB provides strategic direction to the FNLMRC.

First Nations Land Management Resource Centre

The FNLMRC provides training, technical support, and networking opportunities to First Nations at all stages of the FNLM.

FNLMRC also administers a portion of the LUPI by reviewing applications and administering funding to First Nations in FNLM as well as providing relevant training and capacity development support.

2. About the Audit

The Audit of Land Management (previously the Audit of Land, Natural Resources and Environmental Management) was included in Indigenous Services Canada's 2022-2023 to 2023-2024 Risk-Based Audit Plan.

2.1 Why It Is Important

Land is one of the most valuable assets for First Nations, both economically and culturally. The Reserve Land and Environment Management Program (RLEMP), First Nations Land Management (FNLM), and Land Use Planning Initiative (LUPI) are central to ISC's efforts in the transition of land management services and responsibilities to First Nations, supporting broader self-determination and sustainable development. These programs and initiatives provide capacity building, resources, and support for First Nations seeking greater involvement in land management activities or to opt out of the land administration provisions of the *Indian Act*.

2.2 Audit Objective

The audit objective was to provide assurance that ISC is supporting the establishment of processes to govern and support capacity building of First Nations which allows them to manage their own lands, should they wish to do so, and supporting First Nations that have assumed land management responsibilities. The audit also assessed how ISC is supporting First Nations in the land use planning process.

2.3 Audit Scope

The audit focused on processes related to supporting First Nations to take on land management responsibilities, including capacity development. The audit also examined the support provided by ISC to First Nations for land use planning.

The audit covered the period of FY 2017-18 to FY 2022-23.

Exclusions

The scope also excluded aspects assessed in the Evaluation of Land Management Sub-Programs (2023), including the achievement of intended outcomes related to the land management sub-programs, the continued need of the land management sub-programs, and overall efficiency of program delivery.

2.4 Audit Approach and Methodology

The audit was conducted in accordance with the requirements of the Treasury Board *Policy on Internal Audit* and followed the Institute of Internal Auditors International Professional Practices Framework. The audit examined sufficient, relevant evidence and obtained sufficient information to provide a reasonable level of assurance in support of the audit conclusion.

The audit fieldwork was performed from November 2022 to July 2023 and consisted of three phases: planning, conduct and reporting.

The main audit techniques used included:

- Interviews with key stakeholders from ISC Headquarters (HQ), Regions (Ontario, British Columbia, Alberta), National Aboriginal Land Managers Association (NALMA), and First Nations Land Management Resource Centre (FNLMRC);
- Review of relevant documentation, including training programs and resources, annual reporting, funding agreements, guidelines and operating procedures, process documentation, and meeting minutes; and
- Follow up requests/meetings to validate preliminary observations.

The approach used to address the audit objective included the development of audit criteria, against which findings and conclusions were drawn. The audit criteria can be found in Annex A.

3. Key Findings and Recommendations

3.1 Reserve Lands and Environmental Management Program (RLEMP) Capacity Building

Background

RLEMP provides ongoing funding under the *Indian Act* for First Nations to hire and train a certified Land Manager and establish a lands office. These offices undertake land transactions and various land management responsibilities. Indigenous Services Canada (ISC) oversees RLEMP, managing agreements and regional support. National Aboriginal Land Managers Association (NALMA), as a service partner, offers training and certification through the Professional Land Management Certification Program (PLMCP), including ongoing land management support.

The audit expected RLEMP's resources and tools to align with First Nations' needs, demonstrating adaptability and responsiveness. It also anticipated effective documentation and sharing of best practices and leveraging partnerships.

Risk

The risk identified is the potential misalignment of RLEMP with First Nations' needs, leading to gaps in land management knowledge. Additionally, unutilized partnerships and unshared best practices could limit program effectiveness.

Finding

Through RLEMP, NALMA and ISC deliver funding, programs, resources, training, and other supports for First Nations to support land management capacity building efforts. ISC has leveraged partnerships with Indigenous-led organizations (i.e., NALMA,) and Canadian

universities to enhance the capacity building process. ISC Regions also provide land administration training and support to First Nations in undertaking land transactions under the *Indian Act*. These capacity building supports demonstrate adaptability and responsiveness to the evolving needs and priorities of First Nations through the use of both NALMA and ISC mechanisms to collect and implement feedback received from First Nations. It was also found that both formal and informal processes are in place to document best practices and lessons learned from land management capacity building initiatives, which is made available to interested First Nations. However, despite existing capacity building supports through RLEMP, many RLEMP First Nations may not be adequately funded to retain land management capacity, and updates made to ISC policies, procedures, and guidance used to operate under the *Indian Act* are not always effectively communicated to RLEMP First Nations.

Partnerships

With regards to the RLEMP capacity building process, ISC's primary partner is NALMA, who is responsible for designing and delivering the PLMCP, which is discussed in greater detail below, as well as providing additional support, training and resources to all member First Nations undertaking land management. There are also currently four university partnerships leveraged to deliver the PLMCP. Through funding provided to NALMA, ISC supports Regional Lands Associations (RLAs) who provide additional training, workshops, and supports to First Nations for a more regionally specific set of activities (e.g., Saskatchewan – agricultural perspective, Atlantic – fisheries perspective). These partnerships enhance the land management capacity building process and are used to address challenges and opportunities faced by First Nation Land Managers.

Capacity Building Process

Through RLEMP, First Nations are supported in building land administration and management capacity to take on responsibility for their lands under the *Indian Act*. As previously discussed in Section 1.2, RLEMP is broken down into three levels: Training and Development, Operational, and Delegated Authority. Capacity building supports are available to First Nations under all three levels.

The Training and Development level of RLEMP is where much of the capacity building take place under the program through the training and certification of a Land Manager through the PLMCP. In the first year, First Nation Land Manager trainees complete training on broad fundamentals of land management delivered through virtual and in-person courses at four partner universities: Algoma University, University of Saskatchewan, Vancouver Island University, and the Université du Québec en Abitibi-Témiscamingue.

In the second year, First Nation Land Manager trainees receive technical training from NALMA on land management activities focused on the specific roles and responsibilities of a First Nation Land Manager operating under the *Indian Act*. This training is delivered through virtual and in-person courses, seminars, and lectures by NALMA on various dates and locations throughout the country. The second year includes training in the functional areas of:

1. Land Use Planning;
2. Lands Management under the *Indian Act*;
3. Natural Resources Management;
4. Environmental Management; and
5. Compliance Management.

NALMA undertakes grading of the PLMCP candidates as they progress through the modules of the PLMCP. Once both levels of training are complete, the trainee is eligible to receive their Land Manager Certification. Land Manager trainees who do not pass this testing are required to retake technical training in order to receive their Land Manager Certification.

ISC regions also support capacity building for First Nations at the RLEMP Training and Development level by providing some basic training and technical support on ISC land management policies and procedures and on using the Indian Lands Registry System (ILRS).

Once a First Nation has demonstrated they have a certified land manager and a lands office, they move to the Operational level of RLEMP and assume responsibility for land administration under the *Indian Act*. Operational First Nations work closely with ISC Regions as they develop greater experience with land administration. ISC Regions remain responsible for providing Ministerial approval for land transactions, as well as providing technical support and conducting audits of land transactions. With ISC funding, NALMA offers ongoing capacity building supports through technical training and facilitation of networking opportunities with First Nations Land Managers, including:

- Ongoing professional development training through courses and conferences developed by NALMA and the RLAs to address emerging, ongoing, and regional training topics;
- Opportunities for networking and mentoring with Land Managers working for First Nations (e.g., Council for the Advancement of Native Development Officers (CANDO) Links to Learning event – an annual technical training forum funded by ISC intended to build capacity and enhance the ability of First Nations Economic Development Officers and Land Managers);
- One-on-one training with NALMA trainers on key functional areas of land management;
- One-on-one training offered by some ISC Regional offices;
- Access to specialists at NALMA on land use planning, additions to reserve, surveying, and a variety of other land management functions; and
- Access to audit (assessment) of lands office operations by NALMA staff with recommendations for training, new equipment and other next steps.

Other than the one-on-one training with ISC Regional staff, the capacity building supports noted above are available for Land Managers from First Nations operating under the *Indian Act*, First Nations Land Management (FNLN), or self-government. NALMA also makes spaces available in its courses for ISC staff to attend.

Overall, a wide variety of land management capacity building supports are made available to First Nations through RLEMP, which are often designed based on the identified needs of First Nations in a specific region or for a specific land management function. The input of individual Land Managers and the RLAs is considered when developing training and conference/workshop

agendas. As a result, capacity building supports, and resources are structured to align with the need and priorities of First Nations who are interested in assuming responsibility for administering or managing their own lands. However, there remains a gap with regards to the sufficiency of RLEMP funding available to First Nations, which could have an impact on the capacity building process.

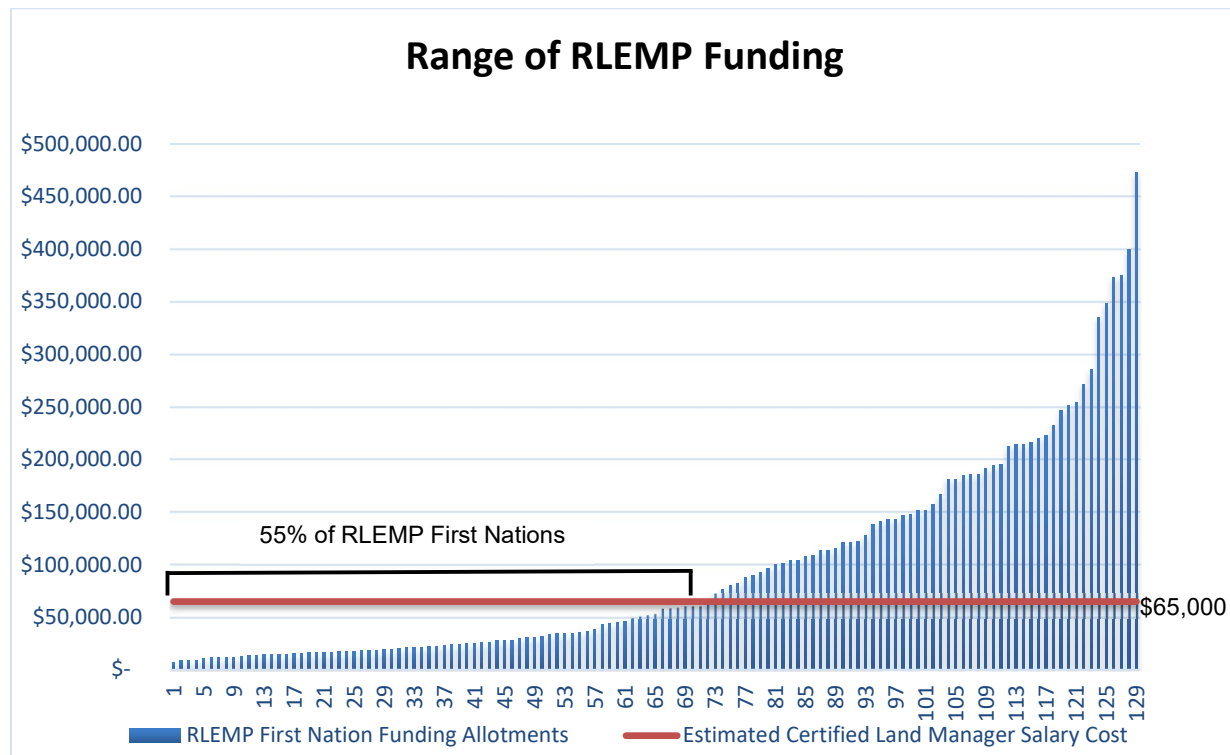
Sufficiency of Program Funding to Retain Certified Land Managers

The RLEMP funding formula used by ISC Headquarters (HQ) as First Nations enter into the program considers workload factors such as number of leases and permits, population, and size of the reserve land, but it does not take into account the salary costs of a land manager. The funding provided to First Nations under the RLEMP program in 2022 – 2023 ranged from \$7,351 to \$473,250 based on the funding formula.

To assess whether First Nations at the lower end of the funding range would be able to meet the program requirement of hiring a land manager with this funding, the following analysis was conducted to estimate the salary cost of a land manager and compare that with the funding received by First Nations: To estimate an appropriate salary for First Nations, the audit considered several sources of information, including input from NALMA leadership, salary ranges from the 2016 National Land Managers Survey², and salary ranges for program administration positions in the Federal Public Service. As a result of this exercise, the estimated appropriate salary required to hire and retain a certified Land Manager is approximately \$65,000 to \$85,000. Of the 129 First Nations funded under the program, 55% receive less than \$65,000, which is meant to cover costs of the Certified Land Manager's salary as well as setup of a land management office.

² The 2016 National Land Managers Survey Report was based on a national survey of over 115 First Nations Land Managers, prepared by and undertaken by NALMA at the beginning of 2016. The goal of the survey was to assess and enhance NALMA's training delivery; identify technical support needs for First Nations Land Managers; identify land program inefficiencies; and establish a land manager compensation guide.

Figure 1: Overview of the range of funding allotment received by First Nations through RLEMP



For First Nations with a low level of land management activity, the resulting funding is not sufficient to fund a land manager position, which is a requirement of the program. This lack of funding is an impediment to hiring and retaining a qualified Land Manager. Further, since land managers are in demand by other organizations, First Nations must be able to pay a competitive rate to be able to retain an experienced land manager.

Without sufficient funding for a qualified Land Manager, First Nations will be unlikely to hire or retain a Land Manager to undertake land administration and wider land management duties. In addition, turnover or vacancies of staff in the Land Manager position at a First Nation could result in delayed work or additional training, such that the benefits to First Nations of faster processing of land transactions and expanded land management activities are not realized.

Interviewees also highlighted that RLEMP often has insufficient funding for additional First Nations to enter the program. This is due to the fact that current funding for the program is only enough to sustain funding agreements with the current number of First Nations in RLEMP (~125), and remaining program funding is insufficient to allow for new entrants to the program. As a result, new entrants are only considered after a First Nation exits the program and program funding becomes available. This is further demonstrated in the total number of First Nations in RLEMP over the previous five-year period: in 2017, there were 125 First Nations in RLEMP, and in 2022, there were 129 First Nations, representing only a 1.6% increase in active First Nations in RLEMP.

Additionally, there are over 300 First Nations who are not currently in RLEMP, operating in FNLM, or operating in self-government. While these First Nations may not feel that RLEMP, FNLM, or self-government suits their unique needs and priorities, there remains a potential that some of these First Nations would be interested in build capacity through RLEMP but are unable due to lack of funding available.

Feedback from First Nations is Sought and Incorporated

Feedback on RLEMP capacity building is collected from First Nations through a variety of channels, which is then incorporated into the capacity building process, ensuring that the provided resources remain relevant and effective. This includes the following methods/channels for collecting feedback:

- NALMA is an RLA membership-based organization, and NALMA's RLAs are a key mechanism used to collect feedback from First Nations about their needs and priorities related to land management. Each RLA Chair sits on the broader NALMA Board of Directors, who are responsible for developing the organization's strategic five-year plan which considers the needs and priorities of First Nations across Canada based on the feedback received by RLAs. Through the membership of RLAs, the perspectives of First Nation Land Managers from across all eight regions are shared at a national level to contribute to feedback collected on land management capacity building resources and supports. NALMA also has the opportunity to collect feedback from First Nations through interaction during delivery of capacity building supports and resources under RLEMP.
- ISC Regions engage with First Nations and collect feedback as part of supporting them in conducting their respective land management activities. This includes offering informal, one-on-one training when a need is identified. Personnel from ISC Regions also attend training and networking events with their service delivery partners where they are able to engage with First Nations to understand their priorities and needs for land management capacity building resources and supports.
- In 2017, ISC partnered with NALMA to engage with First Nation leaders and Land Managers to seek input on how to make the capacity building supports and resources delivered through RLEMP more responsive to the needs of First Nations. This engagement was held across Canada and included input from 351 participants from 224 First Nations. Through this engagement, feedback was collected on areas of funding, training, eligibility, and authority to inform adjustments to the land management capacity building process. However, since ISC is still implementing the improvements identified in the 2017 engagement, no similar stand-alone engagements have been conducted since then.

Adaptability and Responsiveness of Capacity Building Process

In response to feedback collected from First Nation leaders and Land Managers and to demonstrate adaptability and responsiveness of the capacity building process, the following changes were made to the capacity building support delivered through RLEMP:

- To enhance accessibility of the PLMCP, NALMA formed partnerships with 3 additional universities to deliver Level One of the PLMCP training in the years since the 2017 RLEMP engagement. This includes new partnerships with Algoma University of Ontario, Vancouver Island University, and the Université du Québec en Abitibi-Témiscamingue, in addition to the existing partnership with the University of Saskatchewan. As part of the new partnership with Université du Québec en Abitibi-Témiscamingue, Level One of the PLMCP is now offered in French. As a result, First Nation Land Managers have the ability to select the university of their choice and the program has become more geographically accessible to First Nations.
- Recognizing that individuals may have existing knowledge and expertise before undertaking the formal training program, NALMA offers a Prior Learning Assessment to fast-track Land Manager Certification for Land Managers who demonstrate existing capacity and pass one or more of the equivalency standards on the five key parts of RLEMP (land use planning, land management, resource management, environmental management, and compliance measures). NALMA assesses and certifies this equivalency for Land Managers. If a Land Manager successfully completes the equivalency requirements, they may receive credit for the portions of PLMCP which they demonstrate existing capacity for.
- It was identified that there is a need for succession planning for First Nations Land Managers, as the departure of an experienced Land Manager will result in a loss of land management capacity for the First Nation. In response to this, ISC allowed for additional flexibility in how funding could be used by First Nations to allow for an additional Land Manager to be trained through RLEMP. This change was introduced in fiscal year 2020-2021.
- Flexibility is provided to First Nations in dealing with the departure of a Land Manager while they are in RLEMP. If a Land Manager leaves while the First Nation is in the development phase of RLEMP, the First Nation may swap in another individual to continue land management training and capacity building if they have someone ready to begin. If a Land Manager leaves while the First Nation is in the operational phase of RLEMP, the First Nation will stay at the operational level and continue to receive funding if they are able to continue land management activities and meet the requirements of their funding agreements (i.e., providing reporting to ISC, following templates for transactions, etc.).
- Due to constraints on travel and gathering during COVID, training sessions were adapted to online presentations.

In addition, as part of the intake process for RLEMP, ISC regions are to perform a land management capacity assessment to determine a First Nation's capacity development needs

(e.g. identifying and considering the needs of the local community, the Land Manager, the land management office, and economic development opportunities). This allows for capacity building and professional development supports provided through RLEMP to respond to key areas of land management capacity building need for each First Nation. However, audit interviewees noted that the process to perform initial capacity assessments for incoming RLEMP First Nations is not consistently taking place as ISC Regions do not have capacity to perform a thorough assessment.

While these initial formal capacity assessments may not always take place due to a lack of capacity within ISC regions, other methods are used to determine and address the capacity development needs of First Nations. For example, NALMA can gather information on the capacity development needs of First Nations through the RLAs and through direct interaction with First Nations. In addition, ISC regions are able to identify capacity development needs of First Nations by providing land management services to First Nations in RLEMP. As part of this, if an ISC region observes that a First Nation struggles with a particular type of land transaction, the region will identify this as a training need and offer related capacity building supports to the First Nation and its Land Manager.

Each of the examples of changes in the capacity building process noted above demonstrates responsiveness and adaptability of the process in responding to the needs and priorities of First Nations.

Reviewing and Updating the Capacity Building Process

ISC and NALMA meet on a monthly basis through ISC-NALMA operational calls. These calls are a primary mechanism for ISC to not only receive updates from NALMA on the capacity building , but also to discuss any challenges or issues experienced by First Nations in relation to the capacity building process.

In addition to the ISC-NALMA operational calls, the following mechanisms are in place to review and update the capacity building process as it relates to RLEMP:

- NALMA submits a three-year proposal and accompanying work plan to ISC that outlines the organization's planned efforts in providing capacity building support to First Nations. As these proposals are submitted every three years, it provides a regular opportunity for NALMA to propose any potential changes to the capacity building process.
- ISC Regions are required to complete the RLEMP Compliance Framework on an annual basis, which contains a self-assessment that ISC Regions must complete to validate whether they are providing adequate support to RLEMP First Nations. This process may involve the ISC Regions providing input to HQ to review and update the capacity building process.

These mechanisms noted above allow for ISC to regularly review completed capacity building activities for challenges, or areas of improvement. As part of NALMA's three-year proposal, an overview of planned capacity building activities is also provided to ISC. With this information, ISC

is able to update capacity building resources and support systems accordingly to meet the needs and priorities of First Nations.

Access to updated Information on ISC Policies and Procedures

RLEMP First Nation Land Managers are preparing land transaction agreements, collecting payments, and other land administration duties within the ISC land administration process under the *Indian Act* following the same policies, procedures, processes, and guidance used by ISC Regional staff. To undertake these duties effectively and efficiently, the First Nations Land Managers need access to the same information on ISC decisions, guidance, policies, and procedures that Regional ISC land officers have.

The ISC Land Management Manual (LMM) provides the basic technical land management information, policies, and procedures required to manage reserve lands. The current version of the LMM was issued in 2002 and this is the version available on the NALMA website for use by First Nation Land Managers. The Lands Policy Unit within Lands and Environmental Management Branch (LEMB) has been working on the modernization of the LMM for the last seven years. As part of this, updated chapters undergo review by ISC regional staff, the Department of Justice, NALMA, and the Lands Steering Committee.³ It was noted that this extended timeline for LMM modernization is partially due to the time required to update/develop individual land management policies and procedures, which can take 8-12 months to complete. It was also noted that resourcing challenges, such as lack of staff with sufficient expertise as well as competing priorities, have also resulted in delays to the modernization of the LMM.

Once chapters of the LMM have been updated, reviewed, and approved by the Assistant Deputy Minister of Lands and Economic Development, they are shared with the Department of Justice, NALMA, and ISC regional offices. However, some regional staff noted during interviews that they do not have clarity about whether they can share ISC documentation such as updated LMM chapters with First Nations under RLEMP.

The audit examined the distribution instructions provided for the May 2023 release of the updated chapter of the LMM on leases and permits to understand how First Nations would receive access to the updated chapter and related material. Precedents (lease and permit templates) were provided to NALMA and Department of Justice to be shared with colleagues. In August 2023, NALMA posted the updated lease and permit templates on its website but not the updated chapter. Regions were instructed to share the information internally with lands staff through links to the ISC document management system. The communication material from the Lands Policy Unit to the ISC regional offices did not provide clear instructions and/or procedures for ISC regional staff to follow in order to share updated LMM chapters with First Nations.

The Lands Policy Unit noted that there are ongoing discussions with the Communications Unit to post updated chapters on the departmental website for public access, and currently, members of the public can request copies of updated chapters through NALMA, the Department of Justice, or

³ The Lands Steering Committee includes representation from ISC Regions, ISC HQ DGs, and NALMA's Executive Director.

ISC. While the LMM is an important tool for ISC and First Nations who manage land under the *Indian Act*, and while the LMM may be undergoing continuous updates to reflect changing contexts and environments, there is an opportunity to improve how updated LMM chapters and related land management materials are shared with First Nations in a more consistent manner to ensure they are provided with the tools and guidance necessary to performance land administration and management activities effectively and efficiently.

Another reference tool that ISC Regional land officers and First Nation RLEMP Land Managers use to guide them in executing their reserve land management responsibilities related to RLEMP is the Reserve Land and Environment Management Manual, which is available on the NALMA website for use by First Nation Land Managers. The manual provides information on key RLEMP functions, roles and responsibilities, and details on the funding formula. An RLEMP toolkit has also been designed to accompany this manual, complete with checklists, specific guidelines, and templates to assist First Nations in assuming land management responsibilities under the program. However, this manual has not been updated since 2011, even though some First Nations and ISC regions personnel have sought further clarity on its contents. It was noted that the RLEMP Manual has not since been updated as no substantial changes or updates have been made to the program since the 2011 issue of the manual that would require it to be updated.

The RLEMP and Land Management manuals being outdated may result in some First Nations not having access to the proper support or reference materials to build land management capacity. In addition, some First Nations or ISC personnel may use information from these manuals which is no longer applicable, which may result in improper land management decisions and practices.

Overall, while updates are being made to land management reference resources, communicating the dynamic information found in these reference documents to First Nation Land Managers may not be occurring in a consistent manner. This largely stems from the lack of a clear process to provide updated resources to RLEMP First Nations as they are released internally.

Sharing of Best Practices and Lessons Learned

A variety of forums were identified where best practices and lessons learned can be shared amongst First Nations, ISC, and service delivery partners for capacity building initiatives to promote ongoing improvement and innovation. For example:

- Links to Learning events, co-hosted by NALMA, CANDO, and First Nations Land Management Resource Centre (FNLMRC), enable knowledge and information sharing amongst First Nations. It is one of the primary events where ISC Regions work directly with CANDO, FNLMRC, and NALMA to deliver workshops on land management, economic development and the services that ISC delivers. Recordings of past presentations at Links to Learning events can be found on CANDO's website.
- The NALMA National Gathering is used to promote best practices and provide relevant information and training to First Nations relating to all areas of land management. Eleven

National Gatherings were held from 2001-2018, and the 12th National Forum that was held in Winnipeg on September 26-28, 2023.

- Toolkits, manuals, webinars, and training materials documenting best practices in land management capacity building are also shared at events and posted on NALMA's website.
- Through NALMA's member RLAs, the perspectives of First Nation Land Managers from across all regions of Canada are shared nationally to contribute to best practices and lessons learned collected on land management capacity building resources and supports.

Recommendation

1. The Assistant Deputy Minister of Lands and Economic Development should conduct a comprehensive review of RLEMP funding, with a focus on the alignment of the RLEMP funding formula with the evolving funding requirements, including the cost to retain Certified Land Managers and maintain Land Offices, as well as the sufficiency of the overall funding level to allow First Nations to access this program.
2. The Assistant Deputy Minister of Lands and Economic Development should ensure there are effective mechanisms for RLEMP First Nations to have access to updated ISC policies, procedures, and guidance relevant to land management.

3.2 First Nations Land Management Capacity Building

Background

Entering into FNLM by becoming a signatory to the Framework Agreement on First Nations Land Management (FA) is entirely optional and determined by the First Nations' choice. Furthermore, as a sectoral self-government initiative, the presence of capacity is not a prerequisite for engaging in FNLM's development, or operational stages. Each individual First Nation independently determines the necessary preparations before assuming land management duties and sets their priorities, including any capacity development needs, for use of funds received for development, transitional and operational funding.

Upon the ratification and implementation of the community-approved land code, the First Nation assumes control over land management, resulting in the transfer of jurisdiction for land management from ISC to the First Nation. The audit expected to find a capacity building process and associated resources and tools that are available and aligned with the needs of First Nations who are preparing for or who have taken responsibility for managing reserve lands under FNLM. As part of this, it is expected that mechanisms are in place and used to collect and implement First Nations feedback in order to review and update available land management capacity building resources and support systems to respond to their evolving needs. In addition, the audit expected that best practices and lessons learned are documented and shared to promote ongoing improvement of capacity building processes. Partnerships with relevant stakeholders should also be leveraged to enhance the capacity building process and address any emerging challenges or opportunities.

The audit also expected that ISC supports the establishment of a system for First Nations that have assumed land management responsibilities to receive ongoing support.

Risk

Without the establishment of an effective system of supports for First Nations that have assumed land management responsibilities as a signatory of the *FA*, signatory First Nations may not have access to capacity development opportunities that are aligned with their needs, and priorities in:

- 1) the FNLN Developmental phase until the First Nation obtains an approved Land Code; and
- 2) the FNLN Operational phase once the community-approved land code comes into effect and responsibility for land management is transferred to First Nations.

Finding

First Nations in FNLN are responsible for identifying and addressing their capacity development needs as they assume jurisdiction for reserve land management using the ongoing financial support they receive from ISC.

ISC funds FNLNRC to offer training, resources, and support services for First Nations operating under the *FA*. FNLN First Nations who are members of NALMA can also take advantage of NALMA capacity development offerings.

As Indigenous-led organizations responsible to the First Nations in their membership, these partners identify, respond to, and support First Nations land management needs and priorities on an ongoing basis.

By offering a continuum of supports to FNLN First Nations, FNLNRC provides supports to meet the requirements, needs, and priorities of First Nations who are interested in assuming responsibility for managing their own lands under a land code. Through this same continuum of supports, FNLNRC provides ongoing support to First Nations who have assumed full responsibility under a land code.

Partnerships

The FNLNRC and the Lands Advisory Board (LAB) are ISC's main partners in the delivery, administration, and support of the FNLN initiative. The FNLNRC provides training, technical support, and networking opportunities to First Nations at both stages of the FNLN initiative. The LAB provides strategic direction to the FNLNRC, proposes legislative changes to the *FA* and federal legislation as directed by the signatory Councils, and advocates for and negotiates funding with the Government of Canada on behalf of the First Nations signatory communities. The partnership that ISC has formed with the FNLNRC and the LAB has ensured that First Nations who are interested in assuming land management responsibilities or who have already assumed land management responsibilities under FNLN are provided with capacity building support that meets their unique needs and priorities.

Capacity Building Process and Ongoing Support

The FNL MRC offers an initial assessment to incoming First Nations under FNLM. This assessment focuses on identifying what key elements need development for the First Nations and supports available to the First Nations to develop in these areas.

A FNL MRC Land Code Governance Advisor is assigned to each FNLM community as they enter FNLM. These Advisors maintain ongoing contact and assist communities with issues including accessing capacity development supports that meet their needs and priorities. The Advisor relationship continues even after the First Nation has reached the operational phase of FNLM.

The FNL MRC offers a range of capacity development supports to both Developmental and Operational First Nations in FNLM, including:

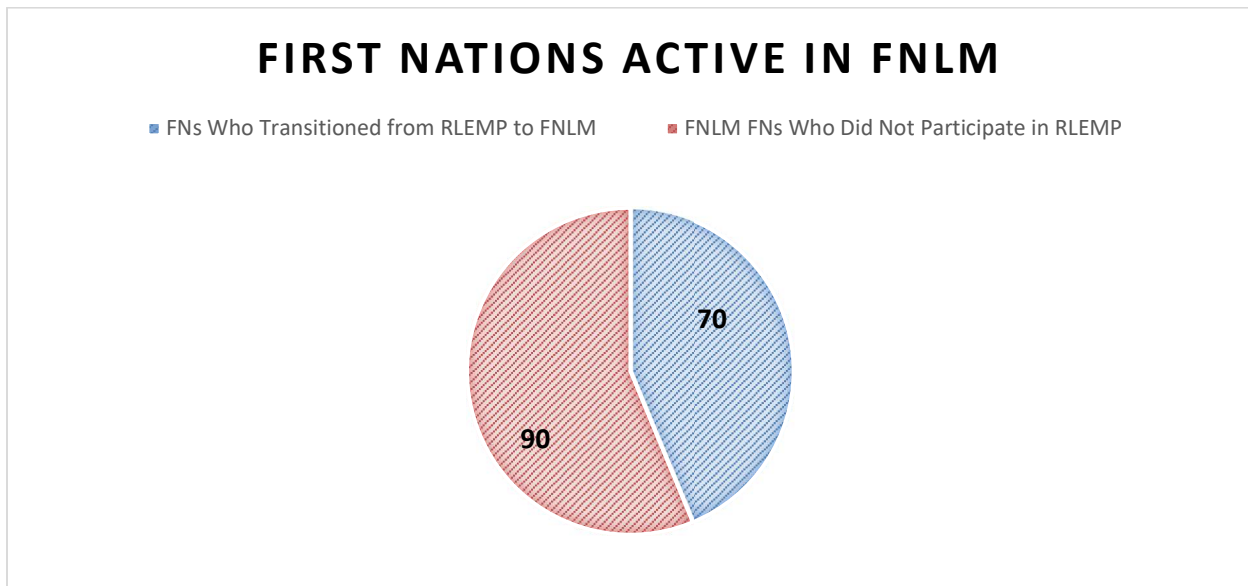
- Professional development training through courses and conferences to address emerging, and ongoing training topics;
- Networking opportunities among Land Managers working for First Nations in FNLM;
- One-on-one training with FNL MRC trainers; and
- Access to specialists at FNL MRC on land codes, land use planning, environment, enforcement, and surveys.

In addition, courses, conferences, and networking opportunities through NALMA (see 3.1 RLEMP) are also available to FNLM First Nations and their Land Managers who are NALMA members.

As FNLM transfers the jurisdiction for land management to First Nations, ISC no longer has day to day contact on land management issues or a role in determining the needs and priorities of First Nations to undertake land management. In addition to the supports identified above, the FNL MRC and its Land Code Governance Advisors remains the key sources through which Operational First Nations can seek ongoing support should they require it. There are also several mechanisms, described further below in this section, through which Operational First Nations in FNLM can provide feedback and identify changing needs and priorities. Operational First Nations in FNLM are provided with ongoing funding to support their overall land management activities which they can use to ensure they have the capacity that they may require.

Some First Nations currently under FNLM were previously operating under the RLEMP. Aspects of the land management capacity they developed under RLEMP (see Section 3.1 above) could also be applied under FNLM. Of the 160 First Nations who were actively operational or developmental in FNLM as of May 30, 2023, 70 (43.75%) of them had previously built land management capacity under RLEMP. Of these 70, 57 are now in the operational phase, and 13 are in the developmental phase of FNLM. First Nations can continue receiving funding under RLEMP until they reach the operational stage of FNLM.

Figure 2: Overview of the proportion of First Nation in FNLM



Process to Obtain and Incorporate Feedback from First Nations

The FNLARC is responsible for responding to First Nations' needs as they come, regardless of what phase of FNLM they are in (developmental or operational). To ensure support resources remain relevant and effective, feedback on FNLM training, resources, and support services collected from First Nations by the FNLARC and LAB which is then incorporated into the capacity building process. The many points of interaction between FNLARC and LAB with individual First Nations to obtain feedback on capacity building supports are described below:

- LAB, which is made up of elected Directors that represent First Nations in FNLM, provides strategic direction to the FNLARC regarding the technical and professional management supports provided to First Nations.
 - As a result, First Nations feedback on land management capacity building resources and supports is collected and implemented into FNLM-related supports.
- FNLARC work with First Nations during the interest, development, and operational phases of the *FA*.
 - This is achieved by having a total of 20 Land Code Governance Advisors across the country who act as a first point of contact for First Nations interested in becoming a signatory of the *FA* or who are already a signatory.
- Input of individual FNLM signatory First Nations is considered when developing training and conference agendas.
 - FNLARC conducts surveys at the conclusion of all workshops that are provided to First Nations in order to collect information about topics that First Nations would like to see more training and support in.
 - FNLARC staff provide input based on the issues brought to them by First Nations.

The audit determined that feedback from First Nations is obtained and incorporated in the capacity building process by the FNLARC and LAB through the activities described above.

Adaptability and Responsiveness of Capacity Building Support Activities

FNLMRC has a Training, Mentoring, and Professional Development (TMPD) group, which develops a TMPD strategy. This group serves a variety of functions to ensure FNLM capacity development supports and resources are aligned with the evolving needs and priorities of First Nations. As part of this, TMPD develops a workplan for training activities provided to FNLM First Nations, which is informed by feedback and training requests received directly from First Nations. In addition, interviews noted that TMPD provides a targeted capacity building function, whereby they will provide one-on-one capacity development with individual First Nations and land managers to meet their specific land management capacity needs.

All capacity building supports and resources can be easily adapted to address emerging issues or to provide more in-depth support. Many of these resources are also available on the FNLMRC website online to allow First Nations to be able to access the information when they need it. When in-person events were not possible due to COVID restrictions, ongoing interactions and learning events were provided online.

Although ISC does not have a direct role in ensuring that the capacity building process for FNLM First Nations aligns with their evolving needs and priorities ISC has supported the FNLMRC and its TMPD group through funding to carry out training, resources, and support services and ensure they are responsive to the needs of First Nations.

Reviewing and Updating the Capacity Building Support Activities

ISC HQ and FNLMRC meet twice monthly through Operational calls, and ISC HQ and ISC Regions meet monthly through National calls to raise challenges and issues experienced by First Nations. These interactions can be used to identify and discuss possible changes to capacity building support activities.

ISC and FNLMRC enter into a formal three-year Funding Agreement and FNLMRC prepares an accompanying three-year work plan outlining the activities that will be performed during the agreed-upon period. Additional supports can be identified and added to the agreement as needed. As these proposals are submitted every three years, it provides a regular opportunity for FNLMRC to propose any potential changes to the capacity building process.

The mechanisms noted above allow for FNLMRC, with ISC's support, to regularly review and update capacity building support activities to meet the needs and priorities of First Nations.

Sharing Best Practices and Lessons Learned

While each First Nation in FNLM has the latitude to develop their own land code and to undertake land management in their own way, LAB and FNLMRC are very intentional in providing resources and bringing First Nations together to learn from each other. This includes:

- FNLMRC and LAB holding events that bring FNLM First Nations together to facilitate networking amongst Land Managers governing land under land code authority;

- Extensive collection and posting of resources (documents, videos, etc.) on the FNLMRC website; and
- LAB and FNLMRC members and staff working directly with First Nations at all stages of FNLM.

3.3 Land Use Planning Initiative

Background

The Land Use Planning Initiative (LUPI) provides funding to participating First Nations for the development of community-led land use plans. These plans can help First Nation communities foster healthy and sustainable communities by protecting their environment, cultural, heritage and sacred sites, preserving existing community infrastructure, promoting land, water and environmental stewardship, managing land tenure activities, facilitating economic development, and guiding long-term infrastructure planning.

Land use plans identify the current state of land use and the desired state in the future. Often the plans require implementation steps to reach the desired state. For example, by-laws to enact the desired land use can be made, but most First Nations do not have the funding or process to enforce these by-laws. Without a means to implement the land use plan, it can become a report on the shelf rather than a guiding document for the community.

Until recently, ISC support for land use planning was sporadic, funding the development of individual plans with available funds from other programs. Starting in 2018, the Land Use Planning Initiative formalized support for land use planning with funding to NALMA and FNLMRC for the delivery of the initiative.

The audit expected to find that a robust process is in place for ISC to support land use planning by both First Nations under the *Indian Act* as well as those that have taken over responsibility for managing their own lands as a signatory of the *FA*.

Risk

Without a robust process for ISC to support land use planning by both First Nations under the *Indian Act* as well as *FA* Signatory First Nations, First Nations may be missing foundational plans to guide their decision on community growth, economic development, and climate change resilience. New infrastructure or funding decisions that are made in relation to First Nations land may not be consistent with the needs and priorities of First Nations.

Finding

ISC funds NALMA and FNLMRC to deliver the LUPI, where First Nations can access funding and technical support to develop land use plans.

While community-based land use plans should be considered in the overall development of reserve lands, there are currently some limitations regarding access to Land Use Plans (LUPs)

and their integration into the department's decision-making processes, particularly in areas related to land administration and infrastructure funding.

Development of Land Use Plans

Through the LUPI, a process has been developed for ISC to support land use planning by First Nations. Funding support is provided through NALMA and FNLARC for Land Use Plan (LUP) activities in a way that allows both *Indian Act* and *FA* Signatory First Nations to lead a community-informed LUP development process.

In addition to funding to individual First Nation to support LUP activities, the LUPI provides a variety of supports and resources to First Nations to help them develop community-led LUPs. These include:

- Land use planning training materials and toolkits are provided to First Nations by FNLARC and NALMA. The training materials and toolkits identify key considerations for First Nations in the process of developing LUPs;
- The LUPI provides funding to NALMA and FNLARC to hire land use planning specialists to assist First Nations through the land use planning process. As a result, NALMA and FNLARC are able to provide a variety of LUP training and professional development sessions with First Nation and industry organizations;
- A variety of other LUP promotional materials and training resources are made available through NALMA's and FNLARC's websites; and
- The ISC regional offices have made a variety of LUP supports available to First Nations. This includes offering LUP related training materials, including LUP handbooks and toolkits. The level of supports made available to First Nations varies between the regions, with some regions having developed more formalized training materials than others.

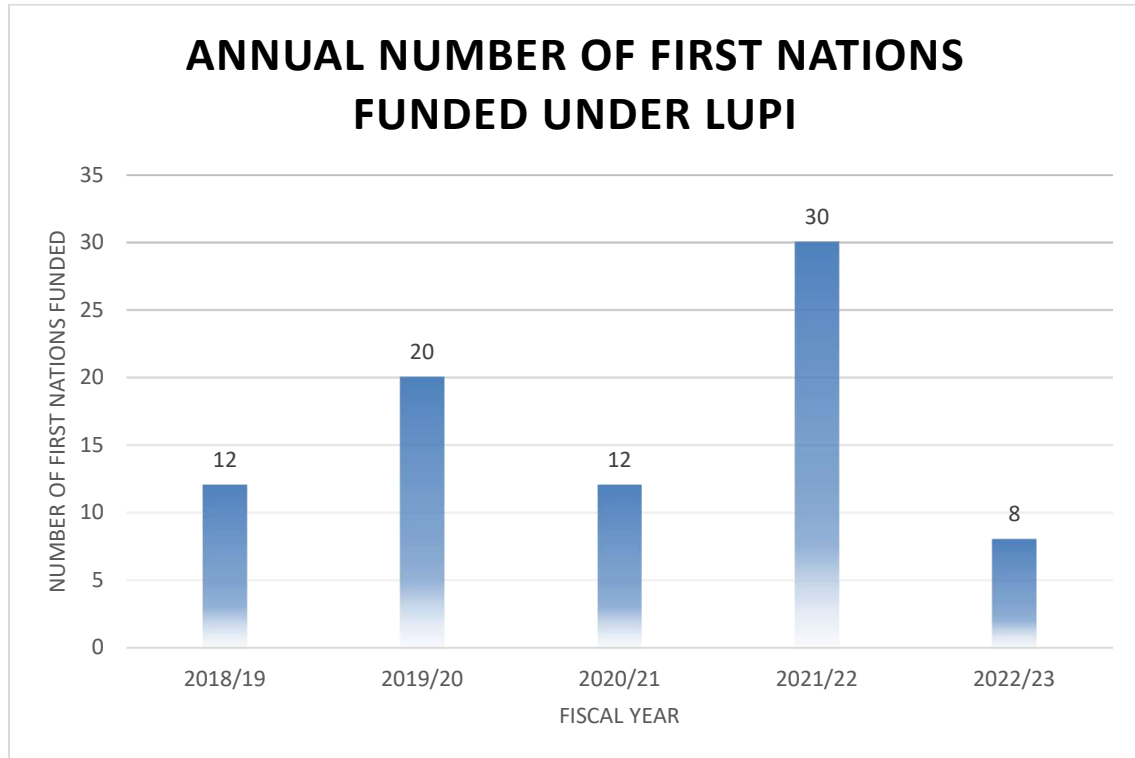
NALMA provides support to First Nations by training land management staff on LUP as one of the five key functions of RLEMP through the PLMCP.

ISC's Departmental Results Framework includes a Departmental Result of "Land and resources in Indigenous communities are sustainably managed" and an associated indicator of "% of First Nations with community-led Land Use Plans". For fiscal year 2022-23, the target was 28.5% of First Nations with community-led Land Use Plans (target percentage based on "out of 632"). As of June 5, 2023, 166 First Nations across Canada had established a Land Use Plan, representing 26.1% of First Nations having community-led Land Use Plans.

Since 2018 when funding was provided to the LUPI (\$22.5M), 82 First Nations have been funded to develop community Land Use Plans⁴, including 12 funded in 2018-19, 20 funded in 2019-20, 12 funded in 2020-21, 30 funded in 2021-22, and 8 funded in 2022-23.

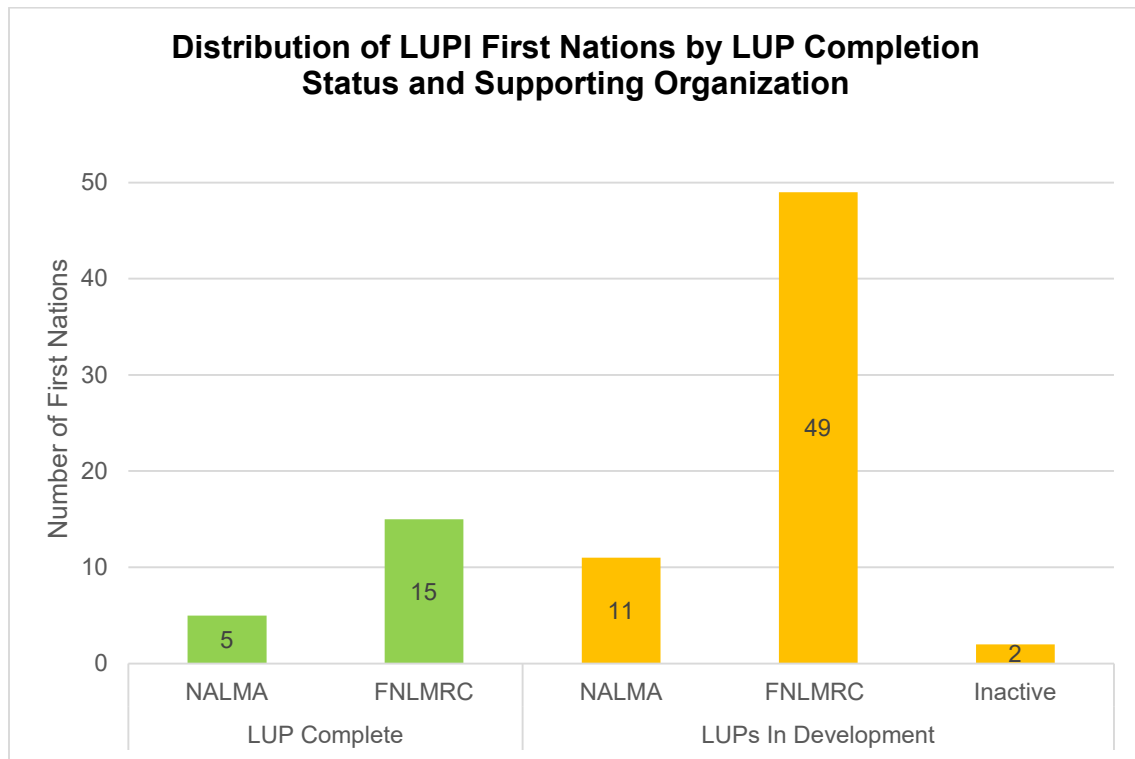
⁴ Of the 82 First Nations funded to develop Land Use Plans since 2018, many were funded to conduct updates of existing Land Use Plans rather than the creation of new plans. As a result, some of the 82 First Nations funded do not contribute to ISC's departmental results indicator of "% of First Nations with community-led Land Use Plans".

Figure 3: Overview of the annual number of First Nations funded under LUPI



Of these 82 First Nations that have been funded, 20 of them have completed development of their LUP, with 15 complete through FNLARC and 5 complete through NALMA. As such, the LUPI is responsible for the creation of 12% of all First Nation LUPs in Canada. The remaining 62 First Nations are in the process of developing or updating their LUPs. The results are summarized in the graph below. These results show that the LUPI has contributed to the department's target of 28.5% of First Nations having developed community-led Land Use Plans, and that the program will continue to contribute towards this target in future years as LUPs that are currently still in development under the LUPI are completed.

Figure 4: Overview of the distribution of LUPI First Nations by LUP completion status



The audit also noted that the LUPI has been granted an additional \$47M over five years starting in 2023-24 to support the following areas:

- The development of new land use plans;
- Land use planning and survey training;
- Additional Full-Time Equivalents (FTEs) for NALMA and FNL MRC to develop LUP Hubs to provide dedicated support to First Nations; and
- The implementation of land use plans.

A LUP Working Group has been established to determine details of how this new funding will be allocated, including prioritization methodologies and costing standards for updates and implementation of land use plans.

Overall, it was found that an effective and comprehensive process has been established for ISC to assist and support land use planning activities of First Nations who have not yet taken over responsibility of their land. In addition, this process is made accessible to *FA* Signatory First Nations to support land use planning activities in communities operating under FNLM as well.

Integration of Land Use Plans into ISC Decision Making

LUPs were identified as being advantageous for First Nations when considered as part of decision making for land management and administration activities. This includes land management

activities that are supported by ISC for *Indian Act* First Nations, as well as those which are supported by ISC's various funding programs. For example:

- When an *Indian Act* First Nation is seeking a land designation (i.e., identifying an area of land for a certain use/purpose and for a certain period), if an LUP has already been developed, it will often be aligned with the designation vote's planned activities. Because LUPs are based off First Nation community priorities, the First Nation is less likely to experience challenges in the land designation vote, and the LUP can be used as a further demonstration of community support for a designation project when seeking final approval from ISC.
- Existence of LUPs allows for greater planning and coordination of economic development activities receiving funding by ISC as it defines the priorities and operational context of the First Nation. This supports foundational components of economic development opportunities (e.g. required land designations) are complete and do not cause any potential delays in realizing the opportunity.
- LUPs contain some specific information for a community related to natural disaster scenario planning. This can be leveraged to inform sustainable planning of key infrastructure developments to reduce their vulnerability to natural disasters. As a result, the ISC Infrastructure Branch encourages First Nations to create a LUP to better prepare them for unexpected natural disaster events.

Although LUPs provide an opportunity for ISC to improve the decision-making process by better aligning with First Nations' priorities and available departmental resources, not all applicable First Nations have developed a LUP. Additionally, the LUP does not require that developed LUPs be shared with ISC. Continued funding for the development and updating of LUPs is crucial for the strategic planning of First Nations. It is important for ISC to consider these plans, when available, in its decision-making, including decisions regarding environmental and infrastructure resource allocation.

Recommendation

3. The Assistant Deputy Minister of Lands and Economic Development should ensure the development and regular updating of Land Use Plans (LUPs), in partnership with Indigenous communities, to keep them relevant and effective. Additionally, the Assistant Deputy Minister should collaborate with departmental stakeholders to raise awareness and understanding of First Nations LUPs. This collaboration should aim to verify and align LUPs with ISC's land management services and funding decisions for projects, improving the integration of LUPs into decision-making processes.

3.4 Oversight and Risk Management Mechanisms for RLEMP, FNLM and LUPI

Background

RLEMP, FNLM, and LUPI are all avenues through which ISC plans to achieve one of its departmental results: “land and resources in Indigenous communities are sustainably managed”. Therefore, it is important for the department to continue to assess how it is enabling the achievement of this result through mechanisms to identify potential risks, challenges and opportunities for improvement in the land management capacity building supports available for First Nations.

ISC provides funding directly to First Nations as well as third party service delivery partners (NALMA, FNLMRC) for land management-related capacity building efforts. As a result, it is important that ISC maintains a level of oversight and monitoring over the funding that the department is administering to ensure that it is being used for its intended purposes and that the intended outcome of increased capacity is achieved.

The audit expected to find a comprehensive oversight and monitoring framework to assess and track the progress of capacity building efforts. The audit also expected to find established risk management and reporting mechanisms to identify and address potential risks or opportunities for improvement to the First Nations land management capacity building process.

Risk

Without established oversight and risk mechanisms in place, ISC may not be able to adequately determine whether its funding is being used effectively to build First Nations land management capacity, or to identify potential risks or opportunities to improve the current process and supports.

Finding

There are established oversight and monitoring mechanisms to assess the land management capacity building supports available to First Nations (RLEMP, FNLM, and LUP), although there are gaps in the monitoring and reporting activities in place for RLEMP due to ISC capacity constraints. There are no formal risk reporting mechanisms in place; however, there are both informal and formal mechanisms established for key stakeholders to identify and address risks associated with the capacity building supports available to First Nations.

Oversight and Monitoring

There are a number of oversight and monitoring mechanisms in place that ISC uses to track:

- the delivery of First Nation-led initiatives and capacity building through Indigenous partners as well as monitoring the progress of First Nations meeting capacity requirements; and
- the level of capacity within First Nations when preparing to move to an operational stage and/or once they move into an operational stage (applicable to RLEMP only).

The following section identifies and describes these oversight and monitoring mechanisms, organized by RLEMP, FNLM, and LUPI.

RLEMP

Delivery of Capacity Building Programming and Monitoring Progress of First Nations

ISC has several oversight and monitoring mechanisms for RLEMP through NALMA. These primarily include the funding agreement and associated reporting requirements, the NALMA three-year proposal and associated work plan, and monthly operational calls between ISC and NALMA to discuss progress and issues.

The NALMA three-year proposal provides the statement of work, performance measures, and budget for NALMA's capacity building activities and supports provided to First Nations. This is formalized into a funding agreement which requires reporting from NALMA on how funding has been used and progress against the associated proposal and work plan. NALMA provide semi-annual project status reports which are reviewed and approved by ISC staff. NALMA also coordinates and receives proposals, work plans, and reports from RLAs to include in their reports to ISC.

Level of Capacity Within First Nations

In addition to providing the training for RLEMP First Nations in the Training and Development stage, NALMA undertakes grading of the PLMCP candidates as they progress through the modules of the PLMCP. To progress to the Operational stage of RLEMP, First Nations must demonstrate that their Land Manager has received the Professional Land Manager Certification. Since progress to the Operational stage comes with additional funding to the First Nation, NALMA reports to ISC on the First Nations that have met this requirement.

ISC Regions have some insight into the capacity level of First Nations through their ongoing work with Land Managers when reviewing land transaction documentation. They can also see if First Nations are actively engaging in land administration activities through regularly registering land transactions in the ILRS. ILRS reporting helps ISC to develop a regional and national picture of lands activity.

First Nations participating in RLEMP and ISC have compliance reporting obligations for RLEMP. As part of this, all RLEMP First Nations are required to complete the annual RLEMP Activity Report (DCI #10067812) to report on their RLEMP responsibility level (Training and Development, Operational, or Delegated Authority 53/60), funding received for capacity building activities undertaken in the previous fiscal year, planning (LUP, environmental sustainability plan, waste management plan), and training, education, and certification of a Land Manager. Regions receive and review these annual reports from First Nations and complete the Compliance Framework Checklist. This Compliance Framework identifies risks or mitigation/capacity development requirements to be provided to ISC HQ. The Compliance Framework also contains self-assessments which ISC must complete to validate whether they are providing adequate support

to RLEMP First Nations. Each Compliance Framework checklist includes the condition that ISC will “provide the guidance, advice and intervene when necessary to First Nations to ensure First Nations are able to efficiently and effectively manage land and environment activities in accordance with the *Indian Act*, RLEMP Manual, and Land Management Manual.” While the Compliance Framework checklist is not a formal assessment of a First Nation’s capacity, the expectation is that ISC Regional officers are completing the RLEMP Compliance Framework on an annual basis and filling support gaps that are identified by First Nations, which may involve providing input to key stakeholders (e.g., senior management) to review and update the capacity building process.

However, the regions do not have enough capacity to keep up to date with these monitoring and reporting activities. Therefore, although reporting and monitoring mechanisms exist for RLEMP, they are not being enforced or carried out consistently due to a lack of human resource capacity at the ISC regional level. ISC HQ uses Excel sheets to track the First Nations that are in RLEMP training and operational phases, however, there is no mechanism to roll up the RLEMP Activity Report details at a national level and the reports are not being collected consistently. Furthermore, reporting requirements were reduced during the COVID-19 pandemic and Regions are putting less priority on reporting requirements for First Nations. ISC HQ is also in the process of cancelling some of the requirements of Data Collection Instrument (DCI) reports to reduce administrative burden for First Nations. As a result of this, there is a risk that ISC may not have a holistic overview of the land management capacity being developed within RLEMP First Nations, and some First Nations in RLEMP may be receiving funding without being compliant with the requirements of the program.

FNLM

Delivery and Progress of Capacity Building

ISC supports FNLM capacity building through the LAB & FNLMRC funding agreement and its associated reporting requirements, as well as the three-year work plan. ISC and FNLMRC also have ongoing communication on planning and delivery of capacity building activities through bi-weekly director-level Operational calls between ISC, FNLMRC, and Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), and monthly National calls between ISC HQ and Regions. Operational calls are leveraged to discuss progress on high-level items and issues, while National calls are used as a forum for regions to share updates.

FNLMRC provides semi-annual reporting to ISC on progress on the work plan as well as quarterly activities reports of First Nations at various stages of land code development and implementation.

Level of Capacity Maintained in First Nations

Since, by definition, FNLM operational First Nations are not operating under the *Indian Act* and within ISC’s land administration system, there is not the same level of contact between ISC land officers and FNLM operational First Nations Land Managers. ISC tracks developmental FNLM Signatory First Nations via milestone-based funding that is administered and reported on by FNLMRC, but First Nations that have reached the Operational phase of FNLM do not report on

their land management activities. As described previously, there is no capacity requirement to enter into FNLM. As a result, ISC does not have a role in monitoring whether a certain level of capacity has been achieved or maintained by First Nations in FNLM. Rather, ISC's primary role is to fund the FNLRC who can directly provide tailored and ongoing support to First Nations in FNLM as well as work collaboratively with the FNLRC to address any potential issues or barriers that may arise.

LUPI

Delivery of Capacity Building Programming and Monitoring Progress of First Nations

First Nations selected under the LUPI program sign a funding agreement with NALMA or FNLRC depending on whether they are a First Nation operating under the *Indian Act* or if they are a Signatory First Nation of FNLM. The funding agreement outlines LUP milestones and related reporting and deliverables for the First Nation to complete and provide to either NALMA or FNLRC. LUPI project funding is provided by ISC to the service delivery partners (NALMA and FNLRC) to disburse based on the achievement of project milestones outlined in the funding agreements. Service delivery partners report on LUP in their regular progress reports as part of the broader organizational Funding Agreement. These reports from NALMA and FNLRC provide ISC with a status update of all the First Nations that have applied and been accepted into LUP, track First Nations that are in progress and what phase they might be in, and track of First Nations that may be inactive. ISC then reports on the number of LUPs completed annually through its Departmental Results Report.

Level of Capacity Maintained in First Nations

As each First Nation is working on their LUP project, they may receive training and technical support from their respective service delivery partners. However, the intent of the program is not to develop ongoing LUP expertise in each community. Therefore, there is not a process to monitor the level of LUP-related capacity in these First Nations.

Risk Reporting Mechanisms

While there are no formal risk reporting mechanisms in place for the land management capacity building supports available through ISC (and by extension, their service delivery partners), there are a number of mechanisms in place where risk conversations can be held and risks/challenges/opportunities for improvement can be discussed. This includes:

- The Lands Steering Committee, which includes representation from ISC HQ DGs, ISC Regional Directors, and NALMA, meets every six to eight weeks and is responsible for providing direction on emerging lands policy, operational, or regulatory issues;
- Monthly operational calls between ISC and NALMA;
- Bi-weekly operational calls between ISC, CIRNAC, and FNLRC;
- Monthly national calls between ISC HQ and Regions.

Regular reporting from NALMA and FNLMRC to ISC also provides insight surrounding significant events or risks that could affect the program and/or First Nations, although there is no documentation to formally report on risks.

While there may not be formal risk reporting mechanisms in place, the audit has determined that there is an adequate understanding of risk amongst key stakeholders (e.g., understanding within ISC of the lack of funding available for RLEMP First Nations) and actions are being taken to address identified challenges (e.g., additional budget requests).

Recommendation

4. The Assistant Deputy Minister of Lands and Economic Development, in collaboration with the Senior Assistant Deputy Minister, Associate Assistant Deputy Minister and Regional Directors General of the Regional Operations Sector, should identify and address any barriers that prevent ISC regions from conducting the monitoring and reporting activities required of RLEMP, or that may prevent First Nations from providing activity reports to ISC regions. In the assessment to identify these barriers, it is important to consider whether the information collected from First Nations is valuable and utilized by the Department to support decision-making. Additionally, it should be evaluated whether the monitoring and reporting activities for RLEMP should be modified to better suit the needs of the program and senior management.

4. Conclusion

The Reserve Land and Environment Management Program (RLEMP), First Nations Land Management (FNLM), and Land Use Planning Initiative (LUPI) are central to Indigenous Services Canada (ISC)'s efforts in the transition of land management services and responsibilities to First Nations, supporting broader self-determination and sustainable development. The audit examined how ISC is supporting the establishment of capacity building processes and resources through these programs and initiatives.

The audit concluded that the capacity building process and resources available through RLEMP and FNLM are aligned with the needs and priorities of First Nations, and there are several mechanisms in place, particularly through ISC's Indigenous service delivery partners, to collect feedback and adapt the capacity building process and associated resources to respond to the evolving needs and priorities of First Nations. Partnerships have been effectively leveraged by ISC to deliver RLEMP and LUPI as well as provide ongoing support to First Nations in FNLM.

However, there is limited funding available for First Nations in RLEMP to retain qualified land managers in a sustainable manner or for interested First Nations to join RLEMP, and some RLEMP-related monitoring and reporting activities are not occurring due to lack of internal ISC resource capacity. Additionally, there is an opportunity to assess how ISC can consider existing LUPs in the decision-making process, as well as how ISC can reduce barriers for First Nations who require updated knowledge of the Land Management Manual (LMM) and related tools to conduct their land management activities.

5. Management Action Plan

The Lands and Economic Development Sector (LED) at Indigenous Services Canada (ISC) acknowledges and concurs with the recommendations set forth in the Audit of Land Management report produced by ISC's Audit and Assurance Services Branch. Wherever possible, Lands and Environmental Management Branch (LEMB) intends to implement recommendations immediately and in the spirit of ISC's departmental mandate to support Indigenous peoples in assuming control over the delivery of services at the pace and in the ways they choose. It should be noted that many of the recommendations identified in the Audit of Land Management echo recommendations outlined in the recently completed Evaluation of Land Management Sub-Programs (September 2023). As such, timelines indicated in the Management Action Plan for the audit align with timelines set forth in the Management Response and Action Plan for the evaluation and were established based on dialogue with First Nations partners, specifically the National Aboriginal Land Managers Association (NALMA) and the First Nations Land Management Resource Centre (FNLMRC).

The actions listed in response to recommendations from the Audit of Land Management set forth in the Management Action Plan below are partially supported by recent Budget investments for the Reserve Land and Environment Management Program (Budget 2023) and Land Use Planning (LUP) (Budget 2017). Budget 2023 invested \$30 million over five years, starting in 2023-24, to enhance Reserve Land and Environment Management Program (RLEMP). These investments are allowing RLEMP to open to new entrants and to implement a base level of funding for participating First Nations. Budget 2017 invested \$47 million over five years, starting in 2023-24, to continue supporting the development and implementation of LUPs.

Because of the nature of self-governance and extent of service transfer in land management supports to First Nations, specifically for First Nations Land Management (FNLM) and Land Use Planning (LUP), it is important to note that ISC often plays a supporting role to efforts led by First Nation partners. Nevertheless, LED continues to enjoy effective relationships with land management service delivery partners and will work in partnership with them to implement recommendations made in this audit.

Recommendations	Management Response / Actions	Responsible Manager	Implementation Date
1. The Assistant Deputy Minister of Lands and Economic Development should conduct a comprehensive review of Reserve Land and Environment Management Program (RLEMP)	Lands and Economic Development (LED) concurs with this recommendation. As a result of Budget 2023 investments, and starting in 2023-24, LED is implementing a base level of funding of \$56,000/year (Training & Development Level), \$70,000/year (Operational Level), and \$80,500 (Delegated Authority Level) for First Nations participating in Reserve Land and Environment Management Program (RLEMP). One	Assistant Deputy Minister, Lands and Economic Development	Q3 2026-27

<p>funding, with a focus on the alignment of the RLEMP funding formula with the evolving funding requirements, including the cost to retain Certified Land Managers and maintain Land Offices, as well as the sufficiency of the overall funding level to allow First Nations to access this program.</p>	<p>of the primary factors considered when determining the base level amount was the cost to retain certified land managers and/or maintain Land Offices. Budget 2023 is also enabling an additional 25-44 new First Nation entrants to have access to the Program.</p> <p>To address this recommendation, LED will:</p> <p>Action 1.1: Implement a base level of funding for existing and new First Nations participants in RLEMP (Q3 and Q4 2023-24).</p> <p>Action 1.2: Engage in discussion with National Aboriginal Land Managers Association (NALMA), ISC sectors and ISC regional offices to review the impact of the base-level of funding, and explore potential options for improvements to the RLEMP funding formula (Q4 2025-26).</p> <p>Action 1.3: Report on findings, including recommendations for improvement to the RLEMP funding formula beyond the implementation of a base level of funding (Q3 2026-27).</p>		
<p>2. The Assistant Deputy Minister of Lands and Economic Development should ensure there are effective mechanisms for RLEMP First Nations to have access to updated ISC policies, procedures, and guidance relevant to land management.</p>	<p>LED concurs with this recommendation. As a result of Budget 2023 investments, several RLEMP products have been updated or developed to support the program’s outreach and visibility (new expression of interest form, new process charts, FAQs, etc.). These products have been shared with ISC Regions, NALMA and Regional Lands Associations (RLAs) for dissemination to First Nations.</p> <p>To further support this recommendation, LED will:</p> <p>Action 2.1: For RLEMP-specific policies and guidance: Continue to facilitate and promote coordination</p>	<p>Assistant Deputy Minister, Lands and Economic Development</p>	<p>Q3 2024-25</p>

	<p>between LED- Headquarters (HQ), NALMA, and ISC Regions on RLEMP policies, procedures, and guidance to support timely information-sharing between stakeholders and better access for First Nations. This will be achieved through a GCDOCS repository accessible to ISC Regions, monthly meetings, including the February 2024 National Meeting, info-sharing sessions and discussions with NALMA about further dissemination through their website and networks. (Q4 2023-2024).</p> <p>Action 2.2: For broader Land Management policies and guidance: Continue to liaise with ISC- Communications to obtain formal approval to publish all new materials online. This will ensure all First Nations have web access to updated ISC policies and guidance relevant to land management (e.g., Lands Management Manual). This will form part of a three-pronged distribution approach which will also utilize an internal GCDOCS repository for all ISC staff, and NALMA to ensure documents are also publicly available to First Nations via their website. In addition, LED will continue to promote coordination between LED-HQ, NALMA and ISC Regions to support timely information sharing. This will be achieved through tri-annual Lands Steering Committee meetings which include LED-Directors from all regions and NALMA; regular meetings with regional ISC land managers; and continued email correspondence to ISC Regions and partners to communicate updates as they occur (Q4 2023-24).</p> <p>Action 2.3: Work with ISC regional offices and NALMA to develop and implement best practices to ensure RLEMP First Nations have web access to updated ISC procedures and guidance (e.g., RLEMP Manual and</p>		
--	---	--	--

	Toolkit) relevant to land management (Q3 2024-25).		
3. The Assistant Deputy Minister of Lands and Economic Development should ensure the development and regular updating of Land Use Plans (LUPs), in partnership with Indigenous communities, to keep them relevant and effective. Additionally, the Assistant Deputy Minister should collaborate with departmental stakeholders to raise awareness and understanding of First Nations LUPs. This collaboration should aim to verify and align LUPs with ISC's land management services and funding decisions for projects, improving the integration of LUPs into decision-making processes.	<p>LED concurs with this recommendation. Through the Land Use Planning Initiative, First Nations are able to access funding through implementing partners, NALMA and the First Nations Land Management Resource Centre (FNLMRC), for the development, updating or implementation of their Land Use Plans. Access to LUP support is being expanded, starting in 2023-24, through an investment of \$47 million over five years announced in Budget 2017.</p> <p>LUPs are a vital tool for communities to support their own land use and development decisions. However, as current funding only allows for a target of 36% of First Nations having LUPs by 2028, LED will not make a LUP a precondition or asset in the consideration of specific projects. With this in mind, to address this recommendation LED will:</p> <p>Action 3.1: Engage the LUP Working Group, which includes service delivery partners at NALMA and the FNLMRC, on potential improvements to LUP to ensure the development and regular updating of Land Use Plans. This will include creating Terms of Reference that clarify the roles and responsibilities for all stakeholders involved in the delivery and administration of LUP projects. (Q3 2023-24 to Q1 2024-2025).</p> <p>Action 3.2: Work to improve the awareness of ISC Regional lands staff and implicated sectors (e.g., LED, RO, FNIHB) of community-developed LUPs, to support greater engagement with communities on alignment. Specific actions include:</p>	Assistant Deputy Minister, Lands and Economic Development	Q1 2024-25

	<ul style="list-style-type: none"> • Making a status update on LUP a standing item at the ISC Director-level Community Lands Committee (including a quarterly update of First Nation progress); • Hold a joint session to discuss greater LUP integration at the February 2024 National meeting (including ISC Regions, NALMA, FNLMRC), with action items captured and monitored in the National Meeting report; and • Work through the LUP Working Group to engage ISC staff responsible for relevant service areas (e.g., infrastructure, housing, climate change) to increase awareness, understanding and alignment between partners and relevant ISC programs (Q1 2024-25). 		
<p>4. The Assistant Deputy Minister of Lands and Economic Development, in collaboration with the Senior Assistant Deputy Minister, Associate Assistant Deputy Minister and Regional Directors General of the Regional Operations Sector, should identify and address any barriers that prevent ISC regions from conducting the monitoring and reporting activities required of RLEMP, or that may prevent First Nations from providing activity reports to ISC regions. In the assessment to identify these</p>	<p>LED concurs with this recommendation. Since the Budget 2023 announcement, a review of several RLEMP products, including a preliminary assessment of RLEMP compliance, monitoring and reporting activities has begun through an internal evaluation of these activities and discussions with NALMA and ISC Regional offices.</p> <p>To further support this recommendation, LED will:</p> <p>Action 4.1: Conduct analysis of current RLEMP compliance, monitoring and reporting requirements, inclusive of how information is collected and what collected information is used for (Q4 2023-24).</p> <p>Action 4.2: Engage with ISC regions and NALMA on barriers/challenges with RLEMP monitoring and reporting requirements (Q4 2023-24 to Q1 2024-25).</p>	<p>Assistant Deputy Minister, Lands and Economic Development</p> <p>Senior Assistant Deputy Minister, Regional Operations Sector</p> <p>Associate Assistant Deputy Minister, Regional Operations Sector</p> <p>Regional Directors General, Regional Operations Sector</p>	<p>Q3 2024-25</p>

<p>barriers, it is important to consider whether the information collected from First Nations is valuable and utilized by the Department to support decision-making. Additionally, it should be evaluated whether the monitoring and reporting activities for RLEMP should be modified to better suit the needs of the program and senior management.</p>	<p>Action 4.3: Conduct analysis of barriers to monitoring and reporting as identified by NALMA and ISC regional offices in relation to whether the information collected from First Nations is valuable and utilized by ISC to support decision making (Q2 2024-25).</p> <p>Action 4.4: Leverage ISC’s internal land management capacity assessment being conducted in FY 2024-25 to identify any capacity barriers that may be preventing regions from fully undertaking the monitoring and reporting activities required under RLEMP (Q3 2024-25).</p>		
---	--	--	--

Annex A: Audit Criteria

To ensure an appropriate level of assurance to meet the audit objectives, the following audit criteria were developed to address the objectives.

Audit Criteria	
1. Indigenous Services Canada (ISC) supports a robust capacity building process that effectively allows interested First Nations to develop the requisite capacity/skills to assume responsibility for administering or managing their own lands.	
1.1	The capacity building process and its associated resources and tools are aligned with the requirements, needs, and priorities of First Nations who are interested in assuming responsibility for administering or managing their own lands.
1.1.1	The capacity building process demonstrates adaptability and responsiveness to the evolving needs and priorities of First Nations.
1.1.2	Mechanisms are in place to regularly review and update the capacity building resources and support systems to reflect the changing needs and priorities of First Nations.
1.1.3	Feedback from First Nations is actively sought and incorporated into the capacity building process, ensuring that the provided resources remain relevant and effective.
1.1.4	Best practices and lessons learned are documented and shared across different capacity building initiatives to promote ongoing improvement and innovation.
1.1.5	Partnerships with relevant stakeholders, such as other government agencies, non-governmental organizations, and private sector entities are leveraged to enhance the capacity building process and address any emerging challenges or opportunities.
2. ISC supports the establishment of a system for First Nations that have assumed land management responsibilities to receive ongoing support, enabling them to maintain their ability to manage their own lands.	
3. A robust process is in place for ISC to support land use planning by First Nations that have not taken over responsibility for managing their own lands.	
4. Oversight and monitoring mechanisms are in place to effectively assess and ensure the progress and outcomes of the capacity building process for First Nations.	
4.1	A comprehensive monitoring framework is in place to track the progress of capacity building efforts.
4.2	Regular risk reporting mechanisms are established, allowing for the timely identification of risks, challenges, and potential improvements in the capacity building process for First Nations.