Impact Assessment Agency of Canada | Agence d'évaluation d'impact du Canada

Impact Assessment Agency of Canada

2025-26 Departmental Results Report

The Honourable Julie Dabrusin, P.C., M.P.

Minister of Environment, Climate Change and Nature and Minister responsible for the Impact Assessment Agency of Canada

Canada

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Impact Assessment Agency of Canada's 2025-26 Departmental Results Report

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Note: The Impact Assessment Agency of Canada (IAAC) used its generative AI tool (ChatGPT) to support the development of content in this report. A human has reviewed and validated all AI-generated content.

At a glance

This departmental results report details IAAC's actual accomplishments against the plans, priorities and expected results outlined in its 2025-26 Departmental Plan.

These results align with the priorities outlined in the May 21, 2025, mandate letter from the Prime Minister, as well as with IAAC's vision, mission, raison d'être and operating context.

Key priorities

IAAC identified the following key priorities for 2025-26:

- Deliver an efficient and credible impact assessment regime that advances the commitments of the government and Minister to get projects built quickly, make decisions on major projects within two years, and move forward with “one project, one assessment.”
- Maximize Indigenous collaboration and partnership in impact assessments by developing and maintaining meaningful partnerships and collaborative processes, providing capacity support to Indigenous Peoples, removing duplication between federal and provincial processes, and leveraging existing consultations for multiple purposes. This also means advancing Indigenous participation in major projects to ensure First Nations, Inuit, and Métis rights-holders are part of Canada’s accelerated push to build.
- Improve the management of the potential effects of an individual project by developing a broader understanding of cumulative effects through the conduct of regional assessments, along with strategic assessments of federal policies, plans, programs, or issues related to impact assessment.
- Strengthen internal services to support the delivery of IAAC’s priorities, programs, and initiatives.

Highlights

Through its efforts in 2025-26, IAAC demonstrated that environmentally sound, nation-building project development and economic growth can be advanced together, supporting investment certainty and Canada’s long-term prosperity. IAAC successfully advanced the Government of Canada’s commitment to eliminate red tape and reach its “one project, one review” objective. IAAC improved the speed and efficiency of the federal review process by reducing duplication and streamlining assessments for major projects while continuing to maintain robust regulatory oversight and protecting the rights of Indigenous Peoples. IAAC strengthened partnerships with several provinces by developing new co-operation agreements, leading to reductions in regulatory overlap and better alignment between federal and provincial review processes. IAAC found innovative ways to clarify information requirements and make project reviews more predictable for proponents.

- Total actual spending (including internal services): $109,107,720
- Total full-time equivalent staff (including internal services): 572

For detailed information on IAAC’s total spending and human resources, read the Spending and human resources section of this report.

Summary of results

The following provides a summary of the results IAAC achieved in 2025-26 under its "core responsibility" (its main area of activity).

Core responsibility 1: Impact Assessment

Actual spending: $82,421,489

Actual human resources: 408

Accelerating Major Projects and Improving Regulatory Efficiency

- Advanced new co-operation agreements with the provinces to achieve "one project, one review."
- Strengthened federal coordination through support to the Major Projects Office (MPO) on the major projects referred to that office also undergoing an impact assessment
- Provided coordination of federal authorizations, including permits and Crown consultation coordination, for a total of 20 projects in the federal impact assessment regime to improve regulatory efficiency and predictability.
- Re-engineered federal impact assessment processes to support the Government of Canada's commitment to expedite timelines by focusing reviews on core federal issues, reducing duplication through streamlined Tailored Impact Statement Guidelines, and strengthening alignment with provincial requirements.
- Delivered 18 final assessment decisions during the fiscal year, with an average total timeline of approximately seven months.
- Reduced average timelines for early impact assessment decisions on whether a full assessment is required to 68 days in 2025-26, down from 85 days in 2024-25.
- Strengthened federal-provincial collaboration on major projects and reduced regulatory overlap, including by coordinating assessment requirements for the Fording River Extension Project and reducing proposed federal conditions for the Eskay Creek Revitalization Project by approximately 70%.

Advancing Reconciliation and Indigenous Partnership

- Advanced collaborative approaches to conducting regional assessments through co-development initiatives, including co-drafting the Regional Assessment in the Ring of Fire Area Interim Report with First Nations and jointly developing the Terms of Reference for the Regional Assessment of the St. Lawrence River Area.
- Supported meaningful Indigenous participation by providing $6.6 million in participant funding for assessments, $15.4 million for Indigenous capacity-building initiatives, and $1.3 million to support engagement on policy development.
- Advanced the Government of Canada's commitment to reconciliation through Indigenous consultation and engagement on both federal impact assessments and broader priorities, with IAAC's approach frequently recognized as a leading practice in federal consultation.

Building Trust, Collaboration, and Public Confidence

- Strengthened engagement with Indigenous partners, provinces, industry, project proponents, environmental organizations, IAAC advisory bodies, and the public, with input directly informing the design of the re-engineered impact assessment process, enhancing confidence in the federal impact assessment regime and contributing to positive feedback on IAAC's more streamlined, efficient, and effective approach.
- Led proactive communications efforts and countered misinformation and disinformation to increase public confidence in impact assessments and the regulatory efficiency agenda through sustained stakeholder engagement, strategic media outreach and targeted campaigns.

Modernizing IAAC to Deliver Results for Canadians

- Through strategic organizational realignment, vacancy management, hiring restraint and attrition, IAAC met its Comprehensive Expenditure Review obligations in 2025-26, while continuing to deliver on government priorities.
- Advanced IAAC's digital modernization agenda through the adoption and implementation of artificial intelligence and other process innovations, including developing applications for plain-language summaries, streamlined review processes, automated testing, and enhanced permitting coordination tools.
- Improved service delivery through enhancements to the Canadian Impact Assessment Registry (the Registry) and public notification systems, increasing transparency, accessibility and user experience.

For more information on IAAC's activities related to Impact Assessment read the "Results: What we achieved" section of this report.

From the Minister



The Honourable Julie Dabrusin, P.C., M.P.
Minister of the Environment, Climate Change, and Nature, and Minister responsible for the Impact Assessment Agency of Canada

As the Minister responsible for the Impact Assessment Agency of Canada (IAAC), it is my pleasure to share the 2025-26 Departmental Results Report. The report outlines the strategic results IAAC achieved throughout the year to deliver major project reviews faster while upholding environmental protections and safeguarding the rights of Indigenous Peoples.

Our country's economic landscape is changing rapidly, and the Government of Canada must take swift and concrete actions to ensure we build a strong Canada today and for the future. To achieve this, we must integrate our environmental and economic agendas to support timely development decisions while protecting nature. Canada is showing the world we are a safe and stable place to invest by taking the actions needed to put in place a predictable, efficient and timely regulatory system for project development while maintaining the rigour Canadians expect.

IAAC has been working diligently to help achieve this pivotal objective. While working closely with the Major Projects Office and its federal partners, IAAC has been implementing efficiencies to avoid duplication and streamline federal assessments for major projects, coordinating assessments with permitting processes, and completing the review of projects at a pace not seen in decades.

Over the fiscal year, IAAC delivered 18 final assessment decisions for projects under review, supporting billions of dollars in new investment and hundreds of jobs across the country. In the same timeframe, 22 projects entered the impact assessment system, more than double the average number since the Impact Assessment Act came into force in 2019. This significant increase proves proponents are confident in the process, ready to invest in Canada, and trust in IAAC's expertise in supporting responsible development across the country.

Indeed, responsible development has always been at the heart of impact assessment. For instance, when IAAC identifies and mitigates a project's potential environmental impacts on areas of federal jurisdiction like fish and fish habitat, aquatic species, and cross boundary marine pollution, it helps protect Canada's natural resources and biodiversity for future generations.

IAAC advanced new co-operation agreements with provinces to achieve "one project, one review," improving how it delivers results and uses collaborative approaches. This type of collaboration reduces duplication and regulatory burden without compromising environmental protection or our duty to uphold Indigenous rights. IAAC is already working to complete agreements with the remaining provinces, with others signed in early 2026-27.

The Government of Canada's focus on protecting Indigenous rights and taking steps towards reconciliation with Indigenous Peoples remains steadfast. Meaningful consultation and active engagement are vital in conducting strong and thorough impact and regional assessments. In

2025-26, IAAC provided financial support to assist Indigenous communities across the country participate in assessment processes, capacity-building initiatives, and policy development.

As we continue to build on our successes of this year, we are well positioned to continue this important work into the future. This report summarizes the steps taken to ensure we deliver on what Canada needs to support our country's families, economic growth, and competitiveness.

From the President



Terence Hubbard
President, Impact Assessment Agency of Canada

As President of the Impact Assessment Agency of Canada (IAAC), I am proud to present our 2025-26 Departmental Results Report, which outlines IAAC's significant achievements and successes over the past year.

The Government of Canada has made it clear that streamlining federal impact assessments and advancing major projects in support of responsible development are among Canada's top priorities. Our work is valued and makes a difference for Canadians. IAAC's expertise and agility ensure our focus is aimed at what matters most: delivering timely, high-quality assessments that support economic development, protect the environment, and uphold the Government of Canada's commitment to partner with Indigenous Peoples.

When Treasury Board launched a government-wide review aimed at eliminating red tape in July 2025, IAAC was already finding innovative ways to use more efficient impact assessments and make project reviews more predictable for proponents.

IAAC is making great strides in re-engineering its review process, allowing us to deliver faster and more efficient assessments while still upholding legislative requirements. By focusing our efforts on areas of federal jurisdiction, we delivered positive results for Canadians. Indeed, last year we issued 18 final assessment decisions with the average timeline taking about seven months. These decisions pave the way for industrial growth and investment in Canada and demonstrate our pivotal role in advancing the Government of Canada's economic agenda.

In line with our commitment of "one project, one review," IAAC finalized new provincial co-operation agreements with Ontario, Nova Scotia, New Brunswick and Prince Edward Island. These agreements strengthen federal-provincial alignment, reduce duplication, and improve predictability for proponents in project reviews. IAAC also leveraged provincial processes by streamlining project-specific guidelines, ensuring they concentrate on key issues central to federal decision-making.

Strong and effective consultation processes are based on meaningful relationship building. Over the years, IAAC has built trusted relationships with Indigenous communities across Canada, and our approach is being recognized as a leading practice in federal consultation. Our collaborative relationships with Indigenous partners led to many successful initiatives this year, including the co-development and publication of the Interim Report for the Regional Assessment in the Ring of Fire

Area and the joint development of Terms of Reference for the Regional Assessment of the St. Lawrence River Area. Once completed, these regional assessments will result in data-based recommendations and help inform future project reviews and decision-making.

In the face of the Government of Canada's Comprehensive Expenditure Review, IAAC realigned resources to strengthen its structure and processes, and found efficiencies and cost savings while ensuring the organization continued to deliver on the Government of Canada's priorities.

While we prioritized our work on streamlining processes, reducing duplication and increasing efficiencies, one thing remained the same: IAAC's positive contributions continue to support responsible development in Canada and ensure major projects move forward in a way that protects the public interest of Canadians.

Results: What we achieved

Core responsibilities and internal services

- Core responsibility 1: Impact Assessment
- Internal services

Core responsibility 1: Impact Assessment

In this section

- Description
- Quality of life impacts
- Progress on results
- Details on results
- Key risks
- Resources required to achieve results
- Related government priorities
- Program inventory

Disclaimer: In the 2025 Speech from the Throne, the Government of Canada committed to reducing the time to complete assessments from five years to two years, while continuing to uphold Canada's world-leading environmental standards and its constitutional obligations to Indigenous Peoples. IAAC has re-engineered its processes under the IAA to enable federal impact assessments and regulatory decisions to be completed within two years. This includes streamlining and coordinating assessment processes, implementing co-operation agreements, and reducing duplication across jurisdictions to support efficient reviews under a single process. As a result, on April 1, 2026, IAAC amended its Departmental Results Framework (DRF), which led to the identification of an updated Core Responsibility description, to align with the re-engineered

process in addition to the priorities of the Government related to the federal impact assessment regime.

To ensure that assessment processes work for all Canadians, the Government of Canada, with the support of IAAC and in collaboration with provinces and Indigenous groups, is proposing amendments to the laws, regulations, and policies to meet its commitment to ensure project decisions are made in a timely manner. Until any amendments to the IAA come into force, IAAC will continue administer the IAA as presently written.

Description

To foster sustainability, the Agency undertakes high-quality federal assessments of proposed projects based on scientific information and Indigenous Knowledge to assess health, social, economic, and environmental effects, and impacts on Indigenous Peoples and their rights. These assessments inform government decisions on whether proposed projects are in the public interest. The Agency conducts compliance and enforcement activities to ensure proponents adhere to the legislation, including the conditions in decision statements.[1]

Quality of life impacts

This core responsibility contributes to the "Environment" domain of the Quality of Life Framework for Canada, including "Water quality in Canadian rivers," "Satisfaction with local environment," and the "Canadian species index" by ensuring that potential adverse effects of major projects are understood and mitigated in support of responsible and sustainable development.

It also contributes to the "Good Governance" domain, including:

- "Confidence in institutions" through the conduct of high-quality impact assessments to assess potential positive and negative effects within federal jurisdiction in a timely and efficient manner, which is critical to ensuring confidence in the federal impact assessment regime; and
- "Indigenous self-determination" through activities to increase partnership and co-operation with, and leadership of, Indigenous Peoples in the conduct of impact assessments.

[1] The language of this Core Responsibility has been adjusted in the 2026-27 Departmental Plan to ensure it aligns with the amended Act and the re-engineered process. IAAC's updated Core Responsibility description, as can be found in its 2026-27 Departmental Plan, is: "The Impact Assessment Agency of Canada facilitates the development of designated projects through effective and efficient regional, strategic, and project-specific assessments that are conducted in co-operation with other jurisdictions. Project-specific assessments are focused on complex projects and mitigating significant adverse effects within federal jurisdiction that may be caused by those projects to enable their development while protecting the environment and Indigenous rights."

Progress on results

This section details the department's performance against its targets for each departmental result under Core responsibility 1: Impact Assessment.

Table 1 shows the target, the date to achieve the target and the actual result for each indicator under Designated projects that proceed foster sustainability the last three fiscal years.

Table 1: Designated projects that proceed foster sustainability

Departmental result indicator	Target	Date to achieve target	Actual result
Percentage of projects for which reporting indicates that mitigation measures set out in the decision statement effectively address adverse effects of the project	90%	March 2026	2023-24: 100% 2024-25: 100%* 2025-26: 100%**
* Of the fourteen projects with follow-up program results in 2024-25, all showed that the vast majority of mitigation measures were effective in addressing adverse effects. **Eighteen projects submitted follow-up results during the 2025-26 reporting year. The mitigation measures associated with all of the projects' follow-up programs demonstrated moderate or high effectiveness, on average.			

Table 2 shows the target, the date to achieve the target and actual result for each indicator under Stakeholders and Indigenous groups meaningfully participate in the assessment process in the last three fiscal years.

Table 2: Stakeholders and Indigenous groups meaningfully participate in the assessment process

Departmental result indicator	Target	Date to achieve target	Actual result
Percentage of stakeholders and Indigenous groups participating in assessment-related engagement/consultation activities who agree they were engaged meaningfully in the assessment process	90%	March 2026	2023-24: 88% 2024-25: 78%* 2025-26: 41%**
* Although the target of 90% was not met, efforts continue to further improve these results. The 10% decrease in the result compared to the result reported in 2023-24 (88%) could partially be attributed to the low survey response rates. Indicator results from 2024-25 do not include Indigenous groups because the approach for collecting feedback from Indigenous Peoples was being revisited in 2025-26 to ensure it continues to align with Government direction related to federal impact assessment. Efforts continue to further improve these results. ** The target of 90% was not met in 2025–26. While participation increased to 40 respondents, compared to 15 in 2024-25, survey results were more polarized, with similar levels of satisfaction and dissatisfaction contributing to a lower overall score. The increase in responses may have captured a broader range of perspectives. Results may also reflect factors beyond the engagement process itself, including respondents' perceptions of consultation outcomes and their overall experience with the impact assessment process. Results for 2025-26 do not include Indigenous groups as the approach that was originally planned to collect their feedback has been modified			

Departmental result indicator	Target	Date to achieve target	Actual result
following updates to the Departmental Results Framework. Starting in 2026-27, a data collection process will be developed and implemented to ensure it continues to align with Government direction related to federal impact assessment.			

Table 3 shows the target, the date to achieve the target and actual result for each indicator under Scientific and evidence-based information, and Indigenous Knowledge on key health, social, economic, and environmental effects are available to inform project assessment processes, including impact assessment reports, decisions, and conditions in the last three fiscal years.

Table 3: Scientific and evidence-based information, and Indigenous Knowledge on key health, social, economic, and environmental effects are available to inform project assessment processes, including impact assessment reports, decisions, and conditions

Departmental result indicator	Target	Date to achieve target	Actual result
Percentage of stakeholders and Indigenous groups who agree that scientific and evidence-based information and Indigenous Knowledge on key health, social, economic, and environmental effects are accessible	60%	March 2026	2023-24: 99%* 2024-25: 83%* 2025-26: 56%**

* Results for 2023-24 and 2024-25 do not include Indigenous groups because the approach for collecting feedback from Indigenous Peoples is being revisited in 2025-26 to ensure it continues to align with Government direction related to federal impact assessment.

**The target of 60% was not met in 2025-26. Participation increased substantially, from 15 public engagement survey respondents in 2024-25 to 40 respondents in 2025-26. However, lower ratings across several survey statements led to a decline in the overall average indicator score, despite positive responses continuing to outweigh negative responses overall. Results for 2025-26 do not include Indigenous groups as the approach that was originally planned to collect their feedback has been modified following updates to the DRF. In 2026-27, a data collection process will be developed and implemented to ensure alignment with Government of Canada's direction related to federal impact assessment.

Table 4 shows the target, the date to achieve the target and actual result for each indicator under Impact assessment processes respect the rights and culture of Indigenous Peoples and Canada's commitment to partner with them in the last three fiscal years.

Table 4: Impact assessment processes respect the rights and culture of Indigenous Peoples and Canada's commitment to partner with them

Departmental result indicator	Target	Date to achieve target	Actual result
Percentage of Indigenous groups who agree they have a productive and collaborative relationship with IAAC	At least 70%	March 2026	2023-24: Not available* 2024-25: Not available* 2025-26: Not available**
* Indicator results were not available for 2023-24 and 2024-25 because the approach for collecting feedback from Indigenous Peoples was being revisited to ensure it continued to align with Government direction related to federal impact assessment. **Indicator results are not available for 2025-26 due to changes in the approach to collect data from Indigenous Peoples following updates to the Departmental Results Framework. Starting in 2026-27, a data collection process will be developed and implemented to ensure it continues to align with Government direction related to federal impact assessment.			

The Results section of the Infographic for IAAC on GC Infobase provides additional information on results and performance related to its program inventory.

Details on results

The following section describes the results for Impact Assessment in 2025-26 compared with the planned results set out in IAAC's departmental plan for the year.

Designated projects that proceed foster sustainability

Results achieved

- In 2025-26, IAAC has refocused its decision-making, practices, and associated documents on areas of federal jurisdiction. IAAC has re-engineered its processes to enable federal impact assessments and regulatory decisions to be completed within two years under the IAA. This includes streamlining assessment processes, strengthening interjurisdictional co-operation, and reducing duplication to support timely and efficient reviews through a single process.
- IAAC's modernization initiatives enhanced the overall efficiency of the federal assessment system and supported the Government of Canada's objective of accelerating decisions on priority projects.
    - At the end of 2025-26, IAAC had 33 active impact assessments in its system, of which 9 were paused by the proponent.
    - IAAC's strong performance was maintained on rendering decisions under section 16 of the IAA, with 15 decisions completed within an average of 68 days, excluding time suspensions by proponents. Meeting legislated timelines reinforced

confidence in the federal assessment regime and demonstrated IAAC's ability to render timely decisions on designated projects.
    - More detailed information is available in IAAC's Summary of assessments, 2025-26.
- Greater clarity for proponents and partners was achieved through IAAC's re-engineered impact assessment process. IAAC tested key elements of the re-engineered process through pilot projects and operational readiness initiatives, focusing on improving efficiency, reducing duplication, and identifying key issues early in the process. Specifically:
    - Earlier engagement with proponents, federal authorities, and Indigenous groups; streamlined and more targeted information requirements; and increased reliance on provincial processes, where appropriate.
    - Established readiness supports and enhanced proponent guidance, training, and a centralized internal information platform, to improve consistency and build staff capacity in the re-engineered impact assessment process. Lessons learned from real-world testing informed adjustments to guidance, governance, and process design, demonstrating the potential for more focused, timely, and coordinated assessments while maintaining meaningful consultation and robust analysis.
    - The launch of the internal Operations Training Program strengthened staff capacity and ensure consistent application of processes across regions. This investment in operational readiness enhanced the quality and predictability of assessments and ensured that proponents received clear, coherent guidance nationwide.
- IAAC continued to implement its "one project, one review" approach by working with provinces to develop co-operation agreements to reduce duplication, accelerate major infrastructure, mining, and energy projects and improve predictability in project reviews while upholding strong environmental and Indigenous-rights protections.
    - At the conclusion of 2025-26, four agreements were finalized with Ontario, New Brunswick, Nova Scotia, and Prince Edward Island, with draft agreements confirmed with Alberta, Manitoba, and Newfoundland and Labrador. In early 2026-27, further agreements have been signed and agreements with remaining jurisdictions remain under development. These agreements strengthen federal-provincial alignment and improving predictability in project reviews.
    - These efforts are further reinforced by new infrastructure initiatives announced in Budget 2025, which modernize port governance, enhance collaboration across transportation trade corridors, and address barriers to investment that are essential to Canada's trade competitiveness and Arctic sovereignty.
- Predictable pathways for major project development were advanced through timely, high-quality assessments, underpinned by strengthened processes, deeper collaboration with jurisdictions and Indigenous partners, and coordinated efforts to ensure designated projects contribute to economic and environmental sustainability.
    - In September 2025, the Minister approved the Ksi Lisims LNG – Natural Gas Liquefaction and Marine Terminal Project under the IAA, concluding that its impacts could be justified in the public interest. As the first project to complete a joint federal-British Columbia review under updated laws, the coordinated decisions provided a strong signal of regulatory certainty to investors. Following approval, the

project advanced into the post-decision phase, with the MPO leading federal coordination with British Columbia, Indigenous groups, and the proponent, while IAAC supported follow-up work on marine shipping impacts, Indigenous participation in oversight and monitoring, regional cumulative effects initiatives, and legal responses to two judicial reviews.

- By applying modernized processes and through co-operation with jurisdictions, IAAC advanced work on Detailed Permitting Plans (DPPs) to bring greater efficiency, certainty, and coordination to federal permitting. This included publishing its first joint DPP with British Columbia, using established provincial processes to map out clear and predictable permitting pathways. Through this approach, IAAC identified efficiencies across federal authorities, reduced timelines, and supported the "one project, one review" objective. In addition, IAAC published three DPPs on the Registry and is actively developing others with proponents to help them navigate federal permitting processes.
- IAAC refined the template for the Tailored Impact Statement Guidelines (TISGs), streamlining requirements for proponents and separating it into three pieces. This resulted in a significantly shorter TISG template to be tailored for each project, provided greater clarity on areas of interest within federal jurisdiction, and facilitated alignment with provincial processes and their application across major projects to reduce duplication and uphold the principle of "one project, one review." Examples include:
    - Deep Geological Repository for Canada's Used Nuclear Fuel Project: IAAC worked collaboratively with the Province of Ontario to ensure the TISGs reflected the co-operation agreement between Ontario and Canada on Environmental and Impact Assessment. The collaborative development of TISGs with Ontario improved clarity and cross-jurisdictional alignment.
    - Shaakichiuwaanaan Mining Project: Issued TISGs through a Joint Assessment Committee with the Cree Nation Government, leveraging provincial requirements to streamline the process.
    - Eskay Creek Revitalization Project: Indigenous participation contributed to a potential reduction in federal conditions, demonstrating how early engagement supports efficient, high-quality reviews.
    - Project 6 – All Season Road Linking Manto Sipi Cree Nation, Bunibonibee Cree Nation and God's Lake First Nation: close collaboration with the Province of Manitoba and strong Indigenous involvement led to an efficient review, enabling timely federal decision making in early February 2026 while using only 265 of the 365 legislated days. This efficient and coordinated review supported a Ministerial determination within 100 days that the project would not cause significant adverse environmental effects.
- IAAC advanced an unprecedented volume of major nuclear assessments, including Deep Geological Repository for Canada's Used Nuclear Fuel Project, New Nuclear at Wesleyville, and the Peace River Nuclear Power Project, IAAC has also been engaging with proponents of potential nuclear projects in Saskatchewan and New Brunswick. IAAC also strengthened relationships with Indigenous Nations and local communities, delivered key milestones under tight timelines, and established strong governance and coordination

practices, such as through its efforts with the Bruce C Nuclear Project Charter, to support predictable and well-managed, integrated review panel processes.

- IAAC also managed some of the largest volumes of Indigenous and public input ever seen in IAAC-led assessments and provided robust analysis on complex issues, including the scope of nuclear material transportation. Collectively, these efforts supported informed Crown consultation and helped establish a solid operational foundation for future nuclear review panels.
- IAAC advanced regional assessments across the country by strengthening collaboration with Indigenous partners, provinces, and federal departments, and by achieving key milestones that enhance insight into the cumulative effects of projects and support more efficient, transparent, and predictable future project reviews. For example:
    - Regional Assessment of the St. Lawrence River Area: Built strong, trust-based relationships with First Nation partners, enabling an effective Regional Assessment Working Group (RAWG) and the co-development of Terms of Reference expected for approval in early April, launching the 30-month conduct phase.
    - Regional Assessment of the Offshore Wind Development in Nova Scotia: Worked with Natural Resources Canada (NRCan) and provincial partners to triage and advance recommendations from the Offshore Wind Regional Assessment, presented progress at the February Assistant Deputy Minister Impact Assessment meeting, and supported the creation of an Offshore Wind Impact Assessment Readiness Team to develop tailored guidance for future offshore wind reviews.
    - Regional Assessment of the Ring of Fire Area: In January 2025, IAAC advanced, in co-operation with 15 First Nation Partners, the Terms of Reference, marking the first co-developed regional assessment under the IAA. In 2025-26, the working group, composed of First Nation delegates and IAAC representatives, submitted its interim report for the regional assessment to First Nation leadership and the Minister, summarizing early findings, development scenarios, and knowledge gaps. The working group also launched an Information Sharing Platform to provide dynamic access to information gathered to date, including through an interactive Geographic Information System (GIS) mapping tool. These milestones build on earlier foundational work, including establishing a roster of over 90 experts, publishing a Participation Plan, developing an internal charter for the Regional Assessment Working Group, and issuing a public call for information and data to support the next phase of the assessment.
- IAAC engaged with several advisory bodies made up of external experts who provide guidance on the implementation of the federal impact assessment regime. These committees play an important role in supporting transparency and ensuring that the objectives of federal impact assessment are being met. They include the Technical Advisory Committee on Science and Knowledge (TAC), Indigenous Advisory Committee (IAC), and Minister's Advisory Council (MINAC) on Impact Assessment. The work of these committees reinforces continued First Nations and Métis leadership in shaping advice to the Minister, building on significant, long-standing engagement on the IAA, and the need for renewed dialogue and openness to co-develop solutions and improve collaboration on IAAC's assessment processes.

Table 5: Summary of assessments, 2025-26

Assessment type	# of ongoing assessments initiated prior to 2025-26 (i.e., carry over)	# of assessments initiated in 2025-26	# of Assessments completed in 2025-26 (Ministerial Decisions)	# of assessments completed in 2025-26 (section 16 decisions)	# of assessments terminated in 2025-26	# of assessments continuing into 2026-27
CEAA 2012						
Environmental assessments conducted by the Agency	8	Not applicable	1	0	2	5
Environmental assessments conducted by Review Panel	0	Not applicable	0	0	0	0
Substituted environmental assessments	5	Not applicable	0	0	0	5
IAA						
Impact assessments conducted by the Agency	21	19	0	15	0	25
Impact assessments conducted by Review Panel	4	3	0	0	0	7
Substituted impact assessments	3	0	2	0	0	1
Regional assessments	2	1	0	0	0	3
Strategic assessments	0	0	0	0	0	0

Assessment type	# of ongoing assessments initiated prior to 2025-26 (i.e., carry over)	# of assessments initiated in 2025-26	# of Assessments completed in 2025-26 (Ministerial Decisions)	# of assessments completed in 2025-26 (section 16 decisions)	# of assessments terminated in 2025-26	# of assessments continuing into 2026-27

Definitions:

Section 16 decisions: Section 16a (1) of the IAA are decisions made in the early phases of the impact assessment process that determine no impact assessment of the designated project is required.

Environmental Assessment Conducted by the Agency: environmental assessments conducted by IAAC as a responsible authority under the Canadian Environmental Assessment Act, 2012 (CEAA 2012).

Impact Assessment Conducted by the Agency: an assessment of the positive and negative environmental, economic, health, and social effects of designated projects. It includes five phases: planning, impact statement, impact assessment, decision, and post-decision.

Review Panel: environmental or impact assessments conducted by a group of independent experts appointed by the Minister of Environment and Climate Change under CEAA 2012 or the President of IAAC under the IAA, with administrative and technical support provided by IAAC. Under the IAA, where an impact assessment is required, designated projects that include physical activities regulated under the Nuclear Safety and Control Act or the Canadian Energy Regulator Act must be referred by the Minister to an Integrated Review Panel, jointly established by IAAC and either the Canadian Nuclear Safety Commission or the Canada Energy Regulator, as applicable. The Minister may also refer the impact assessment of any other designated project to a Review Panel.

Substituted: a provincial environmental or impact assessment process may be a substitute for a federal environmental assessment, but not federal decision-making, if the Minister believes that the provincial process is an appropriate substitute for an assessment under CEAA 2012 or the IAA.

Regional Assessment: an assessment that assesses the effects of existing or future physical activities carried out in a region.

Strategic Assessment: an assessment that examines the Government of Canada's existing or proposed policies, plans, or programs relevant to impact assessment. Strategic assessments may also focus on issues relevant to impact assessment.

Stakeholders and Indigenous groups meaningfully participate in the assessment process

Results achieved

- Equitable participation of Indigenous Peoples under the re-engineered assessment system was supported by readiness funding and early engagement and consultation resources, helping ensure Indigenous Nations were prepared for accelerated timelines as efficiency improvements were introduced. In 2025-26, through its funding programs, IAAC reduced financial barriers and facilitated participation in both in-person and virtual consultation and engagement sessions with Indigenous Peoples and the public to help develop reports, obtain comments on assessment-related documents, and to support the participation of Indigenous groups in post decision phase activities.
    - For project and regional impact assessments, the Participant Funding Program (PFP) expended a total of $1.5 million to support the participation of 15 unique Indigenous recipients and six unique[2] public recipients in 15 impact assessment processes. An additional $2.4 million was expended to support the participation of 24 unique Indigenous recipients and 18 unique public recipients in four regional assessment processes[3]. In 2025-26, the PFP signed a total of $7.1 million in contribution agreements: $6.8 million with 56 unique Indigenous recipients and $0.3 million with 20 unique public recipients to support their participation in 10 impact assessment processes and four regional assessment processes. The PFP also expended $2.8 million in funding through 356 grant agreements to support the participation of Indigenous groups and the public in assessment processes.
    - The Policy Dialogue Program (PDP) expended a total of $1.1 million in contribution funding to 42 unique recipients to support the participation of 16 unique Indigenous recipients and 26 unique public recipients in policy and guidance development. In 2025-26, the Program signed 22 new agreements for a total of $0.9 million. Through the PDP, recipients provided feedback on IAAC policies and guidance, engaged in collaborative work on policy issues, and provided financial support to the TAC, the IAC, and the MINAC. The PDP also expended $0.4 million through 69 grant agreements to 66 unique Indigenous recipients to support the participation of recipients in policy and guidance development on working with provinces on the assessment of designated projects as well as on draft co-operation agreements with individual provinces.
    - The Indigenous Capacity Support Program (ICSP) expended $15.5 million in funding to 64 unique Indigenous recipients to increase their ability to participate and collaborate meaningfully in current and future federal assessments. In 2025-26, the Program signed 13 new agreements for a total of $3.2 million. Supported activities included the development of governance structures, generic tools and studies, in-house training, and general awareness of the impact assessment process for community members. Funding also supported a regional conference, wherein participants shared tools, knowledge, and best practices in impact assessments. Some examples of projects advanced through ICSP funding are:

        - a comprehensive environmental assessment toolkit outlining Crown consultation obligations, Indigenous laws and knowledge, cumulative effects considerations, funding supports, and step-by-step guidance to help communities navigate and assert their rights throughout assessment processes;
        - an Indigenous capacity-support initiative that delivers enhanced data management systems, a new field data application, expanded research capabilities, and community-focused IA training to strengthen informed and meaningful participation in federal assessments; and
        - a short film as part of a broader awareness campaign, challenging outdated consultation practices and highlighting the risks of overlooking Indigenous standards, knowledge systems, and cultural rights, promoting a shift toward early, meaningful, rights-based engagement.
- The extensive support delivered by IAAC through the PFP and ICSP enabled Indigenous groups and stakeholders to participate fully in assessments, conduct technical reviews, engage their communities, and prepare for future project reviews. These programs strengthened capacity in regions across Canada, ensuring that rightsholders and stakeholders were equipped to contribute meaningfully to federal decisions.
- In addition, IAAC provided early readiness funding and proactive pre-planning support, working with regional offices to identify upcoming projects and ensure Indigenous groups were resourced in advance of formal assessment activities. This approach helped maintain equitable participation as major projects moved forward under accelerated timelines.
- IAAC continued to develop Indigenous Engagement and Partnership Plans for designated projects requiring federal impact assessment, working collaboratively with affected Indigenous Nations during the planning phase to establish clear, shared expectations for consultation. In finalizing and posting these plans at the outset of each assessment on the Registry, IAAC continues to strengthen transparency, support consistent engagement throughout the process, and ensure Indigenous perspectives are embedded from the earliest stages of a project review.
- In 2025-26, IAAC conducted public engagement and consultation sessions to support participants in effectively sharing their perspectives through the Registry as part of the impact assessment process. Follow-up survey results demonstrate a significant increase in participants' understanding of how to engage in the process, rising from 11% in 2022-23 to 78% in 2025-26. Participants also reported a substantially greater appreciation of the value of their time invested in these sessions, increasing from 11% in 2022-23 to 72% in 2025-26.

[2] A recipient can have more than one contribution and/or funding agreement since recipients can participate in more than one project.

[3] Note that expenditures may be made under agreements established in previous years and are not necessarily limited to those signed in 2025-26. In addition, while an agreement may have been established in 2025-26, the associated funds may be disbursed in subsequent years.

These results reflect IAAC's continued commitment to providing meaningful, accessible, and effective opportunities for public participation.[4]

- IAAC supported MPO on projects, such as Ksi Lisims LNG – Liquefaction and Marine Terminal Project and Crawford Nickel Project, to bring certainty to the federal permitting processes and ensure Indigenous perspectives were integrated into early planning and regulatory alignment, which improved the quality of early-stage decision making.
- IAAC strengthened Indigenous and stakeholder participation across assessments, improving early engagement, building capacity, and ensuring that Indigenous groups and stakeholders were prepared, resourced, and positioned to participate fully and effectively in impact assessments. In 2025-26, IAAC:
    - Developed tailored consultation agreements for project specific assessments, including agreements with the three SART Nations (Kebaowek First Nation, Temiskaming First Nation and Wolf Lake First Nation) and the Algonquins of Pikwàkanagàn First Nation for the Timiskaming Dam-Bridge of Quebec Replacement Project. These agreements demonstrated strong models of Indigenous partnership, supported coordinated engagement, and ensured Indigenous Knowledge informed assessment outcomes.
    - Strengthened Indigenous participation in project assessment outcomes, including collaboration with British Columbia and Tahltan Nation ensuring environmental protections while also minimizing duplication of conditions for the Eskay Creek Revitalization Project, demonstrating how meaningful Indigenous involvement improves the quality, efficiency, and legitimacy of federal decisions.
    - Enhanced public and Indigenous engagement for the Ontario Pumped Storage Hydropower Project, hosting a hybrid public information session with more than 400 participants, addressing complex questions, and clarifying the assessment process. This outreach improved transparency, reduced misinformation, and supported more informed participation in the project assessment.
- To support meaningful public and Indigenous engagement in impact assessments, IAAC expanded its outreach and improved the accessibility of assessment information. In 2025-26, IAAC:
    - Updated guidance for proponents on early engagement with Indigenous Peoples, improving clarity and expectations for meaningful engagement at the outset of project planning, supporting more consistent, respectful, and effective early-stage collaboration between proponents and Indigenous groups;
    - Enhanced opportunities for participation by launching its first audio summary to help the public better understand project information;
    - Mitigated misinformation through targeted media campaigns, outreach to approximately 85 organizations, with one-third of campaigns resulting in accurate coverage of the impact assessment process, helping build public understanding and trust; and
    - Developed internal guidance to support a consistent approach to addressing misinformation; the Ontario Pumped Storage Hydropower Project demonstrated

[4] This result is based on 40 responses. Since the survey is administered via email or through a QR code, it is not possible to calculate a response rate or margin of error.

the effectiveness of this work, with proactive communication reducing public confusion, clarifying the assessment process, and supporting more informed participation.

Scientific and evidence-based information, and Indigenous Knowledge on key health, social, economic, and environmental effects are available to inform project assessment processes, including impact assessment reports, decisions, and conditions

Results achieved

- IAAC strengthened the scientific, analytical, and knowledge-based foundations of the assessment system, ensuring that decisions were informed by high quality evidence, Indigenous Knowledge, and transparent methodologies that enhanced the rigour, credibility, and public trust in federal assessments.
    - In 2025-26, IAAC advanced the implementation of the Scientific Integrity Policy, upholding an organizational culture that ensures that assessments are grounded in robust knowledge and evidence.
    - Research funded by IAAC's Research Program supported methodological improvements as well as promoted best practices and evidence-based decision-making.
    - With the posting of standard mitigation measures in January 2026, IAAC provided consistent expectations for proponents and improving predictability across assessments. These measures provide ongoing support for more efficient reviews and help ensure that mitigation requirements are evidence based and aligned across projects.
- In 2025-26, IAAC streamlined project TISGs by reducing the template length by nearly half, improving clarity for proponents, reducing administrative burden, and maintaining analytical rigour. Updated templates released in August 2025 strengthened consistency across assessments and supported more efficient preparation of high-quality impact statements. This updated TISGs template was applied across multiple projects, including:
    - the Shaakichiuwaanaan Mining Project, where the Joint Assessment Committee leveraged provincial requirements to reduce duplication and advance the principle of "one project, one review;" and
    - the Deep Geological Repository for Canada's Used Nuclear Fuel Project, where IAAC's collaboration with Ontario on TISGs further strengthened alignment between jurisdictions and improved predictability for proponents.
- In 2025-26, IAAC established an External Technical Review for the Great Bear Gold Project to provide independent advice on an issue with high scientific uncertainty. IAAC also collaborated with federal authorities, provincial ministries, and Indigenous communities in the conduct of technical reviews or held comment periods for projects under CEAA 2012, such as the Springpole Gold Project, and for projects under IAA, including the Troilus Mining Project and Crawford Nickel Project. Providing consolidated comments to proponents improved clarity, reduced duplication, and established practices that will continue under the re-engineered process.

- In addition, in 2025-2026, IAAC continued to advance continuous improvements to the delivery of its online services to Canadians with the implementation of a new Registry web page to enhance the user experience in locating projects and opportunities to participate.
    - IAAC posted more than 3,300 records related to project assessments, regional and strategic assessments, and assessments on federal lands and outside of Canada in fulfillment of IAAC's commitment to uphold our accessibility and transparency standards;
    - Over 3,300 comments were received and posted related to IAAC assessments, 60% of which were submitted directly online by participants because of improvements to the commenting platform;
    - Close to 900 new subscribers registered in 2025-26 for a total of approximately 1,900 active subscribers as a part of IAAC's Registry, keeping subscribers informed by receiving updates on projects that interest them.

Impact assessment processes respect the rights and culture of Indigenous Peoples and Canada's commitment to partner with them

Results achieved

- IAAC strengthened reconciliation by implementing Indigenous led processes, co-drafted reports, and shared governance structures that reflect Indigenous decision-making authority, embedding reconciliation into day-to-day assessment work rather than limiting it to policy commitments. Clearer interjurisdictional roles and expectations were supported by co-operation agreements with Indigenous groups, strengthening partnerships with Indigenous Peoples by embedding early consideration of Indigenous rights into assessment processes, reducing timeline risks and contributing to more predictable assessments. For instance, in 2025-26:
    - Indigenous led and co-developed assessments were advanced by IAAC, including through the Joint Assessment Committee with the Cree Nation Government for the Shaakichiuwaanaan Mining Project. By aligning federal and provincial processes, TISGs and duplication were reduced, leading to strengthened shared governance, and demonstrating meaningful Indigenous leadership in assessment processes so that Indigenous Knowledge directly shaped assessment requirements.
    - IAAC co-drafted Environmental Assessment Reports with Indigenous groups for the Springpole Gold Project and the Timiskaming Dam–Bridge of Quebec Replacement Project, integrating Indigenous Knowledge throughout the assessment process and reinforcing trust through collaborative decision-making.
    - IAAC worked in close partnership with British Columbia and the Tahltan Nation to improve coordination and minimize duplication, consistent with the Commitment Statement by British Columbia–Canada Coordination on Permitting for Critical Mineral Projects. Through this collaboration, a full Tahltan assessment was completed, enabling the Nation to assume responsibility for key mitigation measures and resulting in an approximately 70% reduction in federal conditions. By leveraging provincial mechanisms and relying on the best-placed regulator to

manage key effects, IAAC reduced regulatory overlap while ensuring that all effects within federal jurisdiction were appropriately addressed.
    - IAAC also provided support for project transitions between legislative regimes, such as the Joyce Lake Direct Shipping Iron Ore Project's move from CEAA 2012 to the IAA, which helped maintain continuity for Indigenous partners and ensuring assessments respected treaty requirements while responding to project needs.
- The S'ólh Téméxw Stewardship Alliance-Canada Consultation and Engagement Protocol, was adopted by IAAC, including signing IAAC's Adoption Letter in May 2025 in Chilliwack, British Columbia, making IAAC the first federal body to formalize this agreement with the Alliance. The protocol strengthens respect for Indigenous governance systems and establishes predictable, standardized, and culturally grounded engagement practices with the 17 Stó:lō First Nations. Through this commitment, IAAC and the Alliance agreed to work collaboratively and transparently to build consensus on decision-making for future impact assessments affecting Stó:lō rights and interests, enhancing culturally appropriate engagement across regions.
- IAAC advanced assessments and co-operation agreements with Indigenous groups in regions governed by modern treaties, ensuring IAAC processes aligned with treaty-based assessment regimes and demonstrating IAAC's ability to operate effectively in complex governance environments. For example, in 2025-26, IAAC supported Indigenous involvement in modern treaty processes, including work related to the Kitselas First Nation, Kitsumkalum First Nation, and K'ómoks First Nation agreements, contributing to the development of impact assessment related provisions, helping modernize treaty relationships, and fostering long-term reconciliation, and alignment of assessment processes with treaty-based governance structures.
- Governance work under the Reconciliation Framework advanced IAAC's policy foundation for future collaboration and coadministration agreements, embedding reconciliation more deeply into organizational culture.
    - In 2025-26, the Wolf Pack, IAAC's working group responsible for advancing the implementation of its Reconciliation Framework, continued to strengthen opportunities for Indigenous participation in impact assessment processes by improving guidance, communications, and engagement tools that support meaningful consultation and collaboration under the re-engineered process, ensuring Indigenous perspectives and rights are considered throughout assessments, while providing clearer information and more consistent engagement approaches for Indigenous communities.

Key risks

Table 6: Key Risks

Key risks	Mitigation strategies
Duplication of effort due to shared responsibilities The IAA is part of a larger regulatory landscape in Canada that includes shared responsibilities with provinces and territories under the Constitution Act, 1867. As a result, some projects could require multiple assessments, which has the potential to result in duplication of effort and longer timelines for assessments to be completed and projects to be built.	The IAA focuses decision-making on areas of clear federal jurisdiction and enhances collaboration with provincial partners to support the objective of "one project, one review." Further policy and operational efforts to advance "one project, one review," including co-operation agreements with provinces and other jurisdictions, will mitigate risk within the current legislative framework.
Fluctuation of economic activity and commodity price IAAC operates in a continuously changing environment influenced by outside factors, including the rapidly evolving effects of climate change. In particular, economic factors affect the type, volume and distribution of projects that will require assessments, including regional distribution.	Since 2019, IAAC has used its authority under section 16 of the IAA to make early decisions on impact assessments. As a result, over 40% of projects entering the system since the implementation of the IAA in 2019 and up to the completion of 2025-26 have received early decisions, many in under six months. IAAC will continue to find efficiencies at every step of the process and maintain proactive relationships with proponents and provinces, including to advance the goal of "one project, one review." This will make the assessment process more efficient, which will accelerate projects moving to the construction phase of development.
Inadequate or ineffective Crown Consultations and Indigenous participation Effective Indigenous consultation, engagement and partnership requires the meaningful participation of potentially affected Indigenous Peoples or organizations, as well as other authorities, as measures proposed to avoid or minimize potential impacts on Indigenous Peoples may rest within their areas of expertise. This includes creating conditions to support this meaningful participation and consultation. To fulfill the federal Crown's duty to consult, IAAC coordinates Crown Consultation for designated projects subject to federal impact assessments and permitting. For assessments by Integrated Review Panels of proposed energy infrastructure projects that are designated projects, as appropriate, Crown Consultations will be conducted jointly by IAAC and the Canada Energy Regulator or IAAC and the Canadian Nuclear Safety Commission.	In coordinating Crown Consultation for assessments and permitting for designated projects subject to federal impact assessment, IAAC ensures better and more consistent implementation of consultation requirements. IAAC continuously builds on its experience to adapt to increased expectations and requirements associated with consultation, including the shifting public and legal environment, and the complex landscape of Indigenous rights and interests in Canada. To advance the goal of "one project, one review," IAAC will continue to work with provinces to remove duplication between federal and provincial processes and leverage existing consultations for multiple purposes.

Key risks	Mitigation strategies
Lack of capacity among Indigenous Peoples to participate in assessments and Crown Consultations For Indigenous Peoples to participate meaningfully in assessment processes, and Crown Consultation activities, they need to have the capacity to do so. This includes ensuring they have the support (including funding), knowledge, information, skills, and abilities to participate, and that opportunities are accessible and available to Indigenous Peoples.	The Participant Funding Program covers a portion of costs incurred by Indigenous Peoples to participate in assessments and will help reduce financial barriers for Indigenous participation in assessment processes. IAAC's Indigenous Capacity Support Program provides funding to Indigenous groups and organizations, outside of the context of specific project-specific assessments, to support capacity building in Indigenous groups so they can better participate in current and future assessments. In addition to providing funding, IAAC strives to ensure Indigenous groups have the capacity to participate in assessment processes and Crown Consultations through various efforts, for example: • timely sharing of detailed information about the project or activity; • providing support as required; and • providing sufficient time for Indigenous Peoples to assess adverse impacts and present their concerns. IAAC will also continue to work with provinces to remove duplication between federal and provincial Indigenous consultation processes and leverage existing consultations for multiple purposes.
Non-compliance with conditions Decision statements contain clear, measurable, and enforceable conditions, including mitigation measures and follow-up requirements to which proponents must comply. Related to this is a potential lack of capacity from proponents to identify the need for adaptive management or alternative measures if mitigation measures do not work as planned or are not possible.	As laid out in its Compliance and Enforcement Policy for designated projects subject to the Impact Assessment Act, IAAC's Compliance and Enforcement Program promotes and verifies compliance and determines appropriate responses to situations involving non-compliance. IAAC continuously evaluates new approaches to compliance verification, including vessel tracking and artificial intelligence. Consideration is being given to the feasibility of deploying artificial intelligence for compliance and enforcement activities over the next few years. Ensuring there are clear roles and responsibilities between IAAC and other federal authorities, including predictable Post Decision engagement requirements for the engagement of federal authorities will help mitigate this risk.
Not achieving deliverables or expected results due to the horizontal nature of the initiative	IAAC chairs the Assistant Deputy Minister and Deputy Minister Impact Assessment Committees, which provide oversight and management for the implementation of the IAA, including monitoring

Key risks	Mitigation strategies
Many phases and aspects of the impact assessment process require collaboration and coordination across federal departments / agencies, with other jurisdictions, and external parties. For example, for a project-specific assessment, departments / agencies must provide expert advice to IAAC to inform its subsequent report.	horizontal implementation and results. IAAC will continue to work collaboratively with all departments / agencies to improve implementation as required based on ongoing monitoring and reporting, as well as periodic evaluation. In addition, IAAC has Memoranda of Understanding (MOUs) with many federal authorities that clarify expectations and processes. All MOUs will continue to be implemented and will be reviewed and revised as and when required. As part of specific projects, IAAC also develops project-specific work plans for each phase of the impact assessment process, which increases the collective understanding of anticipated deliverables and timeframes.
Not meeting the expectations of Indigenous Peoples and stakeholders Impact assessment intersects with the interests of numerous parties, including Indigenous Peoples, provinces and territories, industry, environmental groups, and the public. Introduction of the IAA in August 2019 has raised expectations significantly, with respect to what the impact assessment process will deliver. Specific to Indigenous Peoples, the United Nations Declaration on the Rights of Indigenous Peoples Act (UNDA) introduced new expectations, including the implementation of free, prior, and informed consent (FPIC) in federal policies and practices. Indigenous Peoples have significant expectations that they will be included in impact assessment decision-making and will be partners in the impact assessment process. They expect that their rights and traditional territories will be protected, and have high expectations related to the Government's commitments to reconciliation and the implementation of the UNDA. Provinces and territories expect impact assessment processes to respect their jurisdiction. They expect a "one project, one review" approach that avoids duplication. Industry expects a timely, predictable process.	The approach for the implementation of the impact assessment process was developed through collaboration with Indigenous groups and stakeholders, which mitigates this risk. IAAC will continue to work with Indigenous groups and stakeholders throughout the implementation of the impact assessment process to ensure the approach taken meets the needs of Indigenous groups and stakeholders. The IAA established advisory bodies (i.e., Indigenous Advisory Committee, Technical Advisory Committee, and Minister's Advisory Council) to gain input from Indigenous groups and stakeholders on implementation of the IAA. IAAC will continue to consider the advice from these bodies to improve and adapt its practices, policies and processes. The approach is comprehensive, horizontal, and multi-faceted. It includes elements that respond to specific critiques of the previous environmental assessment process, including: • the Planning Phase to ensure early engagement of Indigenous Peoples and the public; • flexibilities to enhance co-operation with other jurisdictions; • improved transparency of process and decision-making supported by a renewed project Registry;

Key risks	Mitigation strategies
Environmental groups want a process that fosters sustainability, and the public wants a transparent, trustworthy process.	• enhanced evidence and independent reviews of science; and • investments in supporting science and data.
Exposure or loss or damage resulting from cybersecurity threats Implementation of the IAA involves the use of multiple online systems, including IAAC's Registry, networks, servers, and other applications. Given the importance of this work, risk associated with cybersecurity threats requires vigilance to protect systems to ensure the efficient and effective implementation of assessment processes and the availability of information related to assessments and cumulative effects.	IAAC has programs and processes in place to remain vigilant and to address cybersecurity threats as quickly as possible. IAAC continues to strengthen its security posture through updated governance structures, mandatory training, security awareness outreach, and coordinated cybersecurity monitoring and incident response in partnership with Shared Services Canada and other central agencies. Through these partnerships, IAAC continued to increase its cybersecurity capacity to be better able to monitor, mitigate, and respond to these threats effectively and efficiently if / when required. Prioritization of highest-risk activities, phased implementation, and targeted investment planning are being used to ensure continued progress, with periodic reporting to senior management to validate risk tolerance and confirm resource alignment.

Resources required to achieve results

Table 7 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 7: Snapshot of resources required for Impact Assessment

Resource	Planned	Actual
Spending	$92,348,632	$82,421,489
Full-time equivalents	450	408

The Finances section of the Infographic for IAAC on GC Infobase page and the People section of the Infographic for IAAC on GC Infobase page provide complete financial and human resources information related to its program inventory.

Related government priorities

This section highlights government priorities that are being addressed through this core responsibility.

Gender-based Analysis Plus

- In 2025-26, in addition to implementing its own Gender-based Analysis (GBA) Plus Policy, IAAC continued to integrate GBA Plus across its programs, policies, and impact assessment practices, as required under the IAA. Integration of GBA Plus in assessments ensures that differential impacts on groups such as Indigenous women, youth, older adults, gender-diverse people, and other affected populations are systematically considered.
- As part of providing federal expertise and supporting the implementation of GBA Plus in impact assessment, IAAC worked with proponents to apply GBA Plus as an analytical framework to better understand how project effects may be experienced differently within and across populations, including the identification of effects that may disproportionately impact groups in vulnerable situations or may not be equitably distributed among sub-groups.
- Proponents incorporated GBA Plus considerations into Initial Project Descriptions, responses to the Summary of Issues, and Impact Statements, Environmental Impact Statements, or provincial equivalents.
- GBA Plus is used to help inform mitigation measures to reduce adverse effects on sub-groups and vulnerable populations. Informed by IAAC's work on previous assessments and expert advice, standard mitigation measures addressing impacts specific to Indigenous women and girls, are included in IAAC's Standard Mitigation Measures: Streamlining the Impact Assessment Process, published in January 2026.
- IAAC has a dedicated GBA Plus Champion and focal point to support the Government of Canada's GBA Plus accountability and implementation framework led by WAGE.
- To further support the meaningful inclusion of GBA Plus in assessment processes and reduce barriers for underrepresented communities, IAAC collaborated with Women and Gender Equality Canada (WAGE) to incorporate expert advice into TISGs, analyses, and feedback provided to proponents.
- In 2025-26, IAAC also promoted engagement opportunities for underrepresented groups informed by stakeholder identification analyses and implemented IAAC's Equity, Diversity and Inclusion (EDI) Lens tool to support consideration of barriers and representation in Review Panel roster processes, including through surveys to improve understanding of the EDI characteristics of current roster members.
- GBA Plus implementation was further enhanced by interdepartmental collaboration, research funding through IAAC's Research Program, internal learning and capacity building, as well as engagement with Indigenous groups, proponents, and stakeholders.

United Nations 2030 Agenda for Sustainable Development and the UN Sustainable Development Goals

IAAC's planned activities under its core responsibility will support Canada's efforts to address the United Nations' 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs). In particular, IAAC contributes to the following SDGs:

- SDG 10 – Reduced inequalities: advance reconciliation with Indigenous Peoples and taking action on inequality;
- SDG 12 – Responsible consumption and production: reduce waste and transition to zero-emission vehicles;
- SDG 13 – Climate action: take action on climate change and its impacts; and
- SDG 16 – Peace, justice, and strong institutions: promote a fair and accessible justice system, enforce environmental laws, and manage impacts.

In 2025-26, IAAC advanced "SDG 10 – Reduced Inequalities" by strengthening inclusive and culturally informed approaches throughout the impact assessment process. This included integrating GBA Plus into project analyses and engagement strategies and working closely with Indigenous communities to incorporate Indigenous rights, knowledge, and perspectives. IAAC collaborated with Indigenous groups to co-draft assessment reports, co-develop consultation plans, and support Indigenous-led assessments, including for projects such as the Timiskaming Dam–Bridge of Quebec Replacement Project, Springpole Gold Project, Sorel-Tracy Port Terminal Project, the Crawford Nickel Project, and the Regional Assessment in the Ring of Fire Area. IAAC also expanded engagement with communities often underrepresented in consultations, such as seniors, students, and newcomers, and continued to support modern treaty implementation and post-decision engagement with Indigenous communities.

IAAC strengthened "SDG 16 – Peace, Justice and Strong Institutions" in 2025-26 by enhancing transparency, accountability, and interjurisdictional co-operation in impact assessment processes. This included co-drafting assessment reports with Indigenous groups, improving public accessibility through targeted engagement sessions, and advancing federal-provincial co-operation agreements to reduce duplication while maintaining strong federal oversight. IAAC implemented the IAA in a manner aligned with the objectives and spirit of the UNDA, emphasizing early, consistent, and meaningful engagement with Indigenous Peoples. IAAC also developed internal guidance to support work with non-resident Indigenous groups and continued to promote compliance and conduct enforcement activities to ensure fair application of the law. IAAC further enhanced the transparency of its assessment processes by engaging Indigenous groups, stakeholders, and the public on the development of co-operation agreements with provinces.

More information on IAAC's contributions to Canada's Federal Implementation Plan on the 2030 Agenda and the Federal Sustainable Development Strategy can be found in our Departmental Sustainable Development Strategy and reports on progress.

Artificial intelligence

In 2025-26, IAAC advanced the responsible use of artificial intelligence (AI) to improve productivity, reduce administrative burden, and strengthen the delivery of its mandate. IAAC advanced targeted modernization initiatives, accelerating the adoption of AI-enabled tools and supporting workforce readiness, in alignment with Government of Canada's priorities for responsible and transparent AI use.

By enhancing the use of data and analytics to support assessment processes, using data to inform internal operations, track performance, and identify opportunities for innovation, IAAC expanded the use of AI-enabled tools to streamline internal operations. For example, IAAC adopted AI-assisted coding and verification tools, significantly reducing application development time and enabling rapid prototyping of digital solutions. IAAC also developed more than 15 AI use cases to reduce administrative burden and improve service delivery and deployed professional AI accounts (including for AI platforms, such as Copilot, ChatGPT, Claude, and DeepL Pro) to support employees with drafting, summarizing, analyzing, and translating documents. Lessons learned emphasized the importance of user training, appropriate model selection, and a structured community of practice to support responsible adoption of advanced AI-enabled tools.

IAAC also leveraged AI and automation to identify efficiencies and reduce reliance on manual processes and external tools. An email-tracking solution was developed and deployed to automatically capture incoming emails in a centralized tracker, improving the visibility of external requests, reducing workload and improving IAAC's responsiveness. IAAC also developed an AI-assisted translation tool trained on IAAC-specific lexicon to support more consistent, context-aware translations, reducing translation turnaround times and has the potential to reduce translation costs. Lessons learned underscore the need for ongoing oversight, validation, and alignment with Official Languages Act obligations.

IAAC piloted AI-enabled solutions to support more efficient review, synthesis, and analysis of complex information. For instance, in 2025-26, IAAC developed an AI-enabled Impact Insights platform using a curated subset of Registry documents to test chatbot-based analysis of assessment materials. The initiative demonstrated strong potential for AI-assisted knowledge navigation and informed a shift toward more targeted tools focused on summarization and comparative analysis. IAAC also leveraged a summary agent that supported the development of summary documents for some projects, such as the Deep Geological Repository for Canada's Used Nuclear Fuel Project, the New Nuclear at Wesleyville Project, and the Ontario Pumped Storage Hydropower Project.

IAAC strengthened organizational readiness for responsible AI adoption through training, change management, and improved governance. More than 200 employees received training on safe and effective AI use, and IAAC advanced development of its Impact Hub platform, which hosts AI-enabled applications such as its Impact Insights, Formatter, and Summarizer. IAAC also delivered innovation and change-management training across sectors, helping staff apply LEAN, design-oriented thinking, and AI fundamentals to their daily work. Lessons learned reinforced the need to continue investing in innovative thinking as a core competency for employees and ensuring all IAAC employees have access to the AI-enabled tools needed to support transformation.

Program inventory

Impact Assessment is supported by the following programs:

- Assessment Administration, Conduct and Monitoring; and
- Indigenous Relations and Engagement

Additional information related to the program inventory for IAAC is available on the Results page on GC InfoBase.

Internal services

In this section

- Description
- Progress on results
- Resources required to achieve results
- Risk and compliance process
- Contracts awarded to Indigenous businesses

Description

Internal services are the activities and resources that support a department in meeting its corporate obligations and delivering its programs. The 10 categories of internal services are:

- acquisition management services
- communications services
- financial management services
- human resources management services
- information management services
- information technology services
- legal services
- material management services
- management and oversight services
- real property management services

Progress on results

This section presents details on how the department performed to achieve results and meet targets for internal services.

Internal services offer corporate support to strengthen IAAC's ability to implement the IAA, deliver its core responsibility, and support Government of Canada priorities related to the health, safety, and well-being of employees, sound management of information and resources, and diversity. In 2025-26, internal services made up approximately 29% of IAAC's total FTEs and approximately 25%

of IAAC's total actual spending, demonstrating efficient operations with minimal resources allocated to internal services compared to direct program delivery.

- IAAC advanced a broad suite of modernization, efficiency, and cultural initiatives in 2025-26, strengthening IAAC's ability to deliver high-quality assessments and support a resilient, inclusive, and digitally enabled workforce. These efforts supported the Government of Canada's priorities related to accessibility, hybrid work, digital transformation, security, and employee well-being.
- IAAC continued to modernize its digital environment by expanding the use of its tools to enhance collaboration, secure information sharing, and accessibility across regions. For example, in 2025-26, IAAC:
    - Undertook foundational work to enable secure cloud capabilities, marking a major milestone in IAAC's digital transformation and positioning IAAC for future data integration and analytics; and
    - Invested in rapid prototyping tools further strengthened IAAC's ability to refine digital solutions efficiently.
- IAAC focused significant efforts in 2025-26 to advance digital innovation, process redesign, and responsible AI adoption, improving employee efficiency and readiness for IAAC's re-engineered process. IAAC trained more than 200 employees on responsible AI use and distributed all ChatGPT and Copilot licenses, significantly increasing digital literacy. More than 15 AI use cases were developed to reduce administrative burden and support assessment processes. IAAC also:
    - Advanced development of the internal Impact Hub platform, including Impact Insights, Formatter, and Summarizer;
    - Established a Community of Practice for transformational ideas, fostering innovation and cultural change across IAAC; and
    - Supported lean process redesigns, including improvements to the Access to Information and Privacy (ATIP) workflow and (Executive Correspondence and Briefing Unit) ECBU processes using LEAN methodology, resulting in a faster, more efficient, and less error prone processes. Lessons learned highlighted the importance of clear project sponsorship and sustained employee engagement from start to finish of future process redesigns.
- In 2025-26, IAAC continued efforts to modernize how information on federal authorizations, including permitting information, is shared across federal departments and agencies through the development of the Permit Coordination Portal, a secured Government of Canada information system. This Portal provides a centralized source of up-to-date information on permits required for major projects and improves transparency by enabling the timely tracking of permitting activities across the federal government.
- To support employees through significant organizational change, including the transition to the re-engineered process, IAAC provided strategic internal communications through outreach training campaigns and town halls, helping employees remain informed and engaged. Externally, IAAC maintained a proactive communications posture, addressed misinformation and disinformation, expanded access to machine translation tools, and

supported Indigenous language translation to reinforce IAAC's commitment to accessibility and inclusion.

- IAAC also advanced improvements to the Registry focusing on accessibility, efficiency, and user experience through the implementation of three system releases. IAAC redesigned its Registry home page to promote public participation opportunities and alignment with Canada.ca web standards. IAAC also made incremental enhancements to improve system automations, security and compliance with government-wide requirements. Enhancements include:
    - stronger security measures for certain administrative functions;
    - faster system performance; and
    - enhanced processes to improve the quality of information published by federal users, in line with the requirements of the IAA and the Official Languages Act.
- IAAC strengthened financial management and procurement governance by aligning business planning with organizational priorities and implementing a new client-oriented procurement services model. For example, in 2025-26, IAAC's Procurement Management Framework was revamped and supported by a new procurement committee, while automations were introduced to reduce manual entry and improve financial controls.
- IAAC also participated in the Indigenous Financial Management Apprenticeship Program to supporting the recruitment, development and retention of Indigenous talent, building capacity, helping to create pathways for Indigenous professionals in financial management, and further contributing to IAAC's commitments to reconciliation.
- In 2025-26, IAAC also completed a psychological health and safety risk assessment and delivered mental health training, engagement events, and speaker sessions. Additional progress included:
    - Launching IAAC's first dedicated space for Black employees, supporting inclusion and belonging;
    - Publishing disaggregated PSES action plans for the first time; and
    - Increasing mandatory training participation by approximately 10% through targeted blitzes.
- To advance its commitments with respect to accessibility, inclusion, and cultural transformation, IAAC's 2025-28 Accessibility Plan was launched in 2025-26, in addition to the establishment of a new Accessibility Advisory Committee to inform the creation of the Plan and the monitoring and reporting on progress.
- IAAC introduced a co-championship model for accessibility, diversity and inclusion, and reconciliation, and appointed a formal executive-level Champion for Reconciliation to lead IAAC's Wolf Pack.
    - The Wolf Pack also organized seven all-staff events and produced four articles for employees in recognition of National Indigenous History Month.
    - In honour of the National Day for Truth and Reconciliation, the Wolf Pack also coordinated 10 events and shared two employee messages throughout September. These activities helped to build education and awareness for IAAC employees.
    - In addition, the Wolf Pack supported IAAC's Indigenous Career Navigator in conducting a survey of Indigenous employees, gathering feedback on key concerns

and recommendations to strengthen the recruitment and retention of Indigenous employees.

- With the goal of enhancing workplace safety, accessibility, and improving its hybrid work infrastructure across IAAC's regional offices, accessibility reviews were completed at all locations. These reviews led to retrofits such as installing power door operators, height-adjustable desks, and ergonomic chairs, enhancing hybrid meeting spaces and workstation functionality. A coordinated, cross-country tour brought together accessibility, occupational health and safety, emergency management, and security functions to deliver regional hazard assessments efficiently.

Resources required to achieve results

Table 8 provides a summary of the planned and actual spending and full-time equivalents required to achieve results.

Table 8: Resources required for internal services for 2025-26

Resource	Planned	Actual
Spending	$23,087,158	$26,686,231
Full-time equivalents	150	164

The Finances section of the Infographic for IAAC on GC Infobase the People section of the Infographic for IAAC on GC Infobase provide complete financial and human resources information related to its program inventory.

Risk and compliance process

The Risk and Compliance Process (RCP) is a self-assessment designed to help deputy heads verify that they have controls and practices in place to meet their accountabilities under legislation and Treasury Board policy, and to effectively manage risks in their organizations.

In 2025-26, IAAC completed the RCP self-assessment. The results show IAAC demonstrated appropriate practices and controls in several areas and identified opportunities to improve management practices in others. In response, IAAC will:

- strengthen the role of its Procurement Review Committee, conduct more robust procurement planning with all sectors, and fully implement its Procurement Management Framework to support consistent decision-making.
- formalize processes to enhance oversight of security issues by improving tracking and reporting, decision-making and compliance activities.
- reinforce the requirement for all employees to complete mandatory security training and collaborate with federal security partners to expand IAAC-specific security training.

Contracts awarded to Indigenous businesses

Government of Canada departments are required to award at least 5% of the total value of contracts to Indigenous businesses every year.

As shown in Table 9, IAAC awarded 14.20% of the total value of all contracts to Indigenous businesses for the fiscal year.

Table 9: Total value of contracts awarded to Indigenous businesses

Contracting performance indicator	2025-26 result
Total value of contracts awarded to Indigenous businesses (A)	$533,166.93
Total value of contracts awarded to Indigenous and non-Indigenous businesses (B)	$3,755,491.25
Value of exceptions approved by deputy head (C)	$0.00
Proportion of contracts awarded to Indigenous businesses [A / (B–C) × 100]	14.20%

Notes

For the purposes of the minimum 5% target, Indigenous Services Canada defines “Indigenous businesses” as:

- businesses owned and operated by Elders, band and tribal councils
- businesses registered in the Government of Canada’s Indigenous Business Directory
- registered on a modern treaty beneficiary business list

A “contract” is a binding agreement for the procurement of a good, service or construction and does not include real property leases. It includes contract amendments and contracts entered into by means of acquisition cards of more than $10,000.

In its 2026-27 Departmental Plan, IAAC estimated that it would award 5.00% of the total value of its contracts to Indigenous businesses by the end of 2025-26. IAAC surpassed this target by awarding 14.20% of the total value of its contracts to Indigenous businesses in 2025-26. IAAC exceeded its target by embedding Indigenous procurement considerations throughout its procurement planning and decision-making processes. Procurement intake documents require clients to indicate whether Indigenous businesses were considered. Where they have not been considered and the work could reasonably be performed by an Indigenous business, procurement specialists engage clients to explore opportunities and provide guidance on Indigenous procurement approaches. Given that much of IAAC's work is in partnership with Indigenous communities, Indigenous businesses are routinely considered where appropriate, supporting culturally responsive procurement and advancing the Government of Canada’s reconciliation objectives. In addition, all procurement staff have completed mandatory Indigenous procurement training, strengthening organizational capacity to identify opportunities, provide informed advice to clients, and increase Indigenous participation in federal procurement. Collectively, these practices contributed to IAAC

surpassing its Indigenous procurement target while supporting the Government of Canada's commitment to economic reconciliation.

IAAC strengthened Indigenous participation in federal procurement by collaborating with client departments to develop procurement strategies that support Indigenous businesses and by designing solicitations that promote meaningful Indigenous participation. IAAC provided debriefings to Indigenous suppliers to enhance transparency and strengthen future bidding opportunities, while responding to enquiries from Indigenous businesses with guidance on accessing federal procurement opportunities and offering services to the Government of Canada. IAAC also continued to build organizational capacity by participating in Indigenous Services Canada-led training and interdepartmental discussions to support the implementation of Indigenous procurement requirements and best practices.

Spending and human resources

In this section

- Spending
- Funding
- Financial statement highlights
- Human resources

Spending

This section presents an overview of the department's actual and planned expenditures from 2023-24 to 2028-29.

Budgetary performance summary

Table 10 shows the money that IAAC spent in each of the past three years on its core responsibilities and on internal services.

Table 10: Actual three-year spending on core responsibilities and internal services (dollars)

Core responsibilities and internal services	2025-26 Main Estimates	2025-26 total authorities available for use	Actual spending over three years (authorities used)
Impact Assessment	$92,348,632	**$92,267,187**	• 2023–24: $78,642,540 • 2024–25: $78,728,327 • 2025–26: $82,421,489
Subtotal	**$92,348,632**	**$92,267,187**	**$239,792,355**
Internal services	$23,087,158	$26,686,231	• 2023–24: $18,902,276 • 2024–25: $26,058,916 • 2025–26: $26,686,231
Total	**$115,435,790**	**$118,953,418**	• 2023–24: $97,544,816

Core responsibilities and internal services	2025-26 Main Estimates	2025-26 total authorities available for use	Actual spending over three years (authorities used)
			• 2024–25: $104,787,243 • 2025–26: $109,107,720

Analysis of the past three years of spending

Expenditures have steadily increased since the Fall Economic Statement 2022 announced new and renewed funding for IAAC.

The Finances section of the Infographic for IAAC on GC Infobase provides more financial information from previous years.

Planned spending for next three years

Table 11 shows IAAC's planned spending for each of the next three years on its core responsibilities and on internal services.

Table 11: Planned three-year spending on core responsibilities and internal services (dollars)

Core responsibilities and internal services	2026-27 planned spending	2027-28 planned spending	2028-29 planned spending
Impact Assessment	$82,113,738	$81,489,936	$27,979,172
Subtotal	**$82,113,738**	**$81,489,936**	**$27,979,172**
Internal services	$27,371,246	$27,163,312	$9,326,391
Total	**$109,484,984**	**$108,653,248**	**$37,305,563**

Analysis of the next three years of planned spending

The table above does not include revenues from cost recovery. IAAC has the authority to recover up to $8 million in costs annually, which are netted against its voted authorities.

Planned spending reflects IAAC's alignment with the Comprehensive Expenditure Review announced in Budget 2025. Planned spending is expected to remain stable over the planning period, with a decrease in 2028–29 due to the scheduled expiry of program funding on March 31, 2028. Any renewal of this funding is subject to future government budget decisions and will be reflected in future budgets and Estimates documents.

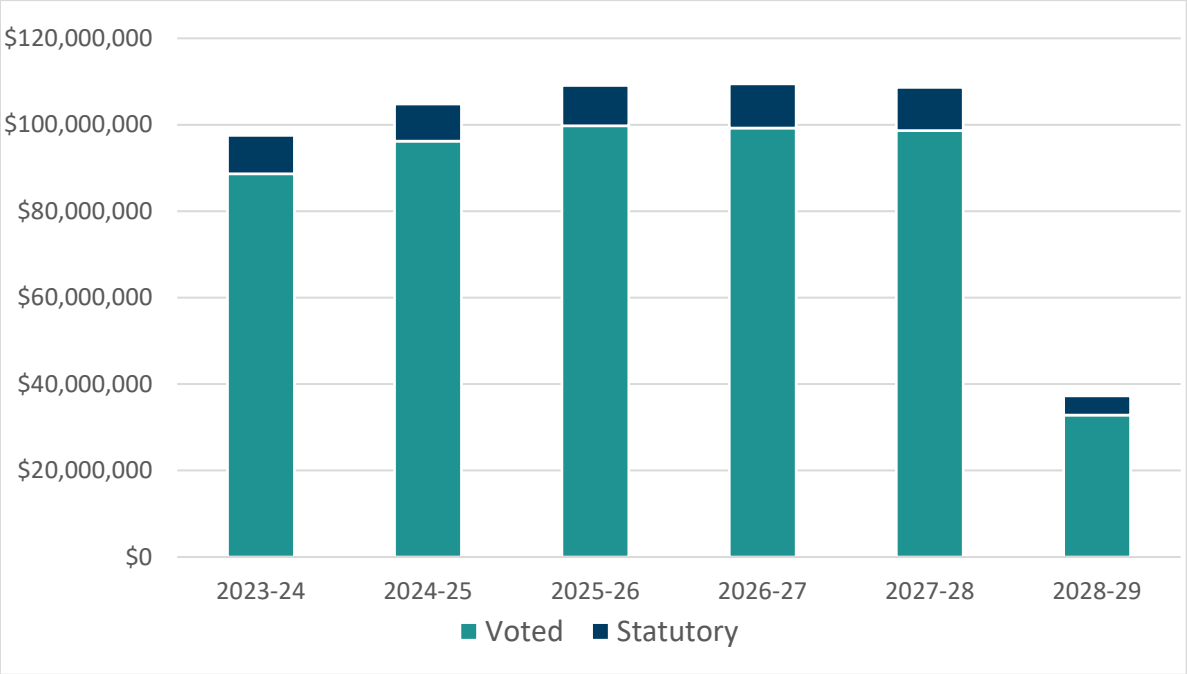
The Finances section of the Infographic for IAAC on GC Infobase provides more detailed financial information related to future years.

Funding

This section provides an overview of the department's voted and statutory funding for its core responsibilities and for internal services.

Graph 1 summarizes the department's approved voted and statutory funding from 2023-24 to 2028-29.

Graph 1: Approved funding (statutory and voted) over a six-year period



Text version of Graph 1

Fiscal year	Statutory	Voted	Total
2023–24	$8,866,502	$88,678,314	$97,544,816
2024–25	$8,591,635	$96,195,608	$104,787,243
2025–26	$9,306,888	$99,800,832	$109,107,720
2026–27	$10,255,095	$99,229,889	$109,484,984
2027–28	$9,992,078	$98,661,170	$108,653,248
2028–29	$4,442,585	$32,862,978	$37,305,563

Analysis of statutory and voted funding over a six-year period

This stacked bar chart presents the planned and actual spending (voted and statutory) for each of the six fiscal years from 2023-24 to 2028-29. In 2023-24, IAAC's statutory spending was $8.8 million, and the voted spending was $88.7 million for a total spending of $97.5 million. In 2024-25, IAAC's statutory spending was $8.6 million, and the voted spending was $96.2 million for a total spending of $104.8 million. In 2025-26, IAAC's statutory spending was $9.3 million, and the voted spending was $99.8 million for a total spending of $109.1 million. In 2026-27, IAAC's planned

statutory spending is $10.3 million and the planned voted spending is $99.2 million for a total planned spending of $109.5 million. In 2027-28, IAAC's planned statutory spending is $10.0 million and the planned voted spending is $98.7 million for a total planned spending of $108.7 million. In 2028-29, IAAC's planned statutory spending is $4.4 million and the planned voted spending is $32.9 million for a total planned spending of $37.3 million.

Consult the Public Accounts of Canada for further information on IAAC's departmental voted and statutory expenditures.

Financial statement highlights

This section presents IAAC's Financial statements (Unaudited) for the year ended March 31, 2026.

Table 12 summarizes the expenses and revenues for 2025-26, which net to the cost of operations before government funding and transfers.

Table 12: Condensed Statement of Operations (unaudited) for the year ended March 31, 2026 (dollars)

Financial information	2025-26 actual results	2025-26 planned results	Difference (actual results minus planned)
Total expenses	$117,762,722	$130,315,152	$-12,552,430
Total revenues	$1,080,084	$3,197,891	$-2,117,807
Net cost of operations before government funding and transfers	$116,682,638	$127,117,261	$-10,434,623

Analysis of expenses and revenues for 2025-26

Total expenses amounted to $117.8 million in 2025-26, $12.5 million less than planned (9.6% of total planned expenses). This variance primarily reflects lower than planned operating expenses, partially offset by higher than planned transfer payment expenses.

Operating expenses were below planned levels by $15.9 million. At the beginning of the fiscal year, during the prorogation of Parliament, IAAC exercised prudent financial management through careful stewardship of discretionary spending, resulting in operating expenses falling below planned levels. Subsequently, Budget 2025 announced the Comprehensive Expenditure Review (CER), establishing a three-year phased approach to expenditure reductions beginning in 2026-27. In response, IAAC moderated the pace of planned growth supported through funding approved in the Fall Economic Statement 2022. The combination of prudent spending at the beginning of the fiscal year and actions taken in response to the CER created flexibility within IAAC's existing resources, enabling IAAC to respond to emerging priorities while preparing to implement the phased expenditure reductions.

Transfer payment expenses were higher than planned by $3.4 million. The flexibility created through reduced operating expenses enabled IAAC to reallocate existing resources to its Participant Funding Program in response to increased funding requirements arising from the

Government of Canada's initiative to accelerate impact assessment timelines. This ensured Indigenous participants continued to receive timely funding to support their participation in impact assessments.

Cost recovery revenues for the year totaled $1.1 million, compared with planned revenues of $3.2 million. This variance was largely due to fewer designated projects requiring assessments by Review Panel than were initially forecast. Revenues vary and fluctuate with the timing, number, and complexity of projects under assessment.

The 2025-26 planned results information is provided in IAAC's Future-Oriented Statement of Operations and Notes 2025-26.

Table 13 summarizes actual expenses and revenues and shows the net cost of operations before government funding and transfers.

Table 13: Condensed Statement of Operations (unaudited or audited) for 2024-25 and 2025-26 (dollars)

Financial information	2025-26 actual results	2024-25 actual results	Difference (2025-26 minus 2024-25)
Total expenses	$117,762,722	$114,235,785	$3,526,937
Total revenues	$1,080,084	$125,394	$954,690
Net cost of operations before government funding and transfers	$116,682,638	$114,110,391	$2,572,247

Analysis of differences in expenses and revenues between 2024-25 and 2025-26

Total expenses increased by $3.6 million (3.1% of total prior year actual expenses) in 2025-26 compared with the previous year. The year-over-year variance reflects changes in both operating expenses and transfer payment expenses.

Operating expenses remained relatively stable compared with 2024-25. Salary and employee benefit expenses increased by $3.4 million (4.6% of prior year actual salary and employee benefit expenses) reflecting a full year of salary costs for positions filled during the previous fiscal year, together with higher wage rates, increased employee benefit costs, and termination benefits. This increase was mostly offset by a $1.1 million recovery in claims, litigation, court awards, and other settlements expense in addition to a $1.9M decrease in other operating expenses, the latter reflecting IAAC's efforts to realign its operations in support of the Government of Canada's expenditure reduction objectives.

Transfer payment expenses increased by $3.2 million compared with the 2024-25 fiscal year. This increase was primarily due to higher expenditures under IAAC's grants and contributions programs, particularly the Participant Funding Program and the Indigenous Capacity Support Program, in response to increased funding requirements arising from the Government of Canada's initiative to accelerate impact assessment timelines.

IAAC has the authority to recover costs from proponents for assessments by Review Panels. The timing of revenue collection varies and fluctuates with the timing, number, and complexity of projects under assessment.

Table 14 provides a brief snapshot of the amounts the department owes or must spend (liabilities) and its available resources (assets), which helps to indicate its ability to carry out programs and services.

Table 14: Condensed Statement of Financial Position (unaudited) as at March 31, 2026 (dollars)

Financial information	Actual fiscal year (2025-26)	Previous fiscal year (2024-25)	Difference (2025-26 minus 2024-25)
Total net liabilities	$20,747,202	$16,450,655	$4,296,547
Total net financial assets	$12,719,344	$7,242,650	$5,476,694
Departmental net debt	$-8,027,858	$-9,208,005	$1,180,147
Total non-financial assets	$2,267,468	$1,437,442	$830,026
Departmental net financial position	$-5,760,390	$-7,770,563	$2,010,173

Analysis of department's liabilities and assets since last fiscal year

Total liabilities increased by $4.3 million, largely due to an increase of $5.8 million in accounts payable and accrued liabilities, which was mostly offset by a $1.4 million decrease in the provision for contingent liabilities. Total net financial assets increased by $5.5 million, due to an increase of $4.5 million in the amount due from the Consolidated Revenue Fund and an increase of $1.0 million in accounts receivable and advances available to discharge IAAC's liabilities. These shifts led to a $1.2 million decrease in IAAC's net debt while non-financial assets, comprised of tangible capital assets, grew by $0.8 million. As a result, in 2025-26, IAAC's net financial position improved from 2024-25 by $2.0 million to stand at -$5.8 million.

Human resources

This section presents an overview of the department's actual and planned human resources from 2023-24 to 2028-29.

Table 15 shows a summary in full-time equivalents of human resources for IAAC's core responsibilities and for its internal services for the previous three fiscal years.

Table 15: Actual human resources for core responsibilities and internal services for the last three years

Core responsibilities and internal services	2023-24 actual full-time equivalents	2024-25 actual full-time equivalents	2025-26 actual full-time equivalents
Impact Assessment	401	427	408
Subtotal	**401**	**427**	**408**
Internal services	107	140	164
Total	**508**	**567**	**572**

Analysis of human resources for the last three years

IAAC's full-time equivalent count has steadily increased as a result of the funding received through the Fall Economic Statement 2022. IAAC utilized 572 full-time equivalents in 2025-26.

Table 16 shows the planned full-time equivalents for each of IAAC's core responsibilities and for its internal services for the next three years. Human resources for the current fiscal year are forecast based on year to date.

Table 16: Human resources planning summary for core responsibilities and internal services for the next three years

Core responsibilities and internal services	2026-27 planned full-time equivalents	2027-28 planned full-time equivalents	2028-29 planned full-time equivalents
Impact Assessment	413	402	145
Subtotal	**413**	**402**	**145**
Internal services	166	162	58
Total	**579**	**564**	**203**

Analysis of human resources for the next three years

Full-time equivalent (FTE) levels have been finalized in alignment with the Comprehensive Expenditure Review announced in Budget 2025. IAAC has reached its peak FTE complement, and staffing levels are expected to remain relatively stable over the next two years. The decrease projected for 2028–29 reflects the expiry of time-limited funding on March 31, 2028. Any renewal of this funding is subject to future Government budget decisions and will be reflected in IAAC's subsequent budgets and Estimates documents.

Consult the Public Accounts of Canada for further information on IAAC's departmental voted and statutory expenditures.

Supplementary information tables

The following supplementary information tables are available on IAAC's website:

- Details on transfer payment programs
- Gender-based Analysis Plus
- Horizontal initiatives
- Response to Parliamentary committees and external audits
- Regulatory and Permitting Efficiency for Clean Growth Projects

Federal tax expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures each year in the Report on Federal Tax Expenditures. This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs as well as evaluations and GBA Plus of tax expenditures.

Corporate information

Departmental profile

Appropriate minister(s): The Honourable Julie Dabrusin, P.C., M.P., Minister of Environment, Climate Change and Nature

Institutional head: Terence Hubbard, President

Ministerial portfolio: Environment

Enabling instruments: *Canadian Environmental Assessment Act, 2012* and the *Impact Assessment Act*

Year of incorporation or commencement: 1994

Other: The *Canadian Environmental Assessment Act, 2012 (*CEAA 2012) was supported by three regulations: the *Regulations Designating Physical Activities*, the *Prescribed Information for the Description of a Designated Project Regulations*, and the *Cost Recovery Regulations*.

The *Impact Assessment Act* is supported by four regulations and a Ministerial order: the *Physical Activities Regulations,* the *Information and Management of Time Limits Regulations,* the *Cost Recovery Regulations* (continued from CEAA 2012), the *Regulations Respecting Excluded Physical Activities (Newfoundland and Labrador Offshore Exploratory Wells)*, and the *Designated Classes of Projects Order*. IAAC supports its President who is also the Federal Administrator under the *James Bay and Northern Quebec Agreement* and the *Northeastern Quebec Agreement*.

Departmental contact information

Mailing address: Impact Assessment Agency of Canada

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Email: information@iaac-aeic.gc.ca

Website: www.canada.ca/en/impact-assessment-agency.html

Definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, departments or individuals; and payments to Crown corporations.

core responsibility (responsabilité essentielle)

An enduring function or role of a department. The departmental results listed for a core responsibility reflect the outcomes that the department seeks to influence or achieve.

Departmental Plan (plan ministériel)

A report that outlines the anticipated activities and expected performance of an appropriated department over a three-year period. Departmental Plans are usually tabled in Parliament in spring.

departmental priority (priorité)

A plan, project or activity that a department focuses and reports on during a specific planning period. Priorities represent the most important things to be done or those to be addressed first to help achieve the desired departmental results.

departmental result (résultat ministériel)

A high-level outcome related to the core responsibilities of a department.

departmental result indicator (indicateur de résultat ministériel)

A quantitative or qualitative measure that assesses progress toward a departmental result.

departmental results framework (cadre ministériel des résultats)

A framework that connects the department's core responsibilities to its departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report outlining a department's accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

Full-time equivalent (équivalent temps plein)

Measures the person years in a departmental budget. An employee's scheduled hours per week divided by the employer's hours for a full-time workweek calculates a full-time equivalent. For example, an employee who works 20 hours in a 40-hour standard workweek represents a 0.5 full-time equivalent.

Gender-based Analysis Plus (GBA Plus) (analyse comparative entre les sexes plus [ACS Plus])

An analytical tool that helps to understand the ways diverse individuals experience policies, programs and other initiatives. Applying GBA Plus to policies, programs and other initiatives helps to identify the different needs of the people affected, the ways to be more responsive and inclusive, and the methods to anticipate and mitigate potential barriers to accessing or benefitting from the initiative. GBA Plus goes beyond biological (sex) and socio-cultural (gender) differences to consider other factors, such as age, disability, education, ethnicity, economic status, geography (including rurality), language, race, religion, and sexual orientation.

government priorities (priorités pangouvernementales)

For the purpose of the 2025-26 Departmental Results Report, government priorities are the high-level themes outlining the government's agenda as announced in the 2025 Speech from the Throne.

horizontal initiative (initiative horizontale)

A program, project or other initiative where two or more federal departments receive funding to work collaboratively on a shared outcome usually linked to a government priority, and where the ministers involved agree to designate it as horizontal. Specific reporting requirements apply, including that the lead department must report on combined expenditures and results.

Indigenous business (entreprise autochtones)

Requirements for verifying Indigenous businesses for the purposes of the departmental result report are available through the Indigenous Services Canada Mandatory minimum 5% Indigenous procurement target website.

nonbudgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What a department did with its resources to achieve its results, how well those results compare to what the department intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement)

A qualitative or quantitative measure that assesses progress toward a departmental-level or program-level result, or the expected outputs or outcomes of a program, policy or initiative.

plan (plan)

The articulation of strategic choices, which provides information on how a department intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to the amounts presented in Main Estimates. Departments must determine their planned spending and be able to defend the financial numbers presented in their Departmental Plans and Departmental Results Reports.

program (programme)

An Individual, group, or combination of services and activities managed together within a department and focused on a specific set of outputs, outcomes or service levels.

program inventory (répertoire des programmes)

A listing that identifies all the department's programs and the resources that contribute to delivering on the department's core responsibilities and achieving its results.

result (résultat)

An outcome or output related to the activities of a department, policy, program or initiative.

statutory expenditures (dépenses législatives)

Spending approved through legislation passed in Parliament, other than appropriation acts. The legislation sets out the purpose and the terms and conditions of the expenditures.

target (cible)

A quantitative or qualitative, measurable goal that a department, program or initiative plans to achieve within a specified time period.

voted expenditures (dépenses votées)

Spending approved annually through an appropriation act passed in Parliament. The vote also outlines the conditions that govern the spending.