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Lesley Griffiths:

Thank you to the Minister's Advisory Council on Impact Assessment (the Council) for submitting its second report providing recommendations related to the implementation of the *Impact Assessment Act* (the Act). I am pleased to provide you with comments on the report.

Since it was established in 2020, the Council has been playing an important role in providing advice related to the implementation of the Act. This helps ensure the purposes of the Act are met, including considering scientific information, Indigenous knowledge, and community knowledge; respect for the rights of, and promoting cooperation with, Indigenous Peoples; meaningful public engagement; and a fair, predictable, timely, and efficient impact assessment process.

As the Council recognizes, Canada is facing a series of urgent challenges; not least of which are the global climate crisis and loss of biodiversity. The Government of Canada is also committed to reconciliation with Indigenous Peoples. Significant development of new infrastructure across the country will be necessary to support Canada's efforts to achieve net-zero greenhouse gas emissions by 2050. An efficient and robust regulatory system that maximizes Indigenous leadership, promotes sustainable development, and takes into consideration the views of the public is essential to getting clean growth projects on-line. The Act is an important part of this system and the Council's second report provided constructive advice to ensure its effective implementation. This advice is broadly aligned with my priorities for the Impact Assessment Agency of Canada (the Agency) and with work already underway.

Specifically, with respect to Recommendations one to three on climate change and biodiversity challenges, the Agency is exploring integrating additional requirements in the Tailored Impact Statement Guidelines (TISG) template. This may include providing more specific requirements when referencing large multilateral treaties, such as the Convention on Biological Diversity. In the meantime, the Agency has been collaborating with Environment and Climate Change Canada (ECCC) and other federal departments in developing Canada's 2030 Biodiversity Strategy and in implementing the COP15 Global Biodiversity Framework. The Agency is also working with ECCC to consider how its Draft Offsetting Policy for Biodiversity, which outlines the biodiversity mitigation hierarchy, will be applied in impact assessment.

With respect to Recommendations four to six on Indigenous health, the Agency will strengthen collaboration with Indigenous Peoples and other federal departments to provide public guidance on the assessment of Indigenous health issues in impact assessments. This includes continued collaboration with federal departments, such as Health Canada. The Agency will also request that the Canada Energy Regulator be invited to join the policy coordination working group on health in impact assessment.

Regarding Recommendation seven and Indigenous-led assessments, the Agency will continue to work with its existing Indigenous partners to strengthen capacity to engage in impact assessments. This includes a focus on maximizing Indigenous leadership in the impact assessment process and ensuring that Indigenous governments and communities have the resources and opportunities to meaningfully participate in assessments. The Agency will pilot an Indigenous Participation training course for Indigenous groups, nations, communities, and organizations on opportunities to participate in the impact assessment process. The Agency will continue to offer tailored training on Indigenous knowledge and health to federal authorities.

In parallel, the Agency is working with Indigenous organizations on a regional- and distinction-based approach to ensure that Agency funding is tailored to meet the ongoing needs. Through this work, the Agency will explore the creation of an Indigenous Assessment Resource Centre with its Indigenous partners.

With respect to Recommendations nine to 11 focusing on the planning phase, while the Agency is developing sector-specific tailoring guidance rather than templates, there is consideration for a mining-specific template as this may provide proponents a more focused starting point. In parallel,

the Agency continues to work with federal departments on the provision of more focused advice. I agree that independent expert advice is essential, and a roster of independent experts may help ensure that we can access objective advice in a timely manner. I have asked the Agency to explore the options for the implementation of such a roster.

I also agree that, where appropriate, the TISG should identify alternatives to the project that must be assessed by the proponent. As such, the Agency's template for the TISG contains a section where the Agency may specify alternatives to the project that must be considered in the proponent's impact statement. Should the Agency not require an assessment of alternatives to the project, a rationale would be provided in the draft guidelines and posted for public comment. This would allow participants the opportunity to comment on the Agency's proposed approach. The Agency commits to ensuring this practice is applied consistently.

With respect to Recommendation 12 on regional assessments, the Agency is updating its draft Policy Framework for Regional Assessment to address comments received during the public comment period earlier this year as well as the Council's comments. This includes highlighting the important role of regional assessment in understanding and addressing cumulative effects occurring within a region. The Policy Framework for Regional Assessment will also speak to opportunities for public participation. More broadly, the Agency is also supporting research and practice to advance the field of regional assessment as well as the Agency's own regional assessment program and will continue to do so.

With respect to Recommendation 13 and exemption of classes of projects from assessment, I would like to assure you that this power is being exercised in accordance with the legislation and your recommendation. The Act authorizes the Minister to enact a regulation to exclude certain projects from federal impact assessment requirements where a regional assessment has been completed under the Act in relation to that type of project. Under the current regulatory system, this exclusion can only be applied to offshore exploratory wells and offshore wind power generating projects, as identified in the *Physical Activities Regulations*. The Ring of Fire regional assessment will not be used to exempt projects in that area. This is in line with the Council's recommendation to use this power only in exceptional circumstances where a regional assessment was completed through a process broadly like that of a project impact assessment.

Lastly, with respect to Recommendation 14 on the *Physical Activities Regulations*, the Agency has begun conducting research and analysis as part of the legislated review of the regulations. The objective of the review is to continue to focus federal assessment on projects with the greatest potential for adverse environmental effects in areas of federal jurisdiction and in areas where federal assessment adds value beyond federal regulatory oversight and provincial processes. The Agency will conduct the review with support from expert federal departments and in consultation with key stakeholders, Indigenous Peoples, and the public, while also engaging the Council. In line with the requirements of the Act, the Agency will provide me with a report including its recommendations.

In terms of priorities going forward, given the magnitude and urgency of the challenge to meet net-zero commitments, I would value the Council's advice on how best to implement the Act to support Canada's transition towards net-zero emissions while maintaining strong regulatory standards, respecting Indigenous rights, and continuing to facilitate meaningful public participation. In Budget 2023, the Government committed to outlining a concrete plan with measures to improve the efficiency of the impact assessment process as well as for the permitting processes required for major projects.

I would appreciate the Council's views on our ongoing efforts to improve efficiency and how to ensure we can meet our net-zero electricity target by 2035, as well as considerations related to the outcome of the Supreme Court of Canada's opinion regarding the constitutionality of the federal impact assessment regime. That advice will be most helpful in the shorter term so the Council should consider providing it through interim reporting as it is available (i.e., before 2025).

Once again, I would like to express my gratitude for the work done by the members of the Council in preparing the June 2023 report. There is still much work to be done and I look forward to receiving your advice and recommendations. I would be pleased to meet with the Council later in the fall to discuss priorities and any other questions members may have.

Sincerely,

The Honourable Steven Guilbeault, P.C., M.P. (he/him, il)