# Governance and Environmental Assessment Capacity Building in Canada's Arctic Michael Mifflin<sup>1</sup> & Tomasz Wlodarczyk<sup>2</sup>

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Summary Statement: This paper presents a model for governance and capacity building for environmental assessment in the Canadian Arctic, drawn from a three-year initiative in the Nunavut public service.

### INTRODUCTION

In 1996 the Canadian Government undertook its largest nation building project since 1949. It signed an Aboriginal land claim agreement that defined Canada's northern borders and created a brand new territory and government in the Canadian federation. It has taken years to build the programs and services of this new government, and to ensure that there is local capacity to deliver them.

Over the past 4 years the authors – *Michael Mifflin* and *Tomasz Wlodarczyk* - have had the unique opportunity of building the environmental assessment program of Canada's newest government, and making sure it has the local capacity to deliver these services. It took 2 strategies, a new organizational structure, professional mentoring and an ongoing training program but today the Government of Nunavut operates a unique EA service delivery program in the Canadian Arctic, and on May 16th, 2013 this initiative was awarded IAIA's regional award for leadership in the field of impact assessment.

This paper outlines the process undertaken by the authors to help the Government of Nunavut to close its capacity gap in meeting the high volume of environmental assessments in the territory. The outcome is a new model for governance and capacity building which was drawn from a three-year initiative that employed best practices from the fields of business and public administration, and adapted them to meet the unique cultural context of a new territorial government in the Canadian Arctic.

Highlights of the new model include an attempt to promote leadership and best practices in environmental assessment through: i) re-structuring to achieve horizontal integration in a consensus government, ii) a balanced score card approach to strategic planning, and (iii) building capacity through mentorship, documenting best practices & outreach education to communities.

This initiative has transformed the process of environmental assessment review within the Government of Nunavut. The new, innovative approach to environmental assessment service delivery ensures improved local capacity to meet the demand of a wide range of new development projects being proposed in the territory.

## CONTEXT

Nunavut is Canada's largest, northernmost, and newest territory, and is the result of one of the biggest Aboriginal land claim agreements in history. This two million square kilometre expanse of land stretches from just off the tip of Labrador to the northeast corner of Alberta, to the tip of Ellesmere Island (approximately 800 km from the north pole). The tree-less landscape varies from rolling tundra to mountains and glacier-carved fiords. There is no major marine infrastructure, no railways, and no roads in to the territory. Thus, its 33,000 residents are physically isolated and dispersed over 25 small hamlets and towns, all of which are accessible only by air.

Nunavut's population is 85% Inuit, many of whom speak only the territory's official languages of Inuktitut or Inuinnaqtun. Traditional cultural activities of subsistence hunting, fishing and animal skin preparation are widely practiced, and well over half of the population rely on hunting and fishing as important sources of food. The territory's new government faces many challenges in its delivery of public services as Nunavut's people experience some of the most significant social problems in the country.

Although the Nunavut Government originated from an Aboriginal land claim agreement, it is a public government with the much the same responsibilities as the provinces of Canada – to provide public services for its people. However, as a territory of Canada, Nunavut does not have ownership of its lands and resources; decision-making is done through co-management with regional aboriginal land claims organizations. The Government of Nunavut is only one of many stakeholders in the land claims based EA process.

The cultural background of the workforce influences the way in which work is conducted across the public service. One of the more unique aspects of this influence is an emphasis on consensus decision-making throughout the public service and in the Nunavut legislature, known as "Aajiiqatigiinniq", namely decision making through discussion and consensus. Another unique aspect is the role that Inuit traditional knowledge or Inuit "Qaujimajatuqangit" plays in Environmental Assessments. The incorporation of traditional knowledge into the Environmental Assessment process reflects its concern for respecting the social and economic sustainability of natural resource-based livelihoods.

### RESOURCE DEVELOPMENT

Since the early 1960's, the Canadian Arctic has been drawing increasing interest from both domestic and foreign companies to extract its vast, untapped stores of mineral, oil and gas resources. With few other industries, mining development presents terrific economic development opportunities for Canada's newest and largest territory, Nunavut. This vast region of the Canadian Arctic holds some of the worlds most significant deposits of diamonds, gold, iron and uranium, and an estimated 20 percent of Canada's oil and gas reserves.

The development of these resources has the potential to bring billions of dollars of investment, and tax revenues, as well as jobs and business opportunities to both Nunavut and the Government of Canada. However, large-scale resource extraction projects also bring significant social and environmental implications. Increased demands for housing, health services, policing, and community infrastructure can result from in-migration of workers to communities. Similarly, ice breaking, year round shipping, railroads, and roads can have serious implications for the environment, wildlife and its sustainable harvesting by Inuit, influencing both cultural and community well being.

An even greater challenge is ensuring that the benefits from large-scale resource extraction projects do not by-pass the local communities but rather compliment government policies, programs and initiatives. In this context, the Government of Nunavut has a very real and tangible interest in the outcome of Environmental Assessment (EA) processes, and in the development, life, and responsible completion of mineral resource development projects in the Territory.

#### ADRESSING THE CHALLENGES

In 2009, Nunavut's territorial government made a commitment to take a strategic approach to Environmental Assessment. In an effort to achieve this commitment, the authors developed and implemented a three-year initiative to transform the new territorial governments organizational structure and its level of involvement in environmental assessment. Best practices from the fields of business and public administration were adopted and adapted to meet the Government of Nunavut's unique cultural context. These elements are described in greater detail below:

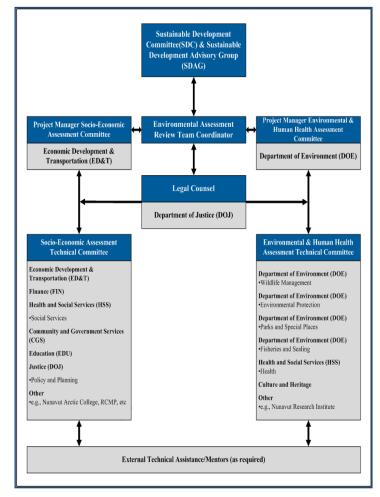
# (i) Re-structuring to Achieve Horizontal Integration in a Consensus Government

To achieve horizontal integration of the 9 departments involved in the environmental assessment processes,

the authors established a new interdepartmental committee structure dedicated to the delivery of EA services. As a result, today, there is a well established, and consensus based structure with 28 staff, from 17 government divisions in 9 departments and agencies involved in the delivery of environmental assessment services. The Environmental Assessment Review Team (EART) structure includes a:

Project Management Team: to plan, organize, secure, lead, and control resources to achieve efficient and effective participation of 9 departments in the review of major development projects. The project management team is co-managed through consensus by the departments of Environment and Economic Development, with support from the Department of Justice.

There are also 2 technical review committees that support project reviews:



The Environment & Human Health

<u>Assessment Committee</u> (EHHAC) – conducts the technical review of human health and biophysical related effects from development, and;

the <u>Socioeconomic Assessment Committee</u> (SEAC) – conducts the technical review of social, cultural and economic impacts and benefits from development.

For the two inaugural years of restructuring and capacity building the Nunavut Government contracted outside assistance from AECOM Canada Ltd. to mentor and train the project management and technical committees of the EART. The establishment and building of capacity of the EART transformed the GN's ad hoc participation in major Environment Assessments reviews to complete horizontal integration and participation by GN departments.

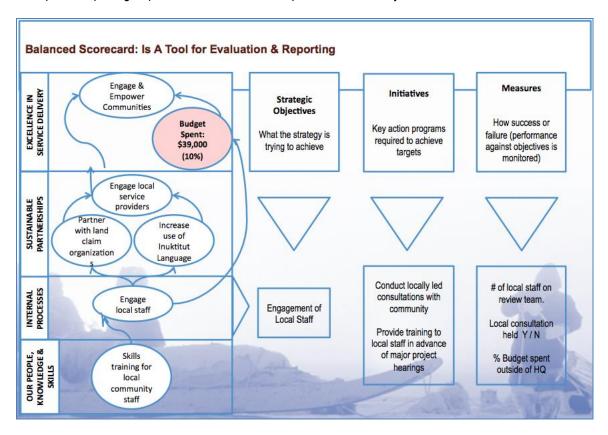
## (ii) Aligning Resources with Government Priorities Trough A Balanced Scorecard Strategy

With the successful establishment of its Environmental Assessment Review Team (EART), and integration of its environmental assessment program across multiple departments, the challenge became- how to align the human and financial resources of 9 departments and agencies during project reviews. To this end, a six month strategic planning process was implemented involving 9 departments across the Nunavut Government. This process resulted in a game plan for the next three years that will help to ensure that development can proceed in a manner that reflects the values and priorities of Nunavummiut.

Best practices in the field of public administration were adopted, specifically, we adopted a balanced score card approach to strategy. This approach, recognizes firstly that all service decisions are financial decisions; the Legislature appropriates public funds for its programs and services; departments submit business plans and budgets to detail how public funds will be used to support services; and directors report on how well they spent their allotted public funds.

Secondly, the balanced score card approach recognize that while all decisions are indeed financial, the performance of a program or service must be measured in more than financial terms. That is, our EA program budget performance must take into account how it is affected by non-financial indicators such as our ability to build the capacity of our staff, the efficiency of our internal processes, and the usefulness of the partnerships we forge with communities, industry and other organizations.

The resulting strategy map provides a big picture view of our strategy and how the individual initiatives carried out by employees contribute to the overall success of the strategy. From an operational standpoint, the balanced scorecard translates the 17 objectives of the strategy into 45 measurable initiatives, targets and specific reporting requirements. Below is a sample of one of the objectives:



## (iii) Building Capacity Through Mentorship, Documenting Best Practices & Outreach to Communities

Having now achieved an alignment of purpose with the Government of Nunavut and within the EART, the final and ongoing challenge was that of becoming a "learning organization". That is, to foster a commitment to ongoing training, professional development, knowledge transfer, and the development and documentation of best practices.

To this end, we sought to develop a framework for on the job training. The purpose of this learning framework would be to ensure that as best practices were developed by review teams, knowledge would be

documented and shared; and second, that a training program would be developed to ensure that local capacity could be built to prepare for future development in the territory.

There are 4 main facets to learning within the framework:

- (i) The "GN Guide to Participating in [EA] Reviews" is a significant document that presents best practices for all GN departments participating in project reviews; from initial scoping stages, through technical review stages, public hearings and post-approval monitoring activities. This living document is updated after every project review and outlines the internal processes, roles and responsibilities of all departments and participants in the EA process.
- (ii) EA Mentorship activities are undertaken to sure the project management staff have direct access to external expertise regarding EA process and project reviews, and the various technical disciplines or expertise required to undertake EA in Canada's Arctic regions (e.g., caribou and polar bear biologists, permafrost engineering etc.). Professional mentors from AECOM were available to the project management team staff "on demand" during the GN's active participation in the EA review processes.
- (iii) EA Training activities are undertaken to provide staff with a working knowledge of EA best practices as they are applied to Canada's northern regions. Over the past three years, annual EA training workshops, an EA webinar series, and focused EA training activities for reviewers have provided training for over 60 staff from across the Territory.
- (iv) At the conclusion GN "Environmental Assessment (EA) Capacity Building Initiative" the authors initiated a **Legacy Program** to institutionalize the "know-how" developed over the past three years by developing a curriculum for the territories only post secondary institution the Nunavut Arctic College. The curriculum provides students with an in-depth understanding of Nunavut's unique land claim based impact review process carried out through co-management in the territory. In January 2013, the inaugural "Environmental Assessment in Nunavut" course was delivered to local college students and new government staff.



## CONCLUSION

This initiative shows how best practices from the fields of Environmental Assessment and public administration can be adapted to meet the unique cultural context of governments participating in environmental assessment in the Canadian Arctic.

This initiative has seen the transformation of the Nunavut public service, and the emergence of an innovative approach to EA service delivery that should be considered a model for governance and capacity building for environmental assessment in the Canadian Arctic.

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