



**CANADIAN ENVIRONMENTAL  
ASSESSMENT AGENCY**

**DEPARTMENTAL PERFORMANCE REPORT**

**For the period ending  
March 31, 2008**

**The Honourable Jim Prentice  
Canada's Environment Minister and  
Minister for the  
Canadian Environmental Assessment Agency**



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## SECTION I: OVERVIEW



### *In this section:*

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## MINISTER'S MESSAGE

I am pleased to present the Performance Report of the Canadian Environmental Assessment Agency for the period ending March 31, 2008. This report describes the Agency's key accomplishments for the 2007–2008 fiscal year.

The Agency's mandate is to support high-quality environmental assessments that contribute to informed decision making. In delivering this mandate, the Agency has three overarching priorities: improving integration of the environmental assessment process; assuming a more active leadership role in federal environmental assessment; and building the capacity to deliver on its responsibilities.

During the reporting period, the Agency continued to promote more effective and efficient environmental assessments, and better coordination with other departments and jurisdictions. As a result of commitments in Budget 2007 and the *Cabinet Directive on Improving the Performance of the Regulatory System for Major Resource Projects*, the Agency was given additional funding to undertake new roles and responsibilities. During 2007–2008, the Agency, therefore, devoted significant attention to activities necessary to fulfill its part in this multi-departmental initiative.

The Canadian Environmental Assessment Agency will continue to provide leadership to support and promote high-quality environmental assessments that safeguard our environment, while allowing for strong economic growth in Canada.

It gives me great pleasure, therefore, to submit the 2007–2008 Performance Report for the Agency.

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**Jim Prentice, P.C., M.P.**

**Canada's Environment Minister and**

**Minister for the Canadian Environmental Assessment Agency**

# MANAGEMENT REPRESENTATION STATEMENT

I submit for tabling in Parliament, the 2007–2008 Departmental Performance Report for the Canadian Environmental Assessment Agency.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2007–2008 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*.

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the department's approved Strategic Outcome and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

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**Peter Sylvester**

**President**

# SUMMARY INFORMATION

## Reason for Existence

The Canadian Environmental Assessment Agency (the Agency) provides leadership and serves as the centre of expertise for the federal environmental assessment (EA) process. The Agency's mandate is to provide Canadians with high-quality environmental assessments that contribute to informed decision making in support of sustainable development.

One strategic outcome defines the work of the Agency: "Environmental assessment is an integral part of program and policy decision making." The Agency's program activity is "efficient and effective environmental assessment." This work is achieved through two key programs:

- providing leadership and expert advice in support of environmental assessment; and
- developing, maintaining and improving the federal environmental assessment framework while building and clarifying linkages with other environmental assessment and regulatory frameworks, such as provincial review processes.

Led by the President, who reports directly to the Minister of the Environment, the Agency delivers its mandate within the framework of the following instruments:

- the *Canadian Environmental Assessment Act* (the Act) and its accompanying regulations;
- the *Canada-wide Accord on Environmental Harmonization* and bilateral agreements with provincial governments that establish arrangements for cooperative environmental assessments; and
- international agreements containing environmental assessment provisions to which Canada is a party, principally the United Nations Economic Commission for Europe *Convention on Environmental Impact Assessment in a Transboundary Context*.

The *Cabinet Directive on Implementing the Canadian Environmental Assessment Act* reinforces the key facilitation role of the Agency in the administration of the Act and in encouraging the application of federal environmental assessments in a manner that supports the timely, predictable and efficient preparation of high-quality environmental assessments.

Through the federal Regulatory Improvement Initiative, and consistent with the *Cabinet Directive on Improving the Performance of the Regulatory System for Major Resource Projects*, the Agency assumed new responsibilities for managing EAs and coordinating Crown consultation with Aboriginal groups for major resource projects.

The Agency also promotes strategic environmental assessment by providing training and guidance to federal authorities on the application of the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*.

The President of the Agency has been designated by order-in-council as the federal administrator of the environmental and social protection regimes set out in chapters 22 and 23 of the 1975 *James Bay and Northern Quebec Agreement*.

## Financial Resources (\$000s)

Planned Spending	Total Authorities	Actual Spending
16,540	25,133	18,277

## Human Resources (FTEs)

Planned	Actual	Difference
155	141	14

## Status on Performance

<b>Strategic Outcome</b> Environmental assessment is an integral part of program and policy decision making.				
<b>Program Activity</b> Efficient and effective environmental assessment.				
<b>Expected Results</b> Environmental assessment: a) Processes are well coordinated across the federal government and with other jurisdictions; b) Expertise and operational capacity is maintained and enhanced, and the role of stakeholders and decision makers is supported; and c) Practices are improved, and increasingly effective mitigation measures are implemented.				
Priority	Type	Performance Status	Planned Spending (\$000s)	Actual Spending (\$000s)
<b>No. 1</b> <i>Build a framework for more integrated environmental assessments.</i>	Ongoing	Ongoing	4,135	4,569
<b>No. 2</b> <i>Assume a more active leadership role in federal environmental assessment.</i>	Ongoing	Partially Met	9,097	10,052
<b>No. 3</b> <i>Build the capacity to deliver on existing and new responsibilities.</i>	Ongoing	Partially Met	3,308	3,656
<b>Total</b>			<b>16,540</b>	<b>18,277</b>

## Priority No. 1: Build a framework for more integrated environmental assessments

One of the Agency's priorities is to develop, maintain and improve the federal environmental assessment framework, while building new and strengthening existing linkages with other environmental assessment and regulatory frameworks. This priority was addressed through such tools and approaches as legislative and regulatory development, policy instruments and processes, class screenings, EA cooperation mechanisms, research and development, and quality assurance.

The Agency provided funding, advice and administrative support to federal departments for the development of class screening reports to promote and streamline the EA process for routine projects. It also continued to fund research and development aimed at helping the federal government improve the practice of environmental assessment in a relevant, credible and efficient manner, and encourage innovation and excellence. The first quality assurance report, on the subject of federal screenings under the *Canadian Environmental Assessment Act*, was published in December 2007.

Working in close collaboration with the Major Projects Management Office, recently established within Natural Resources Canada, the Agency contributed to efforts to strengthen coordination of EAs federally, to integrate EA into the federal regulatory process more effectively and, in support of a "one-window" approach, to integrate Aboriginal consultation into the EA process for major resource projects.

The Agency continued to provide advice to Indian and Northern Affairs Canada on the development of EA regimes under comprehensive land claims and self-government agreements. The Agency also participated actively in the development of EA provisions for legislation governing economic sector activities on First Nations lands.

During the reporting period, the Agency also pursued the following regulatory improvements:

- The new *Exclusion List Regulations, 2007*, which exempt certain projects with insignificant environmental effects, came into force in May 2007.
- New *Port Authority Environmental Assessment Regulations* that will replace the existing *Canada Port Authority Environmental Assessment Regulations* were drafted. The new Regulations are needed to reflect changes made to the *Canadian Environmental Assessment Act* in 2003. The draft Regulations are expected to be submitted for publication in the *Canada Gazette*, Part I, in fall 2008.
- Regulatory initiatives were pursued to add provisions of the *International Boundary Waters Treaty Act* and the *International Bridges and Tunnels Act* as triggers for environmental assessment. Public consultations were held, and legal drafting was started. The proposed amendments are expected to be submitted for publication in the *Canada Gazette*, Part I, in fall 2008.
- A proposal was developed for public consultation to update the order for cost recovery for management of review panels.

In addition, the Agency developed a framework for review of the four key regulations under the Act. They are the *Law List Regulations*, the *Inclusion List Regulations*, the *Exclusion List Regulations, 2007*, and the *Comprehensive Study List Regulations*. The framework will guide the ongoing review of the four key regulations within the current legislative structure. To this end, the framework provides guidance on how to identify a specific element of a regulation (e.g.

a particular type of project listed in the *Comprehensive Study List Regulations*) as a candidate for regulatory review and possible amendment, the criteria for consideration and the factors that will be used to prioritize candidates.

In Canada, responsibility for the environment is shared between the federal, provincial and territorial governments. Building a framework for more integrated environmental assessment depends on effective coordination between the different levels of government. The Agency has been working closely with its counterpart provincial and territorial organizations through the Canadian Council of Ministers of the Environment (CCME) to explore ways of strengthening EA coordination. The Agency co-chairs a task group under the CCME that, by the end of 2008, is to identify and recommend options to coordinate provincial/territorial and federal EA processes more effectively.

A multi-stakeholder advisory committee, chaired by the Agency and composed of representatives from industry, environmental groups, Aboriginal organizations, provinces and federal departments, continued to provide advice on various policy and regulatory initiatives, including preparations for the 2010 review of the *Canadian Environmental Assessment Act*.

## **Priority No. 2: Assume a more active leadership role in federal environmental assessment**

The Agency exercises a leadership role by providing support to review panels and, in its capacity as Federal Environmental Assessment Coordinator (FEAC), by helping to coordinate activities for comprehensive studies and multi-jurisdictional screenings. Throughout 2007-2008, the Agency worked in conjunction with other federal departments and agencies to develop and implement a more streamlined, predictable and efficient EA process within the overall regulatory regime. Under the resulting *Cabinet Directive on Improving the Performance of the Regulatory System for Major Resource Projects*, the Agency assumed new responsibilities for managing the EA process for major resource projects and integrating Crown consultations with Aboriginal groups and peoples into these processes. In support of this initiative, the Agency has been administering a fund, allocated pursuant to a recent Federal Court of Appeal decision, to allow for meaningful consultation and engagement of Aboriginal interests. As well, the Agency has been working closely with the Major Projects Management Office, recently established within Natural Resources Canada to oversee the regulatory process for major resource projects.

Building on the internal policy for Aboriginal consultation developed last year, the Agency continued to establish operational frameworks within which the Aboriginal consultation policy can be delivered. These frameworks are the cornerstone for future engagement with Aboriginal peoples throughout the EA process. The Cabinet Directive formalizes the Agency's enhanced responsibility for Aboriginal consultation. In anticipation of this new role, the Agency has been developing training packages and best practices for EA consultation with Aboriginal communities.

The *Interim Approach for Determining Scope of Project for Major Development Proposals with Specific Regulatory Triggers under the Canadian Environmental Assessment Act*, December 2006 (Interim Approach to Scoping), introduced in the previous year, aims to reduce the potential for delay and provide clarity for participants in the EA process. The Interim Approach to Scoping aims to facilitate consistency and timeliness for a type of scoping decision that, historically, has tended to be difficult and time-consuming. Establishing a set of criteria and standards for a common approach to scoping promotes the consistent interpretation and application of the principles. The Agency continued to promote and communicate the Interim

Approach during the reporting period. Senior management of Environmental Assessment Project Committee member departments have signalled their continued support of the Interim Approach to Scoping.

During the 2007-2008 fiscal year, the Agency also continued to deliver training courses to assist federal partners and other stakeholders in complying with the *Canadian Environmental Assessment Act*, to encourage the application of tools and skills, and ultimately to enhance implementation of best practices in the delivery of high-quality environmental assessments. Over the past fiscal year, the Agency delivered 47 formal training sessions to 780 participants across Canada.

The Agency recognizes the need for specialized knowledge and skills, and its own leadership role in ensuring high-quality environmental assessments. The Environmental Assessment Recruitment and Development Program pilot, launched as a collaborative Agency/interdepartmental initiative in 2007, entered its second year in the spring of 2008.

### **Priority No. 3: Build the capacity to deliver on existing and new responsibilities**

To move ahead on the first two priorities, while meeting existing responsibilities for coordination, guidance and support for environmental assessments, the Agency has worked actively to develop its internal capacity and manage its talent.

During the review period, the Agency worked with other departments to fulfill the Budget 2007 commitment to streamline the regulatory regime for large natural resource projects, including the EA process and Aboriginal consultation. Budget 2007 provided funding to add staff in key regulatory departments and agencies to increase the predictability and timeliness of project review.

The Agency reviewed and updated its Human Resources (HR) Plan, which sets out a strategy for an organizational design for a transformed Agency, as well as capacity building for the period 2007-2009, to accommodate the influx of new financial and human resources. Given its anticipated growth, the Agency established a new organizational structure in February 2008. This was an important step toward building the Agency's capacity to deliver on new responsibilities, while fostering excellence and maximizing efficiency and effectiveness.

The Agency recognizes that learning and career development are valuable incentives and that commitment and productivity are enhanced when employee and Agency objectives are aligned. The Agency worked to achieve this alignment through the implementation of elements of the revised HR Plan, including an effective performance management program, personal learning plans, mentoring and succession planning programs. By investing in building a sustainable workforce, developing employees' skills and knowledge, the Agency will increase capacity among existing and new employees and enhance its retention rate. In January 2008, the Agency approved a comprehensive learning and development strategy to address short-term needs in support of the organizational transformation.

## **AGENCY OPERATING ENVIRONMENT AND CHALLENGES**

Protecting the environment, while building a strong economy and improving the quality of life for Canadians, is a daily challenge. Environmental assessment responds to this challenge by ensuring that environmental effects are considered before decisions are taken that allow projects to proceed.

Under the *Canadian Environmental Assessment Act*, federal departments and agencies must undertake an environmental assessment before they begin a project; provide financial assistance to enable a project to be carried out; sell, lease or otherwise transfer control or administration of land to enable a project to be undertaken; or issue certain permits or authorizations to allow a project to proceed. During the reporting period, nearly 7,000 EAs were initiated under the Act. Since 1995 (the year the Act came into effect), almost 80,000 assessments have been initiated.

Projects subject to environmental assessment or policies, plans or programs subject to strategic environmental assessment often raise important issues associated with socio-economic development, environmental protection, Aboriginal interests and federal-provincial/territorial relations. Environmental assessment must continually adapt to emerging trends, new scientific methods and insights, and evolving public expectations.

The following provides an overview of the issues and challenges the Agency faces in delivering its key programs.

### **Shared Environmental Management Responsibility**

Under the Canadian Constitution, responsibility for environmental management is an area of shared jurisdiction among various levels of government. To minimize duplication and delays, the Agency works with provinces and territories to foster greater cooperation in environmental assessment and promote the consistent, predictable and timely application of environmental assessment across Canada. This shared environmental management responsibility is realized by implementing or renewing bilateral agreements, and by working with provinces and territories to improve the coordinated delivery of environmental assessment.

The Agency is a co-chair of an EA task group under the Canadian Council of Ministers of the Environment that focuses on improved EA management. This group is to identify and recommend options to streamline EAs for projects subject to provincial/territorial and federal EA legislation.

### **Integrating Competing Interests**

Projects subject to environmental assessment often give rise to many sensitive issues related to development, community and public expectations, environmental protection, Aboriginal interests and federal-provincial relations. Projects can often be complex and those involved can have competing interests. It is an ongoing challenge to integrate these interests, maintain productive relationships, meet the expectations of Canadians and deliver high-quality assessments in a timely and predictable manner.

## Strength of the Canadian Economy

The number of environmental assessments required pursuant to the Act is, in large part, a function of the strength of our economy. In the last year, the expansion of the Canadian economy has led to an increase in major projects subject to review under the Act. The delivery of timely and effective environmental assessments in the face of this increased activity is an ongoing challenge.

## Meaningful Involvement of Aboriginal Peoples

The recognition of Aboriginal self-government and the development of land claim agreements are reshaping environmental assessment across Canada. The Agency has worked with Aboriginal groups and Indian and Northern Affairs Canada to ensure that EA regimes developed under these comprehensive land claims, self-government agreements and economic sector arrangements meet key environmental assessment requirements and take specific Aboriginal interests into account.

The Supreme Court of Canada has established that the Crown — at the federal and provincial levels — may have a legal duty to consult, and possibly accommodate, Aboriginal peoples where it contemplates conduct that may adversely impact potential or established Aboriginal or treaty rights.

The Agency worked with other departments to develop new policies, processes, procedures and guidance materials to integrate Aboriginal Crown consultations into the process of environmental assessment and regulatory approval for major resource projects. The Agency also provided participant funding to Aboriginal peoples and groups, which enabled them to take part in public consultations associated with review panels and comprehensive studies.

## Improved Federal Policy Development

The Agency is a strong advocate for the application of strategic environmental assessment (SEA) as a tool to support integrated decision making. Since the implementation of the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*, federal departments have increasingly recognized the value of this tool in helping to promote sustainable development.

## International Community

International partnerships give Canada the opportunity to share environmental assessment expertise and, at the same time, access current research in other countries. Keeping in step with the environmental initiatives of international organizations also helps to ensure the competitive position of Canadian exporters.

Canada's international environmental assessment responsibilities must respect foreign policy and trade practices, and ensure consistency with the processes of other countries and organizations. As a party to the United Nations Economic Commission for Europe *Convention on Environmental Impact Assessment in a Transboundary Context*, Canada is required to meet its obligations under the Convention.

## STAKEHOLDERS AND PARTNERS

The Agency works with a wide range of stakeholders and develops partnerships to promote sound EA practices in Canada and abroad. In support of this work, the Agency maintains and supports several mechanisms for receiving advice and consulting stakeholders and partners, notably the Minister's multi-stakeholder Regulatory Advisory Committee, the federal Senior Management Committee on Environmental Assessment and the federal-provincial/territorial Environmental Assessment Administrators Committee. As well, the Agency is developing new approaches to engage Aboriginal peoples.

Central to the Agency's mandate is providing all proponents with a timely and predictable process, and access to both the tools and the necessary information to understand their role in supporting compliance with the Act. In accordance with the general thrust of the *Cabinet Directive on Implementing the Canadian Environmental Assessment Act*, the Agency, with the help of federal departments and agencies, will ensure that proponents have sufficient information to help them prepare project descriptions that contain sufficient information to determine the need for a federal environmental assessment and, when required, to initiate its efficient conduct.

The Agency includes the following among its stakeholders and partners.

### Federal Departments, Agencies and Crown Corporations

The Agency assisted federal departments, agencies and Crown corporations in meeting their obligations under the *Canadian Environmental Assessment Act* and relevant regulations, as well as the *Cabinet Directive on Implementing the Canadian Environmental Assessment Act* and the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*. One of the major initiatives this year was assisting in the development of the *Cabinet Directive on Improving the Performance of the Regulatory System for Major Resource Projects* and the subsequent Memorandum of Understanding. These instruments assign to the Agency the lead role in integrating consultation and engagement with Aboriginal peoples in the environmental assessments that the Agency leads.

Through its operational policies, guidance and training, the Agency improves the way environmental assessment is conducted at the federal level. In addition, the Agency works closely with federal departments and agencies on comprehensive studies, and provides administrative and technical support to review panels.

### Provincial and Territorial Governments

Constitutionally, environmental management is an area of jurisdiction shared by various levels of government. The Agency worked with provincial and territorial governments to minimize duplication and delays by bringing about greater cooperation in EAs of major projects. It continued to implement existing federal-provincial EA cooperation agreements, and worked with provincial and territorial governments on a broad range of EA issues.

## Aboriginal Peoples

The Agency has provided advice to Indian and Northern Affairs Canada to ensure that the EA regimes developed and implemented pursuant to comprehensive land claims agreements, self-government agreements and devolution initiatives are consistent with the requirements of the Act and can be coordinated with existing EA regimes.

The Agency actively participated in a senior level, interdepartmental, policy working group, which was tasked with developing interim guidance and policy for federal departments on the legal duty to consult with Aboriginal peoples.

The Agency also worked with other departments to develop new interim policies, processes, procedures and guidance materials to integrate Crown consultations with Aboriginal peoples into the process of environmental assessment and regulatory approval for major resource projects.

In particular, the Agency contributed significantly to the development of: documents that outlined the roles and responsibilities of the federal departments and agencies and how they will work together to satisfy consultation objectives to integrate Aboriginal consultation into the regulatory process; procedures for carrying out these objectives, including the creation of a records-management approach; and the development of milestones for tracking and reporting on Aboriginal consultation activities.

## Industry/Proponents

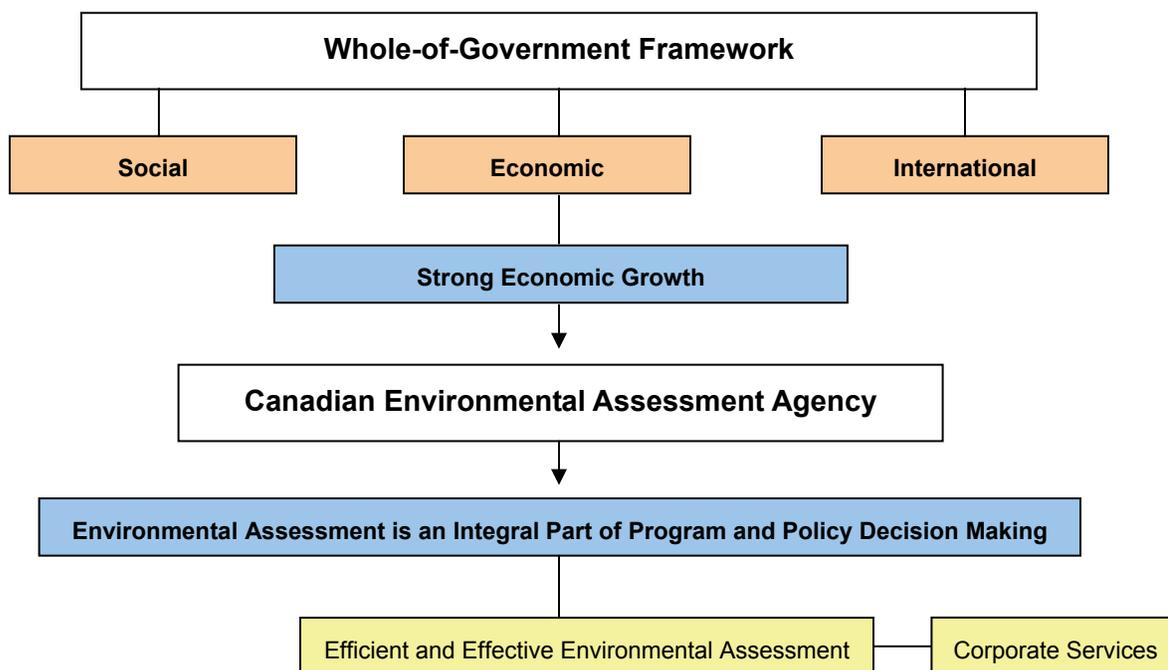
Central to the Agency's mandate is giving all proponents, including the federal government, access to the tools and guidance needed to provide complete information on projects and their potential adverse environmental effects, to support the timely and predictable administration of the Act. With the new responsibilities established for the Agency under the *Cabinet Directive on Improving the Performance of the Regulatory System for Major Resource Projects*, proponents from both the private and public sectors will benefit from a more certain and timely environmental assessment process.

## Public and Non-governmental Organizations

The Agency encouraged public participation and worked with stakeholders to reconcile diverging interests, while maintaining productive relationships and promoting high-quality environmental assessments to meet the expectations of Canadians. The Agency provided participant funding to individuals and non-profit organizations, including Aboriginal peoples and groups, which enabled them to take part in the public consultations associated with review panels and comprehensive studies. With the new responsibilities established under the *Cabinet Directive on Improving the Performance of the Regulatory System for Major Resource Projects*, the Agency will assume a larger role in funding participation by Aboriginal peoples in environmental assessments, while continuing to provide funding to individuals and non-profit organizations. The Agency also worked with multi-stakeholder groups, including NGOs, to develop further guidance on meaningful public participation in the federal EA process.

## LINK TO THE GOVERNMENT OF CANADA OUTCOME AREAS

The whole-of-government framework provides a structured logic model for the Agency to map its contribution to a set of high-level Government of Canada strategic outcomes. These outcomes promote long-term benefits to Canadians and are grouped in three broad policy areas (see chart below).



The central role of the Government of Canada is to improve the well-being of its citizens, and a sustainable economy is essential to attain that outcome. Success depends on the reconciliation of environmental considerations with economic growth. The Agency has played a pivotal role in providing Canadians with high-quality environmental assessments, which have contributed to informed decision making in support of the Government of Canada's role in promoting and fostering sustainable economic growth.

## SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME



### *In this section:*

- ◆ Analysis by Program Activity
- ◆ Key Program: Providing leadership and expert advice in support of environmental assessment
- ◆ Key Program: Developing, maintaining and improving the federal environmental assessment framework and building and clarifying linkages with other environmental assessment regulatory frameworks

## ANALYSIS BY PROGRAM ACTIVITY

The Agency has one strategic outcome: “Environmental assessment is an integral part of program and policy decision making.” This strategic outcome is accomplished through one program activity: efficient and effective environmental assessment.

### Financial Resources (\$000s)

Planned Spending	Authorities	Actual Spending
16,540	25,133	18,277

### Human Resources (FTEs)

Planned	Actual	Difference
155	141	14

The Agency played an important role in providing leadership, guidance, training and recommendations to federal departments and agencies. This helped ensure that environmental assessments complied with the *Canadian Environmental Assessment Act*, reflected effective and efficient practices, and considered public values. Promoting high-quality environmental assessments contributed to better decisions that protected the environment and supported sustainable development. An effective and efficient federal EA framework is an important component of integrated decision making, a cornerstone of sustainable development that provides net ecological, economic and social benefits to society. The Agency also promoted consistent approaches to environmental assessments across Canada and with its international partners. The Agency worked with provincial, territorial and local partners to develop cooperative approaches wherever possible. It also fostered engagement with Aboriginal communities.

This section provides details of the results of the Agency’s program activity and its two key programs:

- providing leadership and expert advice in support of environmental assessment; and
- developing, maintaining and improving the federal environmental assessment framework and building and clarifying linkages with other environmental assessment regulatory frameworks.

## Program Activity: Efficient and Effective Environmental Assessment

<p><b>Key Program:</b> Providing leadership and expert advice in support of environmental assessment</p>	
<p><b>Description:</b> Stronger Agency leadership will support more timely and effective environmental assessment, enhance the Agency's credibility among its stakeholders, enable it to test innovative operational approaches that reduce fragmentation and lay the groundwork for possible legislative improvements.</p>	
Plan	Results
<p>Reduce costs and delays in the federal environmental assessment process by avoiding duplication; increasing the certainty of the process and resolving issues.</p> <p><b>Supports Priorities 1 and 2</b></p>	<ul style="list-style-type: none"> <li>▪ <input type="checkbox"/> In 2007-2008, the Agency was the Federal Environmental Assessment Coordinator (FEAC) for 358 projects, including multi-jurisdictional screenings, comprehensive studies and review panels. These efforts were not limited to federal permitting responsibilities, but, where possible, were harmonized with the provincial and territorial jurisdictions. These projects include newly announced projects as well as pre-existing responsibilities that carry over from year to year. During the 2007-2008 fiscal year, the Agency played the FEAC role for 134 newly announced projects, including 10 comprehensive studies, 2 review panels and 120 screenings.</li> <li>▪ <input type="checkbox"/> The Agency provided ongoing support to 13 environmental assessment review panels. To reduce costs, delays and duplication, these panel reviews were either conducted jointly with another jurisdiction, regulatory body or by way of a substituted process.</li> <li>▪ <input type="checkbox"/> As part of the implementation package for the Interim Approach to Scoping, the Environmental Assessment Projects Committee (EAPC) member departments applied the Interim Approach to Scoping on a total of 16 projects. The implementation of the Interim Approach to Scoping provides a framework to ensure a consistent approach to scoping decisions across the federal government, providing citizens, proponents and federal authorities with more predictability on the scope of proposed projects.</li> <li>▪ <input type="checkbox"/> Five class screenings were initiated this fiscal year and four were declared. A total of 18 other class screenings were also in development. A class screening involves a complete environmental assessment for a well-defined class of projects, making future assessments of projects within that class more efficient. It supports improved coordination among federal authorities and allows departments to focus resources on projects more likely to have significant environmental effects.</li> </ul>
<p>Encourage and improve public participation in the conduct of comprehensive studies and panels, which will help ensure the integration of environmental factors in the decision-making process.</p> <p><b>Supports Priorities 1 and 2</b></p>	<ul style="list-style-type: none"> <li>▪ <input type="checkbox"/> The Agency provided financial support to encourage public participation in 12 environmental assessments — six comprehensive studies and six review panels — during the 2007-2008 fiscal year. Forty-seven successful applicants received a total of \$680,086 during the reporting period, with the average recipient being awarded approximately \$14,500 in participant funding.</li> </ul>

<b>Key Program:</b> Providing leadership and expert advice in support of environmental assessment			
Provide tools and mechanisms that support improved implementation of the federal EA process.  <b>Supports Priorities 1 and 2</b>	<ul style="list-style-type: none"> <li>▪ □As chair of the Environmental Assessment Project Committee (EAPC), which includes key departments responsible for environmental assessment, the Agency demonstrated leadership in coordinating the development of tools for implementing the <i>Cabinet Directive on Implementing the Canadian Environmental Assessment Act</i>.</li> <li>▪ □These tools assisted the members of the EAPC in interpreting and applying the <i>Cabinet Directive on Implementing the Canadian Environmental Assessment Act</i> in a consistent and predictable fashion, thereby ensuring a more transparent and accountable process.</li> </ul>		
Provide training and guidance instruments that support high-quality environmental assessment.  <b>Supports Priorities 2 and 3</b>	<p>The Agency delivered 47 formal training events to 780 participants. There were 116,902 visits to the Agency website for guidance products.</p> <p>Seven new guidance products were released:</p> <ul style="list-style-type: none"> <li>▪ An updated version of the guide, <i>How to Determine if the Act Applies</i>, was posted on the Agency Internet site in May 2007.</li> <li>▪ Updated versions of the following Operational Policy Statements were posted on the Agency's Internet site in November 2007: <ul style="list-style-type: none"> <li>▪ <i>Addressing Cumulative Environmental Effects under the Canadian Environmental Assessment Act</i>;</li> <li>▪ <i>Addressing "Need for", "Purpose of", "Alternatives to" and "Alternative Means" under the Canadian Environmental Assessment Act</i>;</li> <li>▪ <i>Preparing Project Descriptions under the Canadian Environmental Assessment Act</i>; and</li> <li>▪ <i>Follow-up Programs under the Canadian Environmental Assessment Act</i>.</li> </ul> </li> <li>▪ The Agency published the <i>Introduction to Class Screenings</i> guide and posted it on the Internet site in January 2008.</li> <li>▪ A Class Screenings Procedures Guide was also completed within the reporting period and is made available to federal authorities during the development of class screenings.</li> </ul>		
<b>Financial Resources (\$000s)</b>	<b>Planned Spending</b>	<b>Authorities</b>	<b>Actual</b>
	11,927	19,965	14,024
<b>Human Resources (FTEs)</b>	<b>Planned</b>	<b>Actual</b>	<b>Difference</b>
	113	112	1

The activities identified in the above table support stakeholders and decision makers by providing informed advice, guidance and support for the environmental assessment of projects and policies.

By providing guidance on the EA process and helping federal government departments to meet their obligations under the Act, the Agency has strengthened its role as a centre of expertise on environmental assessment. Through the development and use of a more timely and efficient EA process (in accordance with the *Cabinet Directive on Implementing the Canadian Environmental*



*Assessment Act*) the Agency demonstrated continued effective leadership in federal environmental assessment.

**Key Program:** Developing, maintaining and improving the federal environmental assessment framework and building and clarifying linkages with other environmental assessment regulatory frameworks.

**Description:** Agency evaluation of operational experiences and development of policy and regulatory positions will enable it to meet the challenges it faces in leading an efficient and effective federal EA process and contribute to sustainable development more effectively.

Plan	Results
<p>Build a sound and comprehensive federal environmental assessment framework that fosters coordination and cooperation across government and with other jurisdictions and contributes to sustainability outcomes.</p> <p><b>Supports Priority 1</b></p>	<ul style="list-style-type: none"> <li>▪ The new <i>Exclusion List Regulations, 2007</i>, which exempt certain projects with insignificant environmental effects, came into force in May 2007. Amendments to the new Regulations were also developed, to capture certain projects undertaken by the Canada Post Corporation, which are known to have insignificant environmental effects and to improve the overall clarity of the Regulations. The amendments are expected to come into force in fall 2008.</li> <li>▪ <input type="checkbox"/> The new <i>Port Authority Environmental Assessment Regulations</i> were drafted. These Regulations will replace the existing <i>Canada Port Authority Environmental Assessment Regulations</i>. They are needed to reflect changes made to the <i>Canadian Environmental Assessment Act</i> in 2003. The new Regulations are expected to be submitted for publication in <i>Canada Gazette, Part I</i>, in fall 2008.</li> <li>▪ <input type="checkbox"/> The Agency completed a review and analysis of the current system for recovery of costs for review panel management and determined that the system needed to be updated to reflect the current range and cost of services. A proposed new fee schedule was developed and a consultation paper was completed and released in April 2008.</li> <li>▪ <input type="checkbox"/> Amendments to the <i>Law List Regulations</i> and <i>Inclusion List Regulations</i> were drafted to add provisions of the <i>International Boundary Waters Treaty Act</i> as triggers for environmental assessment. Federal departments, the Regulatory Advisory Committee, key stakeholders and the public were consulted on the initiative. The proposed amendments are expected to be submitted for publication in <i>Canada Gazette, Part I</i>, in fall 2008.</li> <li>▪ <input type="checkbox"/> Federal departments, the Regulatory Advisory Committee and key stakeholders were consulted on a regulatory initiative that would add the <i>International Bridges and Tunnels Act</i> as a statutory trigger for environmental assessment under the <i>Law List Regulations</i>. As well, a discussion paper outlining the proposed initiative was posted on the Agency's website for 60 days, for public comment. The Agency is currently moving forward with drafting the proposed regulatory amendment.</li> <li>▪ <input type="checkbox"/> A framework for review of the four key regulations under the Act was developed. The regulations are the <i>Law List Regulations</i>, the <i>Inclusion List Regulations</i>, the <i>Exclusion List Regulations, 2007</i>, and the <i>Comprehensive Study List Regulations</i>.</li> <li>▪ <input type="checkbox"/> In partnership with Infrastructure Canada, the Agency completed a review of past municipal/community drinking-water projects to determine whether a comprehensive study was the</li> </ul>

**Key Program:** Developing, maintaining and improving the federal environmental assessment framework and building and clarifying linkages with other environmental assessment regulatory frameworks.

	<p>most appropriate type of environmental assessment for these projects. Based on their experience, many stakeholders asserted that a screening type assessment would be more appropriate because these projects are not likely to result in significant adverse environmental effects. A consultation paper was developed and released in spring 2008.</p> <ul style="list-style-type: none"> <li>▪ □ Preparations continued for the upcoming 2010 review of the <i>Canadian Environmental Assessment Act</i>, including developing a strategic approach and priority list of issues, and consulting with departments involved in federal EA.</li> <li>▪ □ The Agency worked with other departments to develop new interim policies, processes, procedures and guidance materials to integrate Aboriginal/Crown consultations in the process of environmental assessment and regulatory approval for major resource projects. In particular, the Agency contributed significantly to clarifying roles and responsibilities by outlining: <ul style="list-style-type: none"> <li>▪ how federal authorities will work together to integrate Aboriginal consultation into the regulatory process;</li> <li>▪ records-management procedures for Aboriginal consultation activities throughout the regulatory process;</li> <li>▪ milestones for tracking and reporting on Aboriginal consultation activities throughout the regulatory process; and</li> <li>▪ an operational reference guide for Agency staff responsible for the implementation of commitments to streamline the process for major resource projects.</li> </ul> </li> <li>▪ □ The Agency co-chaired an EA task group under the Canadian Council of Ministers of the Environment to work with provinces and territories to research and make recommendations for changes to federal, provincial and territorial policies and/or legislation. The ongoing objective is to enable a one-project/one-assessment or one-window approach for projects subject to both federal and provincial/territorial environmental assessments.</li> </ul>
<p>Build the knowledge base and provide and solicit advice to support environmental assessment framework development, while advancing the Agency's interests at home and abroad.</p> <p><b>Supports Priorities 1 and 3</b></p>	<ul style="list-style-type: none"> <li>▪ □ The first report of the Quality Assurance Program dealing with screenings, which constitute more than 99 percent of all federal environmental assessments, was published on the Agency's website.</li> <li>▪ □ In fall 2007, the Agency supported research projects that responded to two priority areas: Meaningful Involvement and Strategic Environmental Assessment (SEA). The timelines for these research projects extend into 2009. Research projects supported by the Agency that were initiated in 2006 will be available in 2008. The Agency also provided financial support for activities related to EA promotion and research and development, such as the British Columbia First Nations EA Technical Working Group capacity training.</li> </ul>

**Key Program:** Developing, maintaining and improving the federal environmental assessment framework and building and clarifying linkages with other environmental assessment regulatory frameworks.

- □ More than 200 Cabinet submissions were reviewed during the 2007-2008 fiscal year. The Agency intervened in a number of instances to advise departments and agencies on their obligations under the Act and the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*.
- □ The Agency continued to provide training, develop guidance and give advice and support to departments and agencies on SEA as needed, through courses, tailored briefing sessions and other advisory services.
- □ The Agency, on behalf of the Privy Council Office, is leading a government-wide evaluation of the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*. Terms of reference and planning for this initiative were completed during the reporting period. The evaluation is to be completed in 2009.
- □ The Agency continued to support a multi-stakeholder subcommittee of the Minister's Regulatory Advisory Committee, established to make recommendations on ways to improve SEA.
- □ The Agency contributed to the conceptualization and further development of regional approaches to environmental assessment through its active participation in a subcommittee of the Canadian Council of Ministers of the Environment. In collaboration with Fisheries and Oceans Canada, the Agency also led a two-day federal workshop on regional environmental assessment and worked with other partners to explore the role of knowledge management in regional assessment.
- □ The Agency monitored or participated in a number of regional environmental planning and assessment exercises currently underway in Canada. In addition, the Agency worked with other organizations and stakeholders to consider the potential for regionally-based approaches to environmental assessment in the Beaufort Sea and offshore Nova Scotia.
- □ The Agency provided technical advice to Indian and Northern Affairs Canada (INAC) in support of negotiations towards the establishment of land claims and/or self-government agreements with 22 Aboriginal groups in British Columbia, Quebec and Newfoundland and Labrador. The Agency's advice to INAC was focused on federal interests during the negotiation of the EA components of these agreements, in particular, definitions of participation rights in the federal EA process and the EA law-making authority of Aboriginal groups. As a result of the Agency's involvement, INAC was better able to represent federal interests in ongoing negotiations with Aboriginal groups.

**Key Program:** Developing, maintaining and improving the federal environmental assessment framework and building and clarifying linkages with other environmental assessment regulatory frameworks.

- Regular meetings of the interdepartmental Senior Management Committee on Environmental Assessment and the multi-stakeholder Regulatory Advisory Committee were held. These committees discussed and provided advice on various policy initiatives, notably preparations for the 2010 review of the *Canadian Environmental Assessment Act*. There were other meetings with representatives of environmental groups, a university, federal-provincial working groups and international delegations.
- Under the United Nations Economic Commission for Europe *Convention on Environmental Impact Assessment in a Transboundary Context*, the Agency participated in the Working Group on Environmental Impact Assessment meeting held in Geneva in November 2007 and participated in the fourth meeting of the parties in Romania in May 2008.
- The Agency participated in the International Association for Impact Assessment (IAIA) conference, held in Seoul, South Korea in June 2007, initiating and chairing a panel session, *Challenges and Opportunities in Impact Assessment: Oil Sands Development in Alberta, Canada*. Representatives from industry, the Alberta provincial government, and an environmental NGO discussed their roles and challenges when addressing environmental and socio-economic impacts of the oil sands development. The IAIA is an independent international network of EA professionals, academics and policy makers.
- The Agency participated in the 12<sup>th</sup> International Symposium of the Secrétariat international francophone pour l'évaluation environnementale (SIFÉE) in Geneva, Switzerland, to discuss environmental assessment and transport concepts, tools and methods. The SIFÉE is an international NGO that aims to strengthen the competence of specialists and policy makers working in the fields of environmental assessment, public participation and sustainable development by promoting their trade and establishing links with international bodies.
- Canada-US Environmental Protection Agency Exchange on Environmental Assessments meetings were held in June 2007 in Ottawa and in February 2008 in Washington. The objectives of the meetings were the promotion of information sharing, the exchange of best practices, the discussion of emerging issues in EA, and the exploration of potential collaborative work and mechanisms for consultation on key projects.
- Under the Canada-Costa Rica Competitiveness Development Fund, the Agency completed the Canada-Costa Rica Environmental Assessment Capacity Development Project. This was a joint endeavour among the Agency, the Canadian International Development Agency, the government of Quebec and the Secretaría Técnica Nacional Ambiental of Costa Rica. Through a project and contribution agreement, the Agency contributed to a capacity-building project to improve the effectiveness and quality of environmental assessment in Costa Rica.

**Key Program:** Developing, maintaining and improving the federal environmental assessment framework and building and clarifying linkages with other environmental assessment regulatory frameworks.

Financial Resources (\$000s)	Planned Spending	Authorities	Actual
		4,613	5,168
Human Resources (FTEs)	Planned	Actual	Difference
		42	29

The establishment of bilateral agreements strengthens inter-jurisdictional relationships through coordinated assessment processes. Providing guidance on EA provisions in self-government and land claim agreements engages Aboriginal stakeholders and supports federal negotiators.

## SECTION III: SUPPLEMENTARY INFORMATION



### ***In this section:***

- ◆ Table 1: Comparison of Planned to Actual Spending (including FTEs)
- ◆ Table 2: Voted and Statutory Items
- ◆ Table 3: Sources of Respendable and Non-Respendable Revenue
- ◆ Table 4-A: *User Fees Act*
- ◆ Table 4-B: Policy on Service Standards for External Fees
- ◆ Table 5: Sustainable Development Strategy
- ◆ Table 6: Response to Parliamentary Committees and External Audits
- ◆ Table 7: Internal Audits and Evaluations
- ◆ Table 8: Financial Statements

**Table 1: Comparison of Planned to Actual Spending (including FTEs)**

(\$000s)	2005–2006 Actual	2006–2007 Actual	2007–2008			
			Main Estimates	Planned Spending	Total Authorities	Total Actuals
<b>Effective and Efficient Environmental Assessment</b>	17,578.5	18,372.1	16,540.0	16,540.0	25,132.4	18,276.8
Less: Non-respendable revenue	18.4	261.8	—	—	168.0	168.0
Plus: Cost of services received without charge	2,886.7	3,179.5	3,316.0	3,316.0	3,054.4	3,054.4
<b>Total Agency Spending</b>	<b>20,446.8</b>	<b>21,289.8</b>	<b>19,856.0</b>	<b>19,856.0</b>	<b>28,354.8</b>	<b>21,499.2</b>
<b>Full-time Equivalents</b>	<b>135.0</b>	<b>148.0</b>	<b>155.0</b>	<b>155.0</b>	<b>177.0</b>	<b>141.0</b>

This table provides a summary of resource levels for the last three years, as well as the evolution of the 2007-2008 resources. The fluctuation in total resources over the years is the result of funding changes in various initiatives, such as the *Canadian Environmental Assessment Act*, the Northern Gas Pipeline Project, collective bargaining and cost of services received without charge. The increase in authorities for 2007-2008 is mainly a result of the Budget 2007 announcement establishing an initiative to improve Canada's regulatory framework for major natural resource projects. The Agency also received funding to address Aboriginal consultation in environmental assessment processes and for review panel support and evaluation of the *Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals*. The variance between authorities and actuals is mainly the result of funding for initiatives released late in the fiscal year; therefore actual expenditures reflect only a partial year's worth of activities and costs.

**Table 2: Voted and Statutory Items**

Vote or Statutory Item	Truncated Vote or Statutory Wording	2007–2008 (\$000s)			
		Main Estimates	Planned Spending	Total Authorities	Total Actuals
15	Program expenditures	14,844.0	14,844.0	23,403.3	16,548.0
(S)	Contributions to employee benefit plans	1,696.0	1,696.0	1,728.8	1,728.8
(S)	Spending of proceeds from the disposal of surplus Crown assets	—	—	0.3	—
	<b>Total</b>	<b>16,540.0</b>	<b>16,540.0</b>	<b>25,132.4</b>	<b>18,276.8</b>

This table presents resources that have been voted to the Agency by Parliament. It should be noted that Parliament approves the voted funding whereas the statutory information is provided for information purposes. Explanation of variance in resource levels can be found in Table 1.

**Table 3: Sources of Responsible and Non-Responsible Revenue**

<b>Responsible Revenue</b>						
(\$000s)	2005–2006 Actual	2006–2007 Actual	2007–2008			
			Main Estimates	Planned Revenue	Total Authorities	Total Actuals
<b>Effective and Efficient Environmental Assessment</b>						
Cost recovery for environmental assessment services	4,167.7	6,305.1	3,351.0	3,351.0	7,751.0	6,027.9
Cost recovery for publications, training and education materials (federal)	85.8	120.6	75.0	75.0	100.0	109.8
Cost recovery for publications, training and education materials (external)	153.3	166.7	75.0	75.0	150.0	147.9
<b>Total Responsible Revenue</b>	<b>4,406.8</b>	<b>6,592.4</b>	<b>3,501.0</b>	<b>3,501.0</b>	<b>8,001.0</b>	<b>6,285.6</b>

<b>Non-Responsible Revenue</b>						
(\$000s)	2005–2006 Actual	2006–2007 Actual	2007–2008			
			Main Estimates	Planned Revenue	Total Authorities	Total Actuals
<b>Effective and Efficient Environmental Assessment</b>	18.4	261.8	—	—	168.0	168.0
<b>Total Non-Responsible Revenue</b>	<b>18.4</b>	<b>261.8</b>	<b>—</b>	<b>—</b>	<b>168.0</b>	<b>168.0</b>

<b>Total Revenues</b>	<b>4,425.2</b>	<b>6,854.2</b>	<b>3,501.0</b>	<b>3,501.0</b>	<b>8,169.0</b>	<b>6,453.6</b>
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The Agency has authority to recover costs for environmental assessment services, publications, training and education material. However, it should be noted that the use of this authority is dependent on the level of review panel activity that is eligible for cost recovery. As such, the level of revenue tends to fluctuate from year to year. The Agency has received additional authority in 2007-2008.

For supplementary information on the Agency's sources of responsible and non-responsible revenue, please visit: [www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp](http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp).

**Table 4-A: User Fees Act**

For supplementary information on the Agency's User Fees, please visit: [www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp](http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp).

**Table 4-B: Policy on Service Standards for External Fees**

For supplementary information on the Agency's Service Standards for External Fees please visit: [www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp](http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp).

**Table 5: Sustainable Development Strategy**

<b>SDS Departmental Goal:</b>		
<b>Federal SD Goal(s) including GGO goals, if applicable:</b> To promote the full and meaningful application of a results-oriented federal environmental assessment framework.		
<b>Department's Expected Results for 2007-2008</b>	<b>Supporting Performance Measure(s)</b>	<b>Achieved SDS Departmental Results for 2007-2008</b>
Governance for Sustainable Development: Federal SD Goal VI	Improved understanding of how the various components of an effective and efficient environmental assessment framework should work together, and of the strengths and weaknesses of the current framework in supporting integrated decision making.	<p><b>Advancing the science and practice of strategic environmental assessment:</b></p> <ul style="list-style-type: none"> <li>▪ The Agency supported the work of the Minister's Regulatory Advisory Committee Subcommittee on SEA as it undertook its mandate to define the broader context for SEA, to explore meaningful linkages between strategic and project-level EA, and to examine the role of the public and Aboriginal groups in SEA.</li> <li>▪ The Agency funded a research project through the Research and Development Program, which advances the science and practice of SEA, entitled <i>Atikamekw Nation Territorial Planning: The Role of Strategic Environmental Assessment in Sustainable and Adaptive Joint Management of Forest Area</i>. The project is underway and the report is expected in 2009. The Agency continued to support the research project, funded in 2006, entitled <i>Extending Models and Practice of Strategic Environmental Assessment in the Regional Municipality of York, Ontario, Canada</i>, which is expected to be finalized in 2008.</li> </ul> <p><b>Advancing the science and practice of regional-scale environmental assessment:</b></p> <ul style="list-style-type: none"> <li>▪ The Agency has been working with its partners to foster a better understanding and to help generate consensus on common principles for regional-scale environmental assessment. In March, the Agency and Fisheries and Oceans Canada jointly organized a federal workshop on regional environmental assessment (REA). The Agency also actively participated in work underway through the CCME to develop a common national understanding and conceptual framework for regional strategic environmental assessment. Efforts were also made to explore possibilities for pilot REAs offshore Nova Scotia and in the Beaufort Basin.</li> </ul>

**SDS Departmental Goal:**

**Federal SD Goal(s) including GGO goals, if applicable:**

To promote the full and meaningful application of a results-oriented federal environmental assessment framework.

Department's Expected Results for 2007-2008	Supporting Performance Measure(s)	Achieved SDS Departmental Results for 2007-2008
	<p>A timelier, coordinated, and consistent approach to the environmental assessment process of major projects is applied.</p>	<p><b>Promoting and ensuring the implementation of initiatives, which improve the coordination among stakeholders in federal project environmental assessments:</b></p> <ul style="list-style-type: none"> <li>▪ Under Agency leadership, a Memorandum of Understanding pursuant to the 2005 <i>Cabinet Directive on Implementing the Canadian Environmental Assessment Act</i> was completed and ratified by five key departments.</li> <li>▪ The Agency continued to chair and support the work of the Environmental Assessment Project Committee (EAPC), which aims to facilitate a whole-of-government approach to the preparation of high-quality environmental assessments in a predictable, certain and timely manner.</li> </ul> <p><b>Gaining a greater understanding of the effectiveness of the Agency and its supporting legislative and policy tools in achieving coordination among stakeholders:</b></p> <ul style="list-style-type: none"> <li>▪ The Agency has learned from its experiences as Federal Environmental Assessment Coordinator for a number of projects and has gathered data to track improvements in coordination.</li> </ul>
	<p>Improved knowledge across government of how to engage the public, including Aboriginal peoples, in high-quality environmental assessments.</p>	<p><b>Building knowledge and capacity internally and throughout the federal government in the area of engaging the public and Aboriginal peoples in environmental assessment:</b></p> <ul style="list-style-type: none"> <li>▪ The Agency developed guidance on meaningful public participation, and policy and skill-building training for engagement of Aboriginal peoples in the federal EA process. Specific examples of this include: the development of a <i>Guide for Meaningful Public Participation in Environmental Assessments under the Canadian Environmental Assessment Act</i>; the development of a course entitled <i>Engaging the Aboriginal Peoples in Environmental Assessment</i>; and the delivery of a number of other training sessions and workshops for both internal and external audiences, dealing with public or Aboriginal groups' engagement in federal environmental assessment.</li> <li>▪ The Agency worked with other federal departments to develop the <i>Aboriginal Consultation and Accommodation: Interim Guidelines for Federal</i></li> </ul>

**SDS Departmental Goal:**

**Federal SD Goal(s) including GGO goals, if applicable:**

To promote the full and meaningful application of a results-oriented federal environmental assessment framework.

Department's Expected Results for 2007-2008	Supporting Performance Measure(s)	Achieved SDS Departmental Results for 2007-2008
		<p><i>Officials to Fulfill the Legal Duty to Consult</i>, released in February 2008. The Agency has been a key player in the development of policy and corresponding operational guidance for the engagement of Aboriginal peoples in the EA process for projects under the Major Project Management Office initiative.</p> <ul style="list-style-type: none"> <li>▪ Through its Research and Development Program, the Agency funded two proposals aimed at providing new understanding and approaches for the meaningful involvement of Aboriginal peoples in environmental assessment. The projects, <i>Effective Engagement of Aboriginal Peoples in Environmental Assessment: A Case Study of Treaty 8 Nations</i> and <i>Atikamekw Nation Territorial Planning: The Role of Strategic Environmental Assessment in Sustainable and Adaptive Joint Management of Forest Area</i>, are underway and are expected to be finalized in 2009.</li> </ul>
	<p>Regular and consistent training in sustainable development tools for planners and analysts across the government of Canada.</p>	<p><b>Collaborating with other federal departments and agencies to increase awareness and application of the principles of sustainable development and the sustainable development tools:</b></p> <ul style="list-style-type: none"> <li>▪ The Agency has joined other government departments and the Canada School of Public Service to design and support the delivery of a new Government of Canada Sustainable Development course (#727). The first French and English sessions, held in February and March respectively, were very well attended.</li> <li>▪ The Agency is also a member of the interdepartmental Awareness, Communication and Training Working Group of the Interdepartmental Network on Sustainable Development Strategies.</li> </ul>

<b>SDS Departmental Goal:</b>		
<b>Federal SD Goal(s) including GGO goals, if applicable:</b> To promote the full and meaningful application of a results-oriented federal environmental assessment framework.		
<b>Department's Expected Results for 2007-2008</b>	<b>Supporting Performance Measure(s)</b>	<b>Achieved SDS Departmental Results for 2007-2008</b>
	Identification of areas requiring improvement in the application of the Cabinet Directive and the Act.	<p><b>Evaluating the effectiveness of the SEA and project EA processes:</b></p> <ul style="list-style-type: none"> <li>▪ The Agency, in collaboration with the Privy Council Office, is leading a government-wide evaluation of the <i>Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals</i>. Terms of reference were finalized and a process was established to secure an independent, third-party evaluator.</li> <li>▪ The Agency's quality assurance unit has been working to identify and to analyze aspects of the current EA process that are most likely to lead to favourable environmental outcomes.</li> </ul>
	Identification of opportunities to integrate the project-review process across jurisdictions.	<p><b>Examining how the Agency can move toward better integration of project review at the national level:</b></p> <ul style="list-style-type: none"> <li>▪ Through the Canadian Council of Ministers of the Environment, the Agency has worked with other jurisdictions to identify opportunities to improve the coordination of assessments for projects subject to both provincial/territorial and federal environmental assessment.</li> </ul>
	Themes of research and development reflect issues and needs addressed in the Agency's sustainable development strategies.	<p><b>Ensuring that the research areas promoted and encouraged by the Agency are consistent with, and supportive of, the goal and objectives set out in the Agency's sustainable development strategies:</b></p> <ul style="list-style-type: none"> <li>▪ The Agency has used the sustainable development strategy to guide the selection of future research priority areas for the Research and Development Program. Proposed priority areas were assessed against a number of criteria, including the degree of congruence and relevance to program objectives and the Agency's priorities, as well as their ability to contribute to the development and promotion of sound environmental assessments.</li> </ul>

For supplementary information on the Agency's Sustainable Development Strategy, please visit: [www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp](http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp).

**Table 6: Response to Parliamentary Committees and External Audits**

<b>Response to Parliamentary Committees</b>
<ul style="list-style-type: none"> <li>▪ During the reporting period, the Agency did not table any responses to Parliamentary Committee reports.</li> </ul>
<b>Response to the Auditor General (including to the Commissioner of the Environment and Sustainable Development)</b>
<ul style="list-style-type: none"> <li>▪ The Agency participated in a follow-up audit of the government's performance in implementing the <i>Cabinet Directive on the Environmental Assessment of Policy, Plan and Program Proposals</i>, completed by the Commissioner of the Environment and Sustainable Development (CESD) during the reporting period.</li> <li>▪ The Agency also participated in a CESD audit initiated during the reporting period of selected commitments contained in its 2007-2009 <i>Sustainable Development Strategy</i>.</li> <li>▪ No recommendations of the Auditor General or the CESD were addressed specifically to the Agency.</li> </ul>
<b>External Audits</b> (Note: These refer to other external audits conducted by the Public Service Commission of Canada (PSC) or the Office of the Commissioner of Official Languages)
<b>Government-wide Audit of Executive (EX) Appointments by the Public Service Commission</b>
<ul style="list-style-type: none"> <li>▪ The objective of this government-wide audit is to determine whether EX appointment activities comply with the <i>Public Service Employment Act</i> and other applicable legislation and policies, and with the instrument of delegation signed with the Public Service Commission. The audit covers the period starting January 1, 2006 and ending December 31, 2006. The Public Service Commission plans to finalize this audit during the 2008-2009 fiscal year.</li> </ul> <p><a href="http://www.psc-cfp.gc.ca/adt-vrf/cntadt-vrfact-eng.htm">www.psc-cfp.gc.ca/adt-vrf/cntadt-vrfact-eng.htm</a></p>

For supplementary information on the Agency's response to Parliamentary Committees and External Audits, please visit: [www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp](http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp).

**Table 7: Internal Audits and Evaluations**

<b>Internal Audits (current reporting period)</b>
During the reporting period, the Agency did not undertake any audits.
<b>Evaluations (current reporting period)</b>
During the reporting period, the Agency did not complete any evaluations.

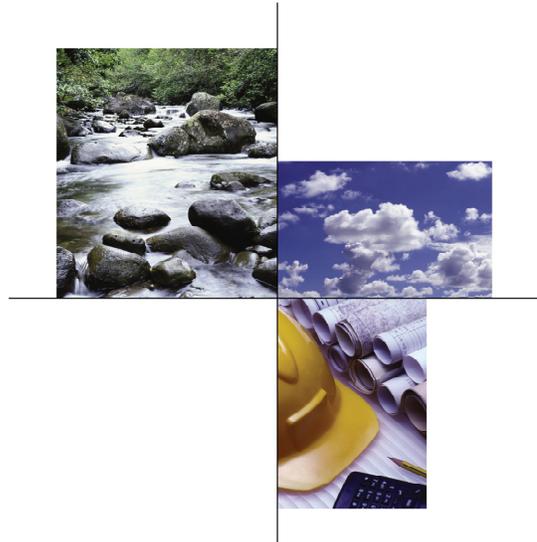
For supplementary information on the Agency's Internal Audits and Evaluations, please visit: [www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp](http://www.tbs-sct.gc.ca/dpr-rmr/2007-2008/index-eng.asp).

## Table 8: Financial Statements



Canadian Environmental  
Assessment Agency

Agence canadienne  
d'évaluation environnementale



## Financial Statements

For the Year Ended March 31, 2008

(Unaudited)



Canada

## Canadian Environmental Assessment Agency

### Statement of Management Responsibility

Responsibility for the integrity and objectivity of the accompanying financial statements of the Canadian Environmental Assessment Agency for the year ended March 31, 2008 and all information contained in this report rests with the Agency's management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfil its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the Agency's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the Agency's *Departmental Performance Report* is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the department.

The financial statements of the Agency have not been audited.

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**Peter Sylvester**

**President**

Ottawa, Canada

August 08, 2008

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**Richard Gagné**

**Senior Financial Officer**

**Canadian Environmental Assessment Agency**

**Statement of Financial Position (Unaudited)**

**At March 31**

(in dollars)

	<b>2008</b>	<b>2007</b>
<b>ASSETS</b>		
<b>Financial assets</b>		
Accounts receivable and advances (Note 4)	1,761,060	1,685,469
<b>Total financial assets</b>	1,761,060	1,685,469
<b>Non-financial assets</b>		
Tangible capital assets (Note 5)	216,686	11,247
<b>Total non-financial assets</b>	216,686	11,247
<b>TOTAL</b>	<b>1,977,746</b>	<b>1,696,716</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 6)	2,639,196	2,838,598
Vacation pay and compensatory leave	606,586	616,707
Employee severance benefits (Note 7)	2,189,925	2,335,215
<b>Total liabilities</b>	5,435,707	5,790,520
<b>Equity of Canada</b>	(3,457,961)	(4,093,804)
<b>TOTAL</b>	<b>1,977,746</b>	<b>1,696,716</b>

Contingent liabilities (Note 8)

Contracted obligations (Note 9)

The accompanying notes and schedules form an integral part of these statements.

## Canadian Environmental Assessment Agency

### Statement of Operations (Unaudited)

For the Year Ended March 31

(in dollars)

	<b>2008</b>	<b>2007</b>
Transfer payments		
Non-profit organizations	630,111	729,694
Other levels of government	195,500	195,500
First Nations	144,105	814,192
Industry	50,000	70,000
Other countries and international organizations	10,269	5,000
Individuals	0	407
Total transfer payments	<u>1,029,985</u>	<u>1,814,793</u>
Operating Expenses		
Salaries and employee benefits	13,879,281	14,763,557
Professional and special services	6,460,089	6,191,270
Travel and relocation	2,187,503	2,332,312
Rentals	2,118,985	2,418,018
Information	565,274	339,476
Telecommunications	327,300	287,906
Furniture and equipment	312,782	142,478
Utilities, materials and supplies	107,288	188,832
Postage	62,105	51,869
Repairs and maintenance	22,888	11,330
Other	13,224	6,258
Amortization	1,406	1,406
Total operating expenses	<u>26,058,125</u>	<u>26,734,712</u>
<b>Total Expenses</b>	<b><u>27,088,110</u></b>	<b><u>28,549,505</u></b>
Revenues		
Environmental assessment and training services	6,350,151	7,230,419
Miscellaneous revenues	1,753	345
<b>Total Revenues</b>	<b><u>6,351,904</u></b>	<b><u>7,230,764</u></b>
<b>Net Cost of Operations</b>	<b><u>20,736,206</u></b>	<b><u>21,318,741</u></b>

The accompanying notes and schedules form an integral part of these statements.

**Canadian Environmental Assessment Agency**

**Statement of Equity of Canada (Unaudited)**

**At March 31**

(in dollars)

	<b>2008</b>	<b>2007</b>
<b>Equity of Canada, beginning of year</b>	(4,093,804)	(4,434,820)
Net cost of operations	(20,736,206)	(21,318,741)
Current year appropriations used (Note 3)	18,276,848	18,372,079
Revenue not available for spending	(234,181)	(924,311)
Change in net position in the Consolidated Revenue Fund (Note 3)	274,993	1,032,487
Services received without charge (Note 10)	3,054,389	3,179,502
<b>Equity of Canada, end of year</b>	<b>(3,457,961)</b>	<b>(4,093,804)</b>

The accompanying notes and schedules form an integral part of these statements.

## Canadian Environmental Assessment Agency

### Statement of Cash Flow (Unaudited)

For the Year Ended March 31

(in dollars)

	<u>2008</u>	<u>2007</u>
<b>Operating Activities</b>		
Net cost of operations	20,736,206	21,318,741
Non-cash items:		
Services provided without charge (Note 10)	(3,054,389)	(3,179,502)
Amortization of tangible capital assets (Note 5)	(1,406)	(1,406)
Variations in Statement of Financial Position:		
Increase (decrease) in accounts receivable and advances (Note 4)	75,591	648,806
Decrease (increase) in liabilities	354,813	(306,384)
Cash used by Operating Activities	<u>18,110,815</u>	<u>18,480,255</u>
<b>Capital Investment Activities</b>		
Acquisition of tangible capital assets	<u>206,845</u>	<u>0</u>
Cash used by capital investment activities	206,845	0
<b>Financing Activities</b>		
Net cash provided by Government of Canada	<u><u>18,317,660</u></u>	<u><u>18,480,255</u></u>

The accompanying notes and schedules form an integral part of these statements.

## 1. Authority and Objectives

The Canadian Environmental Assessment Agency (the Agency) was established in 1995 under the *Canadian Environmental Assessment Act*. The Agency is mandated to provide high-quality federal environmental assessments that promote sustainable development. The Agency achieves this objective by:

- a) providing administrative and advisory support for environmental assessment review panels;
- b) promoting uniformity and harmonization of environmental assessment activities across Canada at all levels of government; and
- c) providing opportunities for meaningful public participation in the federal environmental assessment process.

The Agency has one core program activity which is “effective and efficient environmental assessment” which serves as the basis for its mission. This core program activity is supported by Corporate Services which provides modern, timely and responsive services.

In addition, the Agency has obligations under the *Canada-Wide Accord on Environmental Harmonization* and bilateral agreements with the provincial governments as well as international agreements covering environmental assessments.

The Agency is listed in Schedule I.1 of the *Financial Administration Act* and reports to Parliament through the Minister of the Environment.

## 2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector

- a) Parliamentary appropriations — The Agency is primarily financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the Agency do not parallel financial reporting according to generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high level reconciliation between the bases of reporting.
- b) Net Cash Provided by Government — The Agency operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the Agency is deposited to the CRF and all cash disbursements made by the Agency are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between the Agency and other federal government departments.
- c) Change in net position in the Consolidated Revenue Fund is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non-respendable revenue recorded by the Agency. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

- d) Revenues:
- Revenues from regulatory fees are recognized in the accounts based on the services provided in the year.
  - Revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues.
- e) Expenses — Expenses are recorded on an accrual basis:
- Contributions are recognized in the year in which the recipient has met the eligibility criteria or fulfilled the terms of a contractual transfer agreement.
  - Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
  - Services provided without charge by other government departments are recorded as operating expenses at their estimated cost.
- f) Employee future benefits
- i. Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. The Agency's contributions to the Plan are charged to expenses in the year incurred and represent the total Agency obligation to the Plan. Current legislation does not require the Agency to make contributions for any actuarial deficiencies of the Plan.
  - ii. Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.
- g) Accounts receivables are stated at amounts expected to be ultimately realized; a provision is made for receivables where recovery is considered uncertain.
- h) Contingent liabilities — Contingent liabilities are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.
- i) Foreign currency transactions — Transactions involving foreign currencies are translated into Canadian dollar equivalents using rates of exchange in effect at the time of those transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars using the rate of exchange in effect on March 31.
- j) Tangible capital assets — All tangible capital assets and leasehold improvements having an initial cost of \$10,000 or more are recorded at their acquisition cost.

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the capital asset as follows:

<b>Asset class</b>	<b>Sub-asset class</b>	<b>Amortization period</b>
Machinery and equipment	Videoconferencing equipment	10 years
Other equipment (including furniture)	Furniture and fixtures	10 years
Assets under construction	Machinery	Once in service, 10 years

- k) Measurement uncertainty - The preparation of financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that could affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these financial statements, management believes the estimates and assumptions to be reasonable. The most significant estimated items are employee severance benefits, allowances for employee vacation and compensatory benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

### 3. Parliamentary Appropriations

The Agency receives most of its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, the Agency has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

#### a) Reconciliation of net cost of operations to current year appropriations used

	<b>2008</b>	<b>2007</b>
	(in dollars)	
<b>Net cost of operations</b>	20,736,206	21,318,741
Adjustments for items affecting net cost of operations but not affecting appropriations		
Add (Less):		
Services provided without charge (Note 10)	(3,054,389)	(3,179,502)
Amortization of tangible capital assets (Note 5)	(1,406)	(1,406)
Revenue not available for spending	234,181	924,311
Vacation pay and compensatory leave	10,121	(154,663)
Severance Pay	145,290	—
Legal expenses charged by Justice Canada	0	(535,402)
Other	0	0
	<b>18,070,003</b>	<b>18,372,079</b>
Adjustment for items not affecting net cost of operations but affecting appropriations		
Add (Less):		
Acquisitions of tangible capital assets	206,845	0
<b>Current year appropriations used</b>	<b>18,276,848</b>	<b>18,372,079</b>

**b) Appropriations provided and used**

	<b>Appropriations Provided</b>	
	<b>2008</b>	<b>2007</b>
	(in dollars)	
Vote 15 — Program expenditures	23,403,326	17,614,665
Statutory amounts	1,728,818	1,909,930
Less:		
Lapsed appropriations	(6,855,296)	(1,152,516)
<b>Current year appropriations used</b>	<b>18,276,848</b>	<b>18,372,079</b>

**c) Reconciliation of net cash provided by Government to current year appropriations used**

	<b>2008</b>		<b>2007</b>	
	(in dollars)			
Net cash provided by Government	18,317,660		18,480,255	
Revenue not available for spending	234,181		924,311	
Change in net position in the Consolidated Revenue Fund				
Variation in accounts receivable and advances	(75,591)		(648,806)	
Variation in accounts payable and accrued liabilities	(199,402)		(145,559)	
Variation in employee severance benefits	0		247,312	
Legal expenses charged by Justice Canada	0		(535,402)	
Other adjustments	0		49,968	
	(274,993)		(1,032,487)	
<b>Current year appropriations used</b>	<b>18,276,848</b>		<b>18,372,079</b>	

#### 4. Accounts Receivable and Advances

The following table presents details of accounts receivable and advances:

	<b>2008</b>	<b>2007</b>
	(in dollars)	
Receivables from other Federal Government departments and agencies	213,739	39,482
Receivables from external parties	1,545,521	1,643,187
Employee advances	1,800	2,800
<b>Total</b>	<b>1,761,060</b>	<b>1,685,469</b>

#### 5. Tangible Capital Assets

(in dollars)

Capital asset class	Cost				Accumulated amortization				2008 Net book value	2007 Net book value
	Opening balance	Acquisitions	Disposals and write-offs	Closing balance	Opening balance	Amortization	Disposals and write-offs	Closing balance		
Machinery and equipment		188,656		188,656	—	—	—	—	188,656	—
Other equipment (including furniture)	14,059	—	—	14,059	2,812	1,406	—	4,218	9,841	11,247
Assets under construction	—	18,189	—	18,189	—	—	—	—	18,189	—
<b>Total</b>	<b>14,059</b>	<b>206,845</b>	<b>—</b>	<b>220,904</b>	<b>2,812</b>	<b>1,406</b>	<b>—</b>	<b>4,218</b>	<b>216,686</b>	<b>11,247</b>

Amortization estimated expense for the year ended March 31, 2008 is \$1,406 (2006-2007 \$1,406).

## 6. Accounts Payable and Accrued Liabilities

The following table presents details of accounts payable and accrued liabilities:

	<b>2008</b>	<b>2007</b>
	(in dollars)	
Payables to other Federal Government departments and agencies	443,639	341,249
Payables to external parties	1,693,683	2,003,023
Accrued salaries	501,874	494,326
<b>Total</b>	<b>2,639,196</b>	<b>2,838,598</b>

## 7. Employee Benefits

- a) Pension benefits: The Agency's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plans benefits and they are indexed to inflation.

Both the employees and the Agency contribute to the cost of the Plan. The 2007-08 expense amounts to \$1,260,309 (\$1,407,619 in 2006-07), which represents approximately 2.1 times (2.2 times in 2006-07) the contributions by employees.

The Agency's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

- b) Severance benefits: The Agency provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

	<b>2008</b>	<b>2007</b>
	(in dollars)	
Accrued benefit obligation, beginning of year	2,335,215	2,087,903
Expense for the year	(63,137)	364,768
Benefits paid during the year	(82,153)	(117,456)
<b>Accrued benefit obligation, end of year</b>	<b>2,189,925</b>	<b>2,335,215</b>

## 8. Contingent Liabilities — Claims and Litigation

In the normal course of its operations, the Agency becomes involved in various legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on the Government's consolidated financial statements. At this time, the Agency has no estimated liability to accrue and no expense to record in the Government's consolidated financial statements

## 9. Contractual Obligations

The nature of the Agency's activities can result in some multi-year contracts and obligations whereby the Agency will be obligated to make future payments when the services/goods are received. Significant contractual obligations that can be reasonably estimated are summarized as follows:

(in dollars)	2009	2010	2011	2012	2013	Total
Transfer payments	660,146	30,000	—	—	—	690,146
Professional services	621,311	73,227	45,980	—	—	740,518
Operating leases	245,526	112,754	8,017	8,017	8,017	382,331
<b>Total</b>	<b>1,526,983</b>	<b>215,981</b>	<b>53,997</b>	<b>8,017</b>	<b>8,017</b>	<b>1,812,995</b>

## 10. Related Party Transactions

The Agency is related as a result of common ownership to all Government of Canada departments, agencies, and Crown corporations. The Agency enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the Agency received services which were obtained without charge from other Government departments as presented below.

During the year the Agency received without charge from other departments, accommodation, legal fees and employer's contribution to the health and dental insurance plans. These services without charge have been recognized in the Agency's Statement of Operations as follows:

	<b>2008</b>	<b>2007</b>
	(in dollars)	
Accommodation	1,665,887	1,554,311
Employer's contribution to the health and dental insurance plans	802,292	824,373
Legal services provided by the Department of Justice	586,210	800,818
<b>Total</b>	<b>3,054,389</b>	<b>3,179,502</b>

The Agency also obtains selected financial services, materiel management, informatics and compensation and benefits services under a shared services agreement with Environment Canada.

In addition, the Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The costs of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada and audit services provided by the Office of the Auditor General, are not included as an expense in the Agency's Statement of Operations.

## SECTION IV: OTHER ITEMS OF INTEREST



***In this section:***

- ◆ Statistical Summaries of Environmental Assessments
- ◆ Contacts for Further Information

# STATISTICAL SUMMARIES OF ENVIRONMENTAL ASSESSMENTS

The table below provides a statistical summary of environmental assessments conducted by responsible and regulated authorities. It outlines the total number of projects that underwent an environmental assessment under the *Canadian Environmental Assessment Act* during the 2007-2008 reporting period.

Fiscal Year 2007–2008			EA Decisions Taken this Fiscal Year		
EA Type	Ongoing on April 1, 2007	Initiated this fiscal year	Not likely to cause significant adverse environmental effects	Likely to cause significant adverse environmental effects	Terminated
Screening	2,962	3,916	3,570	3	331
Class Screening	n/a	n/a	2,475	n/a	n/a
Comprehensive Study	29	13	8	0	1
Review Panel	13	4	3	2	0
Panel Substitution	1*	0	1	0	0

\* The substituted panel was conducted as a pilot project and is currently being evaluated. The results of the evaluation are expected to be made available in 2008.

**Note:** In addition, within the 2007-2008 reporting period, a total of 2,867 screenings were completed by the Business Development Bank of Canada and Farm Credit Canada. Since June 11, 2006, these Crown corporations are required to conduct environmental assessments of their projects, subject to the requirements of the *Canadian Environmental Assessment Act*, but with a modified process with respect to reporting on the Registry Internet site.

## Screenings

A screening is the most common type of environmental assessment. It is a systematic approach to identifying and documenting the environmental effects of a proposed project and determining the need to eliminate or minimize (mitigate) the adverse effects, to modify the project plan or to recommend further assessment through mediation or an assessment by a review panel.

Screenings are used to assess a wide range of projects. Screenings will vary in time, length and depth of analysis, depending on the circumstances of the proposed project, the existing environment and the likely environmental effects. Some screenings may require only a brief analysis of the available information and a brief report while others may need new background studies and will be more thorough and rigorous.

The responsible authority must ensure that the screening of the project is carried out and must prepare or ensure the preparation of a report which summarizes the findings of the screening.

For a summary of environmental assessments undertaken by each responsible or regulated authority, consult the Canadian Environmental Assessment Agency's website at [www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca).

## Class Screenings

A class screening is a special type of screening that can streamline the environmental assessment process for certain types of projects, while ensuring high-quality assessments.

There are two types of federal class screenings:

- **Model class screenings** — Individual, location-specific reports are produced, based on a standard report for a defined class.
- **Replacement class screenings** — One report can be used for all future projects within a defined class.

Class screenings are ideal for a clear, well-defined class of recurring projects that are known to be unlikely to cause significant adverse environmental effects when appropriate design standards and proven mitigation measures are applied.

Class screenings enhance the integrity of environmental assessments. Each class screening undergoes a rigorous process of technical review and a mandatory public consultation period before the Agency's President can formally declare it for use as a model or replacement class screening.

Class screenings ensure the consistent consideration of environmental effects and the application of proven mitigation measures for a class of projects. They reduce administrative requirements, such as the number of entries in the Canadian Environmental Assessment Registry, which simplifies the environmental assessment process. Class screenings allow federal departments to deal with a large number of assessments in a single investment, saving time and money over the long term. They also improve coordination between the Agency, federal departments and other levels of government.

To support the development of class screenings, the Agency provides technical and procedural environmental assessment advice, coordinates the participation of federal/provincial departments in the process, and administers the public consultation process.

## Comprehensive Studies

Certain projects, by their very nature and size, may have the potential to cause significant adverse environmental effects. These types of projects have been identified and listed in the *Comprehensive Study List Regulations*.

As a result of revisions to the *Canadian Environmental Assessment Act*, proclaimed through Bill C-9 on October 30, 2003, the responsible authority must consult the public on its proposed approach and recommend to the Minister of the Environment whether the project should continue by means of a comprehensive study environmental assessment or be referred to a mediator or a review panel. At the end of the comprehensive study process, the Minister is required to issue a decision statement as to whether or not the project is likely to cause significant adverse environmental effects.

The Agency's role in the comprehensive study process is to provide advice to responsible authorities, project proponents and the public; ensure that the comprehensive study report complies with the requirements of the Act; manage the public comment period; and provide advice to the Minister of the Environment in support of the Minister's track decision on the environmental assessment and the determination of potential adverse environmental effects. Public participation is facilitated by the Participant Funding Program, which provides financial assistance to eligible individuals and public organizations with legitimate interests in the project.

In 2007-2008, the Minister concluded that the comprehensive studies described below were not likely to cause significant adverse environmental effects and referred them back to the responsible authority. Further information on these environmental assessments is available on the Agency's website at [www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca).

- [Galore Creek Gold-Silver-Copper Mine](#)
- [Deep Panuke Offshore Gas Development Project](#)
- [Lennox Island Water Supply Upgrade](#)
- [Upgrading of the Clifford Water System](#)
- [Upgrading of the Mitchell Well Supply](#)
- [All Season Road to Wollaston Lake](#)
- [Crushed Granite Rock Quarry](#)
- [Keltic Petrochemical and Liquefied Natural Gas Facilities](#)

## Review Panels

Distinguished by extensive public participation, review panels and joint review panels with other jurisdictions are the most visible and public type of environmental assessment. Review panels are independent of government. Its members are appointed by the Minister of the Environment.

The review panel conducts its assessment in an open and public manner, with individuals and groups presenting information and views through public comment and public hearings. Public participation is facilitated by the Participant Funding Program, which provides financial assistance to eligible individuals and public organizations with legitimate interests in the project.

At the completion of the review process, the review panel's report, including conclusions and recommendations, is submitted to the Minister of the Environment. The recommendations are advisory, and the responsible authority, with the approval of the Governor in Council, considers and responds publicly to all recommendations.

The Agency's primary roles in a review panel process are to provide advice and coordination to federal expert authorities and responsible authorities; maintain the public registry; manage the review process and provide technical and administrative support to the review panel; administer the Participant Funding Program; and design and implement a public information program with the review panel.

During this reporting period, the Agency was actively involved in providing support and advice relating to the assessment by review panel of the following projects. Consult the Agency's website at [www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca) to obtain additional information regarding these environmental assessments.

- Bruce Power New Nuclear Power Plant Project
- Cacouna Energy Project
- Darlington New Nuclear Power Plant Project
- Deep Geologic Repository for Low and Intermediate Level Radioactive Wastes
- Emera Brunswick Pipeline Company Ltd. Brunswick Pipeline
- Enbridge Gateway Pipeline and Marine Infrastructure Project
- EnCana Shallow Gas Infill Development Project in the Suffield National Wildlife Area
- Kearl Oil Sands Project - Mine Development
- Kemess North Gold-Copper Mine
- Lake K nognami Watershed Flood Control Project
- Lower Churchill Hydroelectric Generation Project
- Mackenzie Gas Pipeline
- Muskeg River Mine Expansion (MRME) - Albian Oil Sand Project
- Project Rabaska - Implementation of an LNG Terminal
- Romaine Hydroelectric Complex Project
- Whites Point Quarry and Marine Terminal Project

## **CONTACTS FOR FURTHER INFORMATION**

### **Director of Communications**

Canadian Environmental Assessment Agency  
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Ottawa, ON K1A 0H3

**Tel:** 613-957-0712

**Fax:** 613-957-0946

**E-mail:** [info@ceaa-acee.gc.ca](mailto:info@ceaa-acee.gc.ca)

### **The Canadian Environmental Assessment Agency's website**

[www.ceaa-acee.gc.ca](http://www.ceaa-acee.gc.ca)

### **Treasury Board Secretariat's website**

[www.tbs-sct.gc.ca](http://www.tbs-sct.gc.ca)