Federal Economic Development Agency for Northern Ontario
Agence fédérale de développement économique pour le Nord de l'Ontario

Canada

2024 to 2025 Departmental Sustainable Development Strategy Report

Federal Economic Development Agency for Northern Ontario

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Introduction to the 2024 to 2025 Departmental Sustainable Development Strategy Report

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

In keeping with the purpose of the Act, to make decision-making related to sustainable development more transparent and accountable to Parliament, Federal Economic Development Agency for Northern Ontario (FedNor) supports the goals laid out in the FSDS through the activities described in FedNor's 2023 to 2027 Departmental Sustainable Development Strategy (DSDS). This Report provides a report on progress related to FedNor's DSDS in the fiscal year 2024 to 2025.

The *Federal Sustainable Development Act* also sets out 7 principles that must be considered in the development of the FSDS as well as DSDSs. These basic principles have been considered and incorporated in FedNor's DSDS and 2024 to 2025 DSDS Report.

To promote coordinated action on sustainable development across the Government of Canada, FedNor's departmental strategy reports on Canada's progress towards implementing the 2030 Agenda and advancing the SDGs, supported by the Global Indicator Framework (GIF) and Canadian Indicator Framework (CIF) targets and indicators. The Report also now captures progress on SDG initiatives that fall outside the scope of the FSDS.

Commitments for the Federal Economic Development Agency for Northern Ontario

GOAL 8: ENCOURAGE INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH IN CANADA

FSDS Context:

FedNor's mandate to build a stronger and more resilient Northern Ontario directly supports the Government of Canada's efforts to encourage inclusive and sustainable economic growth in Canada. Through its grants and contributions programs, FedNor provides assistance to businesses in Northern Ontario to develop and adopt clean technology solutions and helps communities to adopt and implement clean growth initiatives. Specific activities include:

- Supporting businesses to adopt and/or adapt clean technologies to improve environmental performance, while increasing productivity, growth and competitiveness;
- Providing assistance to businesses to develop and/or commercialize new clean technologies;
- Encouraging the greening of small and medium-sized enterprises (SMEs) to mitigate and reduce the environmental impacts of their activities, including adoption of green technologies to decarbonize operations, the creation of new green businesses, and supporting SMEs in their green transformation;
- Delivering funding to ecosystem partners in the region to help accelerate the transition to green technologies;
- Building community capacity to implement clean growth initiatives by supporting research and feasibility studies; and,
- Fostering community resilience for a green recovery by supporting the development of green industrial parks, providing funding to Indigenous communities to facilitate their participation in major green energy projects, and supporting the development of community greenhouses in Indigenous communities to ensure better food security.

FedNor also works to ensure that Northern Ontario communities, businesses, and Indigenous communities can contribute to, and benefit from, the global need for critical minerals. This includes working closely with Natural Resources Canada and other federal departments, such as Indigenous Services Canada and Environment and Climate Change Canada, to implement the Canadian Critical Minerals Strategy and renew the federal whole-of-government approach in the Ring of Fire region.

Implementation strategies supporting the goal

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

IMPLEMENTATION STRATEGY	DEPARTMENTAL ACTION	PERFORMANCE INDICATOR STARTING POINT TARGET	HOW THE DEPARTMENTAL ACTION CONTRIBUTES TO THE FSDS GOAL AND TARGET AND, WHERE APPLICABLE, TO CANADA'S 2030 AGENDA NATIONAL STRATEGY AND SDGS	RESULTS ACHIEVED
Support workers, businesses and communities	FedNor will support businesses in Northern Ontario to develop and adopt clean technology solutions and support communities to adopt and implement clean growth initiatives. **Program:** Business development; Community economic development and diversification; and, Regional innovation ecosystem	**Performance indicator:** FedNor's annual authorized assistance to help communities and businesses implement clean growth initiatives in Northern Ontario. **Starting point:** Not available. This is a new indicator for FedNor. **Target:** $2.1 million in authorized assistance annually to help communities and businesses implement clean growth initiatives in Northern Ontario.	FedNor is encouraging inclusive and sustainable economic growth in Northern Ontario by investing in the transition to the green economy, actions that are compatible with Canada's path to a net-zero emissions, and clean technology product development and adoption. **Relevant targets or ambitions:** *Canadian Indicator Framework (CIF) Ambition/Target*: 8.6 Canadians contribute to and benefit from sustainable economic growth *CIF Indicator*: jobs in the clean technology products sector *Global Indicator Framework (GIF) Target:* 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.	**Indicator result**: In 2024-25, FedNor approved $8.5 million in authorized assistance to help communities and businesses implement clean growth initiatives in the region. **Notes:** This support provided, which surpassed by more than four times the annual target, helped to encourage inclusive and sustainable economic growth in Northern Ontario. Specifically, this funding assisted in the implementation of a range of activities aimed at the development and commercialization of clean technologies and fostering green economic initiatives across diverse sectors.

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

FSDS Context:

As a regional development agency, FedNor works actively to advance and diversify the Northern Ontario economy and support the economic participation of equity-deserving groups such as Indigenous Peoples. FedNor uses an intersectional lens to develop funding opportunities and business services that support innovation and growth for all Canadians.

As a funder, pathfinder, convener and advocate, FedNor helps Indigenous communities obtain government funding to participate in the planning, development and implementation of infrastructure projects linked to regional economic development opportunities. This includes providing financial assistance towards Indigenous-led projects and in support of organizations that provide services to Indigenous Peoples.

FedNor also leverages its resources and connections to support Indigenous businesses and communities by connecting them with the right resources and convening federal and provincial stakeholders to support Indigenous development in the region. These activities include promoting Indigenous Services Canada's new business navigator service through FedNor's communication platforms and networks, as well as building new partnerships, at the department and ministerial level, with key organizations and stakeholders including, but not limited to, the National Indigenous Economic Development Board, First Nations Major Projects Coalition and the National Aboriginal Capital Corporations Association, to work together to advance Indigenous economic reconciliation.

FedNor is committed to continuously seek opportunities to improve the services it provides to Indigenous partners, organizations, businesses and communities, and will prioritize economic reconciliation efforts through the implementation of the *United Nations Declaration on the Regions of Indigenous Peoples Act (UNDA)*. Activities include seeking opportunities to advance Indigenous economic development and reviewing ways it can better

support Indigenous applicants. Additionally, FedNor will maintain its commitment to ensure that Indigenous businesses and communities are connected with the information necessary to access funding and economic development opportunities.

To support the Government of Canada's commitment that a mandatory minimum target of 5% of the total value of contracts is awarded to Indigenous businesses annually, FedNor has pledged to actively seek Indigenous vendors when planning contracts by developing a procurement plan to identify opportunities for Indigenous businesses through continued engagement with Indigenous partners.

FedNor will also adopt mandatory training that supports the Clerk's calls to action on diversity, inclusion, equity and anti-racism, including a policy on Indigenous cultural competency. These activities will ensure all FedNor employees, regardless of their position or roles within the organization, increase their cultural competency skills and awareness of issues related to First Nations, Inuit and Métis in Canada, and their knowledge of the UN Declaration.

The department will also continue to contribute to the annual UNDA progress reporting cycle to ensure FedNor's activities are reflected as part of the whole-of-government approach.

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

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

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Implement the *United Nations Declaration on the Rights of Indigenous Peoples Act.*	Provide Indigenous cultural competency training and/or training on the United Nations Declaration on the Rights of Indigenous Peoples. **Program:**	**Performance indicator:** Percentage of staff who have completed Indigenous cultural competency training and training on the *United Nations Declaration on the rights of Indigenous Peoples Act.*	Public servants are in a unique position to help build respectful relationships with Indigenous Peoples in Canada. This action encourages public service employees to increase their cultural competency skills and awareness of issues related to First Nations, Inuit and Métis in Canada, and	**Indicator result**: In 2024-25, 91% of FedNor employees completed Indigenous cultural competency training and training on the United Nations Declaration on the rights of Indigenous Peoples Act.

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	UN Declaration Act Implementation Secretariat	**Starting point:** Not applicable. This is new training for FedNor that will be developed and implemented in 2023-24. **Target:** 100% by March 31, 2024	their knowledge of the UN Declaration. This action contributes to the development of necessary cultural competency knowledge and skills to implement the UN Declaration. **Relevant targets or ambitions:** *Global Indicator Framework Target:*10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	**Notes:** Cultural competency training plays a vital role in deepening understanding of Indigenous perspectives and reflects the department's strong commitment to reconciliation. The Reflecting on Cultural Bias: Indigenous Perspectives course, offered through the Canada School of Public Service, is the designated mandatory training for this performance indicator. While, the reported completion rate is encouraging, the department continues to take proactive steps to ensure full participation. Notably, a new Indigenous Learning Journey Policy was introduced in 2024-25 to further strengthen engagement and increase the training completion rates. This policy includes additional mandatory elements, increasing the scope of understanding and commitment across the department. Although full implementation of the policy was still underway in 2024-25, it was already reflected in many employees' performance agreements—particularly within Program Delivery. Efforts to embed cultural competency more deeply into internal practices are ongoing. Management remains dedicated to tracking progress and addressing any

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				barriers to ensure full compliance and meaningful participation.
Contracts awarded to Indigenous businesses.	FedNor will support Indigenous businesses through procurement activities. **Program**: Internal services	**Performance indicator**: Percentage of contracts with Indigenous businesses. **Starting point**: New indicator. This data will be collected starting in 2023-24. **Target**: 5% by March 31, 2024.	The Government of Canada is committed to economic reconciliation with Indigenous Peoples and will contribute to improved socio-economic outcomes by increasing opportunities for First Nations, Inuit and Métis businesses through the federal procurement process. **Relevant targets or ambitions:** *Global Indicator Framework Target:* 10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.	**Indicator result**: A total of 8.8% value of FedNor's contracts in 2024-25 were awarded to Indigenous businesses, exceeding the 5% target. **Notes:** This achievement is part of our ongoing efforts to support economic reconciliation and increase the participation of Indigenous businesses in federal procurement. These results reflect FedNor's commitment to fostering economic opportunities for Indigenous communities and aligns with the Government of Canada's broader objectives of promoting equity and inclusion in its procurement processes. Efforts to enhance our support will continue, with strategic approaches aimed at engaging more Indigenous businesses and ensuring they have equitable access to contracting opportunities. These initiatives are in line with our goals of advancing Indigenous reconciliation and supporting the economic growth of Indigenous peoples within the regions we serve. Monitoring

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				and targeted outreach will be crucial in achieving and potentially exceeding this performance indicator in future reporting periods.

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

FSDS Context:

FedNor is committed to greening its operations and has identified a number of measures to support the Government of Canada's target of net-zero emissions by 2050. These activities include upgrading its vehicle fleet, supporting the transition to a low carbon economy through green procurement, and promoting sustainable actions in the workplace such as utilizing videoconferencing to replace travel by employees where possible, favouring the use of electronic documents over paper copies, recycling surplus information technology (IT) assets and eliminating single-use plastic in government operations.

The department will also require that all procurement officers and material management specialists hired at FedNor complete the Canada School of Public Service Green Procurement course within one year of being hired. Identified employees will also be required to retake the course every three years. This practice will ensure that environmental considerations are taken into account in the procurement process for goods and services, including planning, acquisition, use and disposal methods.

Target theme: Federal leadership on responsible consumption

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

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Transform the federal light-duty fleet.	Each year, new light-duty fleet vehicles purchases will be zero-emission vehicles (ZEVs) or hybrids. **Program**: Internal services	**Performance indicator:** Percentage of new vehicle purchases that are ZEV or hybrid **Starting point:** 26% in 2022-23 **Target 1**: 100% of new vehicle purchases each year will be ZEV or hybrid. **Target 2**: By 2030, where adequate recharging infrastructure exists, 100% of new purchases will be ZEV, and where adequate infrastructure does not exist, 100% will be hybrid.	Purchasing zero-emission vehicles reduces greenhouse gas emissions from conventional fleet operations. This enhances sustainable consumption. **Relevant targets or ambitions:** *CIF Ambition/Target*: CIF Ambition: 12.1 Canadians consume in a sustainable manner. *CIF Indicator*: 12.1.1 Proportion of new light-duty vehicle registrations that are zero-emission vehicles. *GIF Target:* 12.1 Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries.	**Indicator result**: All (100%) new vehicle purchases by FedNor in 2024-25 were Plug-in Hybrid Electric Vehicles (PHEVs). **Notes:** This achievement marks a significant milestone in FedNor's commitment to reducing its carbon footprint and supporting the Government of Canada's target of net-zero emissions by 2050. The transition to 100% PHEVs for all new vehicle acquisitions reflects FedNor's proactive approach to integrating sustainable practices into our operational decisions. This initiative not only contributes to the reduction of greenhouse gas emissions but also sets a precedent for adopting advanced technologies that mitigate environmental impact. Continued efforts will be made to maintain this standard and explore further opportunities to enhance the fleet's efficiency and sustainability. The complete

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				shift to PHEVs also demonstrates FedNor's leadership in environmental stewardship and aligns with broader federal sustainability targets. Future acquisitions will continue to prioritize zero-emission and low-emission vehicle options to ensure alignment with environmental objectives.
Strengthen green procurement criteria.	Ensure all procurement and materiel management specialists are trained in green procurement (such as the Canada School of Public Service course on green procurement or equivalent) within one year of being identified. **Program**: Internal services	**Performance indicator**: Procurement and materiel management specialist is trained in green procurement within one year of being hired. **Starting point**: Not available. FedNor does not currently have a procurement and materiel management specialist. The department is in the process of hiring a procurement and material management specialist. In the meantime, this service is currently being provided by Innovation, Science and Economic Development Canada as part of FedNor's evolvement from an initiative to a standalone department. **Target**: The procurement officer and material management specialist is trained within one year of being identified.	Green procurement incorporates environmental considerations into purchasing decisions and is expected to motivate suppliers to reduce the environmental impact of the goods and services they deliver, and their supply chains. **Relevant targets or ambitions:** *CIF Ambition/Target*: 12.1 Canadians consume in a sustainable manner *CIF Indicator*: 12.2.1Proportion of businesses that adopted selected environmental protection activities and management practices. *GIF Target:* 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.	**Indicator result**: In 2024-25, FedNor's single procurement specialist completed the green procurement course as part of their onboarding training within one year of being hired. **Notes:** The role of the procurement and material management specialist is crucial for implementing sustainable procurement practices within FedNor.

GOAL 13: TAKE ACTION ON CLIMATE CHANGE AND ITS IMPACTS

FSDS Context:

The Government of Canada, through its FSDS, aims to implement measures that reduce greenhouse gas emissions, improve climate resilience, and green the government's overall operations. In support of this activity, FedNor will continue to work closely with Public Services and Procurement Canada in managing its accommodations and real property. The department will also undertake measures to reduce the potential impacts of climate change on its program delivery. This includes adding the considerations of climate change risks into departmental risk assessment and its annual planning activities. FedNor will also explore opportunities to include climate change-related factors into business impact assessments and emergency preparedness exercises. Finally, the department will ensure that relevant employees are trained on assessing climate change impacts, undertaking climate change risk assessments, and developing adaptation actions within one year of being identified. To promote ongoing learning, relevant employees will be required to retrain every three years.

Target theme: Federal leadership on greenhouse gas emissions reductions and climate resilience

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

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Implement the Greening Government Strategy through measures that reduce greenhouse gas emissions, improve climate resilience, and green the government's overall operations.	Ensure all relevant employees are trained on assessing climate change impacts, undertaking climate change risk assessments, and developing adaptation actions within one year of being identified. **Program**: Internal services	**Performance indicator**: Percentage of relevant employees trained on assessing climate change impacts, undertaking climate change risk assessments, and developing adaptation actions within one year of being identified. **Starting point**: Not available. This is a new indicator for FedNor. **Target**: 100% of relevant employees are trained within one year of being identified.	Trained staff can identify risk to critical program delivery, and develop responses to increase the resilience of operations to impacts of climate change. **Relevant targets or ambitions:** *CIF Ambition/Target*: 13.3 Canadians are well equipped and resilient to face the effects of climate change. *CIF Indicator*: 13.3.1 Proportion of municipal organizations that factored climate change adaptation into their decision-making process. *GIF Target:* 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	**Indicator result**: In March 2023, 11 FedNor employees in the Policy, Program Delivery and Corporate Services sectors were identified to complete the *Applying Climate Literacy Foundations* course through the Canada School of Public Service. Identified employees have one year to complete the mandatory course. To date, 91% of those identified have completed the training. **Notes:** FedNor is committed to ensuring all relevant employees receive this training within one year of identification. Moving forward, this initiative is expected to enhance the department's capacity to address and adapt to climate change impacts effectively.

Integrating Sustainable Development

FedNor will continue to ensure that its decision-making process includes consideration of FSDS goals and targets through its Strategic Environmental and Economic Assessment (SEEA) process. A SEEA for a policy, program or regulatory proposal includes an analysis of the climate, nature, environmental and economic effects of the given proposal.

Public statements on the results of FedNor's assessments are issued when an initiative that was the subject of a detailed Strategic Environmental and Economic Assessment is implemented or announced (see here). The purpose of the public statement is to demonstrate that the environmental and economic effects, including contributions to the FSDS goals and targets, of an initiative have been considered during proposal development and decision making.

FedNor did not have any proposals subject to a detailed SEEA that were announced or implemented in 2024-25.

Ryan Bray / Parks Canada