

# **2025 Annual Report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act***

Environment and Climate Change Canada

May 2025



Environment and  
Climate Change Canada

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Changement climatique Canada

Canada

## Financial reporting year

This is the original report by Environment and Climate Change Canada (ECCC) covering the activities of fiscal year 2024-25 (from April 1, 2024, to March 31, 2025).

## Structure, activities and supply chains

ECCC is the lead federal department for strategic action on a wide range of environmental matters, including clean growth and climate change, preventing and managing pollution, conserving nature, and predicting weather and environmental conditions. The Department's program focus reflects the interdependence of environmental sustainability and economic well-being. ECCC works in partnership with provincial, territorial and municipal governments, Indigenous partners, and communities to deliver important programs and services that are essential to ensuring the health and well-being of Canadians and the environment, in a manner that respects the Government of Canada's commitment to openness, effectiveness and transparency in government.

Under the *Department of the Environment Act*, the powers, duties and functions of the Minister of Environment and Climate Change extend to matters such as:

- the preservation and enhancement of the quality of the natural environment, including water, air and soil quality;
- renewable resources, including migratory birds and other non-domestic flora and fauna;
- water;
- meteorology;
- the enforcement of any rules or regulations made by the International Joint Commission, promulgated pursuant to the treaty between the United States of America and His Majesty, King Edward VII, relating to boundary waters and questions arising between the United States and Canada, in so far as they relate to the preservation and enhancement of the quality of the natural environment; and
- the coordination of the policies and programs of the Government of Canada respecting the preservation and enhancement of the quality of the natural environment.

Over the financial reporting year 2024-25, ECCC conducted an estimated \$165 million in procurement contracts (services, goods, and construction included).

Of this total, ECCC acquired \$45 million in goods, 88% of this value from Canadian suppliers, across a variety of different commodities, including but not limited to informatics equipment and hardware (N7021, N7025), scientific and laboratory equipment (N6640, N6630, N6600), meteorological instrument (N6660), vehicles (N2300), fuels and lubricants (N9100), software licences (N7030), and various miscellaneous goods required to support ongoing departmental operations.

Approximately 29% of the annual value of ECCC's goods purchases was made using Public Services and Procurement Canada (PSPC) Standing Offers and Supply Arrangements and

18% was made through the use of Shared Services Canada (SSC) Standing Offers and Supply Arrangements.

Since November 2021, PSPC and SSC implemented anti-forced labour clauses in all goods contracts to ensure that departments can terminate contracts where there is credible information that the goods have been produced in whole or in part by forced labour or human trafficking. Furthermore, since November 20, 2023, all PSPC and SSC Standing Offers and Supply Arrangements for goods that have been issued, amended, or refreshed include anti-forced labour clauses. Finally, on December 13, 2024, the anti-forced labour requirements were expanded to include new procurement clauses to be used in services, research and development, and architecture and engineering contracts.

As such, all of ECCC's contracts resulting from the use of these tools include clauses relating to anti-forced labour which set out, among other things, human rights and labour rights requirements. The background and overview of the anti-forced labour requirements for goods and services contracts, standing offers and supply arrangements are consolidated in the [PSPC Supply Manual Annex 2.8 – Anti-forced labour requirements](#).

By the end of fiscal year 2024-25, ECCC's Contracts and Request for Proposal templates were updated to include the most up-to-date clauses in the area of anti-forced labour legislation. By implication, this means that all future contracts will also now integrate anti-forced labour clauses.

## **Steps to prevent and reduce risks of forced labour and child labour**

As mentioned above, ECCC has integrated PSPC's Standard Contract Clauses including PSPC's [Code of Conduct for Procurement](#) and anti-forced labour clauses in its purchasing activities.

The Code of Conduct for Procurement identifies specific expectations and obligations which suppliers must meet when providing goods and services to Canada. This includes obligations in terms of human trafficking, forced labour and child labour.

In addition to PSPC, SSC, as a common service provider, is responsible for ensuring that government departments have access to reliable, secure and cost-effective IT infrastructure and solutions, including shared services related to networks and network security, data centres and Cloud offerings, digital communications, and IT tools.

To prevent and reduce the risk of forced labour or child labour in its procurement activities, ECCC has used the following list of PSPCs tools:

- Standing Offers
- Supply Arrangements
- PSPC contracts that contain anti-forced labour contract clauses

And the following list of SSC's tools, which incorporate by reference the Code of Conduct for Procurement:

- Standing Offers
- Supply Arrangements
- SSC Contracts that contain anti-forced labour contract clauses

## **Policies and due diligence processes in relation to forced labour and child labour**

Effective April 1, 2023, amendments to the Treasury Board [Directive on the Management of Procurement](#) require contracting authorities from all departments listed in Schedules I, I.1 and II of the *Financial Administration Act* (except the Canada Revenue Agency) and commissions established in accordance with the *Inquiries Act* and designated as a department for the purposes of the *Financial Administration Act*, to incorporate the Code of Conduct for Procurement ("the Code") into their procurements.

The Code applies to all vendors and their sub-contractors who respond to bid solicitations and/or provide goods and services to Canada. In fulfilling the terms of their contracts, vendors and their sub-contractors are required to comply with all applicable laws and regulations. In addition, the Code requires vendors and their sub-contractors to alert their contracting authority as soon as they are made aware that they may not comply with the code.

Pursuant to the aforementioned amendments, ECCC has continued to integrate the Code into its procurements, to safeguard federal procurement supply chains from forced labour and child labour. Contracts that ECCC has awarded included the Code through the General Conditions and all templates were updated by the end of fiscal year 2024-25.

The prohibition on the importation of goods produced wholly or in part by forced labour came into force under the Customs Tariff on July 1, 2020. This amendment implemented a commitment in the Labour Chapter of the Canada-United States-Mexico Agreement (CUSMA) and applies to all imports, regardless of origin.

## **Identifying parts of ECCC's activities and supply chains that carry a risk of forced labour or child labour being used and remedial measures implemented**

In May 2021, a risk analysis of PSPC's supply chains was completed by Rights Lab, of the University of Nottingham (U.K.), to determine which goods were at the highest risk of exposure to human trafficking, forced labour, and child labour. The analysis, and subsequent report, elaborated key strategies for PSPC to leverage public spending power to raise awareness about forced labour in supply chains.

Over fiscal year 2024-25, ECCC continued to monitor follow-action from the report findings and recommendations including the implementation of the Policy on Ethical Procurement and the development of a human rights due diligence framework. While this did not translate into specific actions in 2024-25, ECCC will continue to monitor actions from central agencies with a view to improving its contracting activities in the future, as and where appropriate, to align with best practices.

For IT hardware and software procurement, ECCC is also working closely with its partner at SSC who is committed to ongoing risk identification, promotion and development of mitigation practices, and ongoing activities to raise awareness within its procurement community and engage with industry and strategic partners.

With regards to measures taken to remediate any forced labour or child labour as well as measures taken to remediate the loss of income to the most vulnerable families, ECCC has not identified any risks in its activities and supply chains requiring remediation action.

## **Training provided to employees on forced labour and child labour**

ECCC has integrated forced labour and child labour awareness as part of its standard generic procurement information session for its employees (Procurement 101) during the 2024-25 financial reporting period. Approximately 17 of these sessions were delivered over the course of fiscal year 2024-25, to audiences of approximately 40 FTE per session.

## **Assessing effectiveness in ensuring that forced labour and child labour are not being used in activities and supply chains**

Over the course of the 2024-25 financial period, ECCC reviewed and updated its contract clauses and policies to ensure these were compliant with current legislation. ECCC also delivered training on forced labour in Canadian supply chains to departmental managers and delegated authorities, to raise awareness around these issues and to mitigate or reduce the use of forced or child labour in ECCC contracts.

Moving forward, ECCC plans to continue to work with its federal partners, including PSPC and SSC, to ensure that assessment measures in place are reflective of best practices within federal government institutions.

## Attestation on behalf of the reporting institution

### - Environment and Climate Change Canada

In accordance with the requirements of the *Act*, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the *Act*, for the reporting year listed above.

This report is signed in my capacity to bind Environment and Climate Change Canada.

**Tremblay,**  
**JF**

Digitally signed by  
Tremblay, JF  
Date: 2025.06.02  
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Jean-François Tremblay  
Deputy Minister, Environment and Climate Change Canada