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Northern Regulatory Improvement Initiative: Update and Way Forward

**Nunavut Mining Symposium
2010**

Canada



Speech from the Throne 2010

“Our Government will reform the northern regulatory regime to ensure that the region's resource potential can be developed where commercially viable while ensuring a better process for protecting our environment.”





Approach: Regulatory Improvement

- ❖ Initiated in 2005, the Northern Regulatory Improvement Initiative focussed on low-key changes to areas of federal responsibility, while also engaging stakeholders and partners (via Neil McCrank, Minister's Special Representative) to seek their views on northern regulatory regimes and possibilities for improvements
- ❖ Has two over-arching approaches to regulatory improvement:
 - **Operational Change**
 - ✓ Focus on areas of federal responsibility to make concrete operational-level improvements to existing regime
 - **Strategic Change**
 - ✓ Continue dialogue with northern leadership, started by Neil McCrank, on over-arching challenges requiring more fundamental change





What has been happening?

- ❖ Development of the Nunavut Planning and Project Assessment Act
- ❖ Development of the Nunavut Water Regulations
- ❖ Support to monitoring of cumulative impacts across the North
- ❖ Creation of the Canadian Northern Economic Development Agency, including the Northern Project Management Office





Budget 2010: Streamlining the Northern Regulatory Regime

- ❖ The resource potential in Canada's North is world-class, yet potential investors in northern resource projects face complex and overlapping regulatory processes that are unpredictable, costly and time-consuming.
- ❖ Streamlining the regulatory regime and removing barriers to private investment will support economic growth and help provide opportunities for Northerners by unlocking the resource potential in Canada's North, while at the same time protecting the environment.
- ❖ Budget 2010 provides \$11 million over two years to Indian and Northern Affairs Canada to support the acceleration of the review of resource projects in the North.
- ❖ These reforms will provide clarity and certainty for investors while ensuring that the environment is protected and that Canada's obligations under existing land claims agreements with Aboriginal groups are respected.



Budget 2010: Community-Based Environmental Monitoring in the North

- ❖ Effective environmental protection and responsible regulation require sound environmental monitoring to collect and interpret data on environmental change and the cumulative impacts of development.
- ❖ In the North, environmental monitoring is imperative to fulfill statutory requirements and commitments made under land claim agreements with Aboriginal groups.
- ❖ Budget 2010 identifies \$8 million over two years for Indian and Northern Affairs Canada to support community-based environmental monitoring, reporting and baseline data collection through the Northwest Territories Cumulative Impact Monitoring Program and the Nunavut General Monitoring Program.



What should Government focus on...

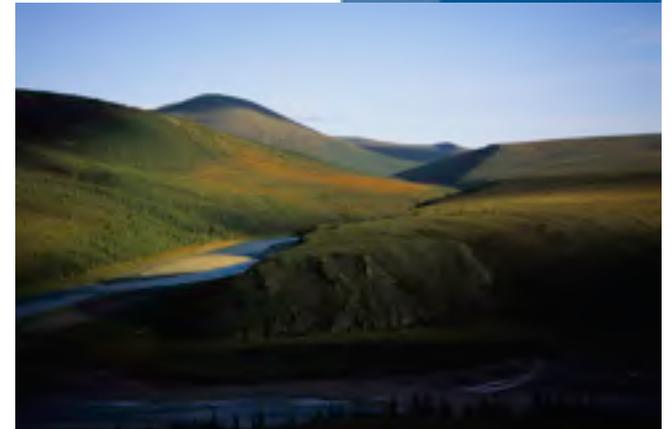
- ❖ Complete the regulatory system in the North both with outstanding legislation and support increased environmental management
- ❖ Respond to stakeholder concerns (Aboriginal Organizations, Northern Resource Management Boards, Territorial Governments, Industry)
- ❖ Improve transparency and certainty of the process
- ❖ Help address barriers to economic development and employment and encourage environmental stewardship





A Government should also:

- ❖ Improve timeliness of environmental assessments and regulatory decisions
- ❖ Increase predictability of outcomes
- ❖ Increase capacity and accountability of responsibility holders
- ❖ Strengthen partnerships with Aboriginal and Land Claim Organizations





What next?

- ❖ Work with Industry and working group to finalize NUPPAA and work on regulation changes
- ❖ Work with Minister and government to refine the focus for Northern Regulatory Improvement to streamline the regulatory regime and remove barriers, taking into consideration:
 - Neil McCrank's report
 - 2005 audit of the Auditor General
- ❖ Work with the Canadian Northern Economic Development Agency to articulate roles and responsibilities
- ❖ Communicate the new vision for regulatory improvement to Industry, Aboriginal Organizations and Northerners



In Conclusion

- ❖ INAC will accelerate efforts to improve the Northern Regulatory System
- ❖ Focused efforts guided by McCrank Report
- ❖ INAC seeks to introduce NUPPAA in spring
- ❖ INAC will continue to engage Industry, Boards, Aboriginal Organizations, Territorial Governments and Northerners



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Update On Proposed Nunavut Planning And Project Assessment Act (NUPPAA)



Canada



Why are we doing this?

- ❖ This is an important legislative initiative for a number of reasons:
 - Supports the Government's stated policy initiatives such as Regulatory Improvement & Northern Strategy
 - Demonstrates our commitment to environmental stewardship and land use planning
 - Clarity, predictability, consistency, and legal certainty will promote investor confidence
 - Opportunity for innovation and unprecedented improvement compared to other Northern legislation (e.g. timelines in the Act itself)



Background – The Working Group

- ❖ In 2002, the Nunavut Legislative Working Group (the Working Group) was formed to work on the details required for legislation regarding land use planning and impact assessment
- ❖ Membership included Canada (represented by INAC), the Government of Nunavut, and Nunavut Tunngavik Inc., supported by the participation of the Nunavut Planning Commission and the Nunavut Impact Review Board
- ❖ From 2002 to 2006 the Working Group focussed on resolution of policy issues and drafting of the legislation began in 2006
- ❖ The cooperative and collaborative nature of the process for developing this legislation is rooted in the claim requirement for close consultation



Current Status

- ❖ Drafting (based on fall/winter consultations) is complete
- ❖ Bill should be ready for introduction this spring
- ❖ Discussions with NTI on Claim amendments
- ❖ Consultation with industry (Mining Industry and CAPP)





Structure of the Bill

- ❖ Preamble
- ❖ Part 1: Commission and Board
- ❖ Part 2: Land Use Planning
- ❖ Part 3: Assessment of Projects in the Designated Area
- ❖ Part 4: Review of Projects outside the Designated Area
- ❖ Part 5: General Provisions
- ❖ Part 6: Transitional Provisions, Consequential Amendments, Coordinating Amendments and Coming into Force





Moving Forward to Introduction

❖ Key Milestones

- Continued engagement with industry – April/May
- Implementation strategy outline – late April
- Meeting of Nunavut Legislation Working Group – April
- Introduction – Spring 2010





Innovative Improvements in the Legislative Proposal

- ❖ More detail and clarity in defining what constitutes a project – regulations will clarify what is subject to EA and what is exempted
- ❖ Efficiency improved with single entry point is the Commission for all project proposals
- ❖ Greater predictability through timelines
- ❖ Improved flexibility to review transboundary projects





Innovative Improvements in the Legislative Proposal (continued)

- ❖ Comprehensive implementation scheme puts “teeth” in land use planning and environmental assessment through enforceable land use plans and project certificates
- ❖ Implementation of land use plans on Inuit Owned Lands
- ❖ Eliminating short term, interim appointments will help address quorum problems
- ❖ Clarity, predictability, consistency, and legal certainty will promote investor confidence





In Closing

- ❖ This Legislative Proposal meets Canada's legislative obligation under the Claim
- ❖ The co-development approach has demonstrated Canada's commitment to close consultation
- ❖ This Legislative Proposal which adds clarity and predictability to the land use planning and environmental assessment process in Nunavut
- ❖ For further information contact: Stephen Traynor or Gary Nicholl

