



# NWT Environmental Audit

*Presentation to the CIMP Working Group,  
September 29, 2006*

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Canada



## Presentation Overview

- General Audit Questions
- Audit Steps
- Overview of the Audit Findings
- 50 Recommendations
- Trends in the Environment
- What's Next?
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## What is the NWT Environmental Audit?

- The first audit will be unique in Canada, North America, and possibly the world, and will set the foundation for future audits.
- This audit combines aspects of conventional environmental auditing, state of the environment reporting, and performance review.
- It not only reviews information, but also evaluates it.



## Why was the Audit conducted?

- An independent audit, conducted every five years, is a requirement set out in:
  - Part 6, section 148 of the *Mackenzie Valley Resource Management Act (MVRMA)*,
  - Chapter 24 of the *Gwich'in Comprehensive Land Claim Agreement*,
  - Chapter 25 of the *Sahtu Dene and Metis Comprehensive Land Claim Agreement*; and
  - Chapter 22 of the *Tlicho Land Claim and Self-Government Agreement*.



## What the Audit looked at?

- The NWT Environmental Audit is meant to:
  - Review information about the environment to determine whether the quality of the environment is improving, deteriorating or staying the same, and determine what is causing any changes;
  - Determine the effectiveness of methods of monitoring cumulative impacts on the environment; and
  - Review the effectiveness of regulations (permits, etc.), in protecting the environment from significant harmful impacts caused by using the land and water, and depositing waste.



## Who was involved in the Audit?

- An Audit Sub-Committee (ASC) consisting of government and aboriginal organizations representatives was struck in December 2003 to manage the Audit process. Members include:
  - Gwich'in Tribal Council
  - Sahtu Secretariat Inc.
  - Tlicho First Nation
  - Deh Cho First Nations (observer)
  - North Slave Metis Alliance
  - Northwest Territory Métis Nation
  - Inuvialuit Game Council
  - Akaitcho First Nation - invited to participate, declined citing opposition to the MVRMA
  - Government of the Northwest Territories (RWED)
  - Government of Canada (DIAND)



## Scope of the Audit

- With the concurrence of all parties, the Audit scope was broadened to include the Inuvialuit Settlement Region.
- Inclusion of the ISR does not bind the ISR to any of the provisions of the MVRMA.



## Audit Steps

- The Terms of Reference were completed in May 2004 and formally ratified by the member organizations of the ASC.
- The ASC reviewed and evaluated proposals for the Audit contract.
- SENES Consultants Limited was selected to undertake the Audit. The contract value was \$349,819.00.
- SENES began work on the Audit in October 2004 and completed the Audit in December 2005.
- The Audit process involved numerous meetings among many parties throughout that time.

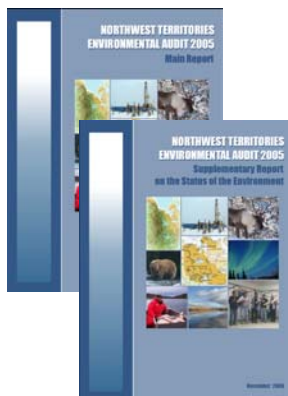


## Audit Steps continued ...

- The ASC provided advice and support to SENES throughout the process.
- Directly Affected Parties reviewed the draft final report to ensure accuracy of statements, facts and assumptions, and to provide an opportunity to discuss the information prior to its submission to the Minister of DIAND.
- Departmental obligation, as defined in the MVRMA, will conclude with the distribution of the final audit report to the public.



## Overview of the Audit Findings



- The Audit Report was released to the public on Thursday June 22, 2006
  - [http://nwt-tno.inac-ainc.gc.ca/nwt-a\\_e.htm](http://nwt-tno.inac-ainc.gc.ca/nwt-a_e.htm)
- The Main Report includes 50 recommendations for various organizations in the NWT.
- The Supplementary Report on the Status of the Environment is an evaluation of the information on the environment in order to determine trends



## 50 Recommendations

- Three concern Land Use Planning
- Ten apply to Regulation
- Seven relate to Environmental Impact Assessment
- Twenty apply to Cross-Cutting Themes
- Eight deal with Traditional Knowledge
- Two are directed at the Cumulative Impact Monitoring Program



## Recommendation 1

- The Sahtu Land-Use Plan should be completed and approved as soon as possible. (page 3-6)



## Recommendation 2

- In partnership with Canada and the GNWT, Aboriginal groups in areas that lack land use plans should take immediate steps to develop and implement plans for their areas. This should be performed in consultation with interested parties. If required, provisions to honour these plans should be established until land claims agreements are settled. (page 3-7)



## Recommendation 3

- In areas where land use plans have been approved, and in new land use plans, consideration should be given to the identification of maximum development density thresholds. (page 3-9)



## Recommendation 4

- Boards and governments should continue their efforts to educate participants in the requirements of the approvals process. (page 4-4)



## Recommendation 5

- Canada (including the NEB), the GNWT and LWBs need to reach an understanding on jurisdiction over air quality throughout the NWT. Based on this understanding, appropriate regulatory tools for the establishment and enforcement of air quality standards should be created and implemented. (page 4-5)



## Recommendation 6

- The GNWT should conduct an evaluation of the effectiveness of approaches that are being used to prevent or mitigate potential socio-economic and cultural impacts attributable to development. Findings of this evaluation should be given to other participants in the regulatory process to assist them in developing better tools for impact prevention and mitigation. (page 4-10)



## Recommendation 7

- The Sahtu LWB should augment its current summary comment tables to include a column that shows how each application review comment has been addressed (eg. one consolidated disposition table). (page 4-14)



## Recommendation 8

- Federal and territorial departments should develop formal agreements and applicable training programs to ensure that *all* permit and license conditions are subject to inspection and enforcement by appropriate *regulatory* authorities. As the lead department for the MVRMA, INAC should take the leadership role in ensuring this occurs. (page 4-15)



## Recommendation 9

- Regulatory agencies should develop cooperative agreements to optimize the effectiveness and efficiency of inspection activities. (page 4-16)



## Recommendation 10

- LWBs should ensure that permit and licence conditions are written in such a manner as to be inclusive of all mitigative and monitoring requirements and to provide operational flexibility while being protective of the environment by establishing performance-based requirements. (page 4-17)



## Recommendation 11

- INAC should work with the LWBs to investigate means by which confidential terms and conditions relevant to the environmental management process can be provided to LWBs without compromising confidentiality requirements. (page 4-18)



## Recommendation 12

- INAC and the LWBs should collaborate on the collection and sharing of information required for licensing, inspection and enforcement activities, without compromising potential prosecutions. (page 4-18)



## Recommendation 13

- The fines and penalties provisions of the MVRMA should be amended to be more consistent with CEPA, the *Fisheries Act*, and the *NWT EPA*. (page 4-19)



## Recommendation 14

- Institutionalized mechanisms to perform follow-up on the implementation of EA measures, particularly those which are not tied directly to a regulatory instrument, would provide an important improvement to the EA and regulatory system. To this end, it is recommended that the MVEIRB develop follow-up programs for Environmental Assessments, where appropriate. (page 5-8)



## Recommendation 15

- The MVEIRB should continue to develop tools for completing social and cultural impact assessment, and monitor developments in this area in other jurisdictions. (page 5-9)



## Recommendation 16

- In situations where measures dealing with socio-economic impacts are made in EIA decisions and there is no associated regulation, governments should develop and use policy instruments to facilitate the implementation of the measures. (page 5-9)



## Recommendation 17

- Relevant government agencies need to place increased emphasis on the social, economic and cultural aspects of their mandate during EIA processes. (page 5-9)



## Recommendation 18

- MVEIRB and relevant government agencies should more thoroughly assess climate change impacts, mitigation and adaptation in EAs, where appropriate for the nature of the project. (page 5-10)



## Recommendation 19

- The MVEIRB should have direct access to relevant government expertise at all stages in the EIA process. (page 5-11)



## Recommendation 20

- It may be beneficial for government agencies and departments to develop policy guidelines to communicate the rationale for when departmental participation is or is not deemed to be required at community hearings and public information sessions. (page 5-11)



## Recommendation 21

- Nominating parties should submit nominees no later than four months prior to the expiry of a sitting member's term of office. (page 6-2)



## Recommendation 22

- INAC should complete its work with Boards on developing a better defined and transparent appointments process from the soliciting of nominees through to appointment by the Minister. Within this process, INAC should create a mechanism that allows nominating parties to track the status of nominees in the appointment process. (page 6-3)



## Recommendation 23

- INAC should streamline the appointments process and commit to completing the process within two months of a nominating being submitted. (page 6-3)



## Recommendation 24

- To the extent possible, the Minister of INAC should provide nominating parties with clear rationale for the rejection of nominees. (page 6-4)



## Recommendation 25

- The appointment period for Board members should be extended from the current 3 year term to a 5 year term. Where possible, appointments should be staggered to minimize the risk of failing to meet quorum. (page 6-4)



## Recommendation 26

- Similar to the MVEIRB, other Boards should prepare guidance regarding the job functions and expectations of Board members. This guidance should be provided to nominating organizations. (page 6-4)



## Recommendation 27

- With full support from INAC, the Boards should lead the development and implementation of comprehensive training for Board members. (page 6-5)



## Recommendation 28

- The next NWT Audit should evaluate whether adequate firewalls exist between the different mandates of regulatory authorities, particularly within INAC and the GNWT. (page 6-12)



## Recommendation 29

- Consideration should be given to extending the Preliminary Screening review timeframe beyond the current 42 days to facilitate community input. (page 6-7)



## Recommendation 30

- Prior to the submission of REAs, the MVEIRB should provide opportunities for Responsible Ministers to review and comment on proposed mitigation measures. (page 6-10)



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## Recommendation 33

- Government departments should identify and evaluate mechanisms to optimize the use of existing technical expertise, including collaborative measures between various levels of government. (page 6-12)



## Recommendation 34

- Building on previous work undertaken by the National Roundtable on the Environment and the Economy, INAC should fund an independent evaluation of the capacity of Aboriginal communities to participate in environmental and resources management processes. The findings and recommendation of this evaluation should be acted on. (page 6-13)



## Recommendation 35

- INAC should review the November 2004 Supreme Court ruling and assess whether there are any implications to the consultation process under the MVRMA for areas with unsettled land claims. The findings of this review should be shared with other participants in the NWT's environmental management regime. (page 6-15)



## Recommendation 36

- INAC should lead a study to specifically assess the consultation process to identify those aspects that are working well and result in public satisfaction, and those areas that are ineffective and need revision. (page 6-15)



## Recommendation 37

- Notwithstanding the outcome of Recommendation 36, Boards should develop a streamlined notifications and consultation process that reduces the potential to overwhelm the resources of interested parties (e.g., initial notice of projects to make interested parties aware of the permit/license application, with delivery of full documentation only to those parties that request this information based on their assessment of the initial notice of the project). (page 6-16)



## Recommendation 38

- INAC should investigate approaches that could be used to ensure Board funding is capable of responding to changes in workload. (page 6-17)



## Recommendation 39

- A participant funding program should be established for Environmental Assessments and regulatory processes involving public hearing under the MVRMA. (page 6-18)



## Recommendation 40

- INAC should receive long term stable “A base” funding commensurate with its roles and responsibilities under the MVRMA. A review should be undertaken to assess appropriate funding mechanisms that will provide the funds in a timeframe linked to the constraints of the unique northern setting and institutional context. (page 6-19)



## Recommendation 41

- MVEIRB’s TK in EIA Guidelines should be reviewed by all participants in the environmental management process to assess their broader applicability. (page 7-17)



## Recommendation 42

- If requested, government agencies should assist Aboriginal communities in their efforts to collect and compile TK in a way that is amenable to use in environmental decision-making. (page 7-18)



## Recommendation 43

- All boards and government agencies involved in environmental management should ensure that relevant staff members are capable of understanding basic principles of TK collection and use. Training should be provided to individuals that lack this capacity. (page 7-18)



## Recommendation 44

- Regional Aboriginal leadership should develop guidance that clearly defines expectations regarding the collection, release and use of TK. (page 7-19)



## Recommendation 45

- The participants in the system should review the issues associated with the compensation and acknowledgement related to the collection of original TK. (page 7-20)



## Recommendation 46

- Efforts to collect and use TK should include gender-specific considerations. (page 7-22)



## Recommendation 47

- INAC should establish and support forums for ongoing training and education to improve the common understanding of scientific and traditional knowledge terminology, issues and approaches. While these forums should build on existing project-specific initiatives, they should be free-standing, long-term initiatives. (page 7-22)



## Recommendation 48

- Verification of TK used in environmental decision-making should be carried out in a respectful manner. (page 7-23)



## Recommendation 49

- The Working Group should make the development and implementation of a detailed, operational work plan, which clearly identifies and addresses monitoring needs, an immediate priority. The preparation of the plan should provide for involvement of interested parties without unduly delaying the process; plan preparation and review should occur in tandem. The implementation plan should be subjected to periodic reviews and amendments as operational experience is obtained. (page 8-8)



## Recommendation 50

- Given that CIMP activities will extend in perpetuity, a source of long-term, stable funding will be required, with periodic reviews to account for changing program needs. (page 8-9)



## Trends in the Environment

- Overall, environmental quality in the NWT was found to be favourable for most components.
- In some cases it was difficult to determine the current condition or evaluate trends due to lack of adequate baseline data.



## Trends in the Environment continued ...

- There were three unfavourable conditions and deteriorating trends:
  - Decreasing trend in caribou herd size;
  - Need for action in the area of socio-economics and community wellness; and
  - Climate change.



## Seven Major Components

- Atmospheric Environment ( including air quality, climate and climate change);
- Freshwater Aquatic Environment;
- Terrestrial Environment;
- Permafrost, Ground Ice, and Snow;
- Human Health; and
- Socio-Economic and Community Wellness.



## Status of the Environment by Indicator

Current Condition		Trend	
Favourable	22	Improving	15
Intermediate	27	Uncertain	45
Unfavourable	21	Deteriorating	9
Favourable to Intermediate	11	Improving to Uncertain	10
Intermediate to Unfavourable	8	Uncertain to Deteriorating	12
Favourable to Unfavourable	2	Value Judgement	2
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From Table 9.1. Seven Major Components, 29 Valued Components, 93 Indicators



## What's Next?

- MVRMA does not provide guidance after the release of the audit to the public by the Minister, however Section 148(d) states that the audit shall include a review of the response to any recommendations of previous environmental audits.
- This is the first NWT Environmental Audit.
- DIAND is determining next steps and is seeking the views of others before deciding on how to respond.



## What's Next? continued ...

- Some of the recommendations pertain to INAC, while others are relevant to other DAPs.
- The department will assess the recommendations for which it is responsible, develop a plan to respond and will contact other stakeholders in cases where a collaborative approach would be most effective.
- INAC is encouraging the DAPS' to take a similar approach.



## For more information and suggestions as to next steps...

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