



2015 Northwest Territories Environmental Audit | [Summary Report](#)



2015 NORTHWEST TERRITORIES ENVIRONMENTAL AUDIT

Summary Report

March 31, 2016



INTRODUCTION TO THE NWT ENVIRONMENTAL AUDIT

The NWT Environmental Audit is an examination of how well the regulatory system protects the environment. Through this work the Auditor looks at the quality of environmental information used to make decisions and processes related to monitoring cumulative impacts. The Audit provides recommendations that are intended to improve how the environment is managed.

During the 2015 the Auditor did the following:

- reviewed the effectiveness of the regulatory regime created under the *Mackenzie Valley Resource Management Act (MVRMA)* to protect the environment from significant impacts.
- reviewed the effectiveness of methods used to monitor cumulative environmental impacts in the NWT.
- looked for any key gaps in information used to determine cumulative impacts and environmental trends, and the significance of the gaps, particularly for caribou, water and fish.
- reviewed actions taken in response to recommendations of the 2005 and 2010 NWT Environmental Audits.

Most aspects of the Audit cover all of the NWT, including both the Mackenzie Valley and the Inuvialuit Settlement Region (ISR). However, since the ISR is governed by different environmental legislation, its regulatory system is not examined.

REASON FOR THE ENVIRONMENTAL AUDIT

The *MVRMA* states that an audit of the environment must take place in the Mackenzie Valley at least once every five years. This comes from requirements in the Sahtú, Gwich'in and Tłı̨chǫ comprehensive land claim agreements. Previous audits occurred in 2005 and 2010 prior to devolution when undertaking the audit was the responsibility of Indigenous and Northern Affairs Canada (INAC). For the 2015 Audit, the Government of the Northwest Territories (GNWT), through the Department of Environment and Natural Resources (ENR), managed the project. Arcadis Canada Inc. was hired as the independent consultant to conduct the 2015 Audit.

AUDIT APPROACH

The first step in the Audit process was to determine Audit Criteria; that is, what the Auditor would expect to find if the system is performing as it should. These “performance expectations” are listed in Text Box 1.

Text Box 1: 2015 NWT Audit Criteria

What the evaluation of environmental trends for caribou, water (quality and quantity) and fish should include:

Identifying Needs: There is a clear understanding of what trends need to be monitored.

Quality of Trends Analysis: Trends are based on good information and analysis.

What the NWT CIMP should include:

Program Design: NWT CIMP has appropriate goals, structure and funding.

Relevant Data Available: Processes are established to identify and meet data needs.

Assessing Impacts: Cumulative impacts are assessed in a systematic manner.

Information is Useful: Information is relevant to, and used in, decision-making processes.

What the Mackenzie Valley environmental regulatory system should include:

Regulatory Scope: All valued components are adequately regulated.

Land Use Plans: Land Use Plans are developed and maintained.

Adequate Information: Information is adequate to make informed decisions.

Interested Parties: Interested parties have adequate input into decision-making.

Adequate Resources: Board staffing needs are defined and met.

Timely & Transparent: Decisions follow a timely and transparent process.

Protective Decisions Made: Decisions are protective of the environment.

Monitoring: Environmental impacts are monitored and responded to.

Through the use of different questionnaires, an online survey and interviews, we obtained information and views from a wide range of sources and participants including: Aboriginal governments; co-management boards; non-governmental organizations (NGOs), public and private sector proponents; the general public; and, federal and territorial government staff. We received input from about 112 individuals and organizations. We also reviewed printed and electronic information from a variety of sources, such as, co-

management board websites and public registries, published reports, land use plans, and websites of Aboriginal, territorial and federal governments. Table 1 on the next page provides a summary of input based on regions of the NWT. The numbers provided do not include Federal and Territorial government input.

Table 1. Summary of Regional Representation for Audit Input

Region	Agency / Organization / Individual
Gwich'in	10
Sahtú	5
Wek'èezhii	7
Dehcho	6
South Slave	7
North Slave	21

Information from these different sources was considered and assessed against the Audit Criteria. Objective evidence was relied upon when available. In some cases (e.g., the adequacy of consideration of traditional knowledge in the decision-making process) an assessment of diverging viewpoints needed to be considered. Wherever possible, opinions were backed-up with written or other forms of evidence.

SUMMARY OF AUDIT FINDINGS

Since the last Audit in 2010, the environmental regulatory system in the NWT has continued to improve. The integrated system of land and water management is generally effective in protecting the environment. However, at over 15 years old, foundational challenges continue to affect the ability of the system to fully function (see Text Box 2). These challenges create uncertainty for proponents, co-management boards, Aboriginal governments and organizations, and regulators. Closing these gaps is a priority.

Progress continues to be made. The Tłı̨chq Land Use Plan covering Tłı̨chq owned lands and the Sahtú Land Use Plan have been completed since the last Audit. The Land and Water Boards' Engagement and Consultation Policy is yielding positive results. The Federal Government has implemented legislative changes and has implemented or announced regulatory changes which address some of the criticism of the system. With devolution in April 2014, the GNWT has been given, and is taking, a much more active role in the Mackenzie Valley environmental regulatory system. The *Wildlife Act* is closing gaps in wildlife management. The GNWT has

Text Box 2:

Foundational Challenges to a Complete Environmental Regulatory System

- ✓ Completing unsettled land claims
 - ✓ Completing land use plans
 - ✓ Clarity on federal Crown consultation
 - ✓ The capacity for Aboriginal governments and organizations and others to participate
 - ✓ Better integration of socio-economics (especially community wellness) into decision-making
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acknowledged responsibility for the management of air quality. It is tackling significant challenges in the management of securities. The GNWT is supporting and working towards solutions for land use plans in unsettled areas. These challenges also need to be addressed to add further clarity and certainty to the regulatory process.

The consideration of traditional knowledge (TK) as well as scientific data made available to Land and Water Boards (LWBs) and the Mackenzie Valley Environmental Impact Review Board (MVEIRB) is a requirement of the MVRMA. We saw focused efforts by many participants in the regulatory process to incorporate TK. Some participants, representing differing interests and roles within the regulatory process, did, however, express a need to better integrate TK into the decision-making.

Since the last Audit, the NWT Cumulative Impact Monitoring Program (NWT CIMP) has focused its attention on the priorities of caribou, water and fish. These priorities were identified by environmental decision makers and regulators. This has allowed NWT CIMP to better meet its mandate. Much work needs to be done, but there is a clearer path forward.

Comprehensive and sound trend analyses have been completed for most caribou herds and many of the key watersheds in the NWT. This work needs to be extended to several additional watersheds and to better understand the identified trends in caribou herds. Trend analysis for fish has been limited by data availability. Baseline fish data are being collected and trend analysis work is in progress for a number of waterbodies. NWT CIMP should develop a comprehensive plan to ensure baseline data and trend analysis is completed for key areas and species of interest.

These are the larger themes arising out of the 2015 NWT Audit. Through our examinations, we also identified aspects of the decision-making and regulatory processes that are still evolving. These evolving aspects are typical of maturing systems. The LWBs, MVEIRB and regulators are aware of these and are working to resolve these issues to provide for a more efficient regulatory process.

AUDIT RECOMMENDATIONS AND RESPONSES

The 2015 NWT Environmental Audit yielded 24 recommendations directed at various parties with decision-making roles in the NWT regulatory system. These recommendations and associated responses are provided below.

Recommendation 1: Given the importance of CLCAs/SGAs within the MVRMA framework, INAC and the GNWT should continue to negotiate these agreements in good faith. Timelines should be established, published and monitored.

INAC's Response: Canada conducts all negotiations in good faith. The pace of each negotiation is particular to the table. Parties develop tripartite annual workplans that guide their work over the year. Workplans are not public documents.

GNWT's Response: The GNWT remains committed to doing its part to finalize all outstanding land, resources and self-government agreements as quickly as possible and in a manner that is fair, balanced and continues to promote workable and affordable agreements that respect Aboriginal rights. Working to resolve outstanding land, resources and self-government agreements is one of the key priorities of the 18th Legislative Assembly. On March 2, 2016, the Minister of Aboriginal Affairs and Intergovernmental Relations was issued the mandate to work to resolve the outstanding land, resources and self-government agreements with the Akaitcho Dene First Nations, Dehcho First Nations, Northwest Territory Métis Nation and the Acho Dene Koe First Nation during the term of the 18th Legislative Assembly.

Recommendation 2: *INAC and GNWT should work together in good faith with Aboriginal Governments and other interested parties to develop enforceable land use plans in the absence of settled land claims. Timelines should be established, published and monitored.*

INAC's Response: INAC works together with the Boards, Aboriginal Governments and the GNWT in good faith in developing enforceable land use plans in the NWT. The establishment of land use plans is crucial to a comprehensive land and water regulatory framework in the NWT. Canada, the GNWT and their treaty partners have already approved land use plans in the Gwich'in and Sahtu regions. The Tłı̨chǫ Government has also approved their land use plan with Canada and the GNWT's input. To date, INAC has been directly involved in negotiating land claim agreements in these unsettled land claim areas, but will not proceed with developing enforceable land use plans without completing its land claim negotiations. An exception to this policy is the Dehcho Interim Land Use Plan as it is still in the development stage prior to the completion of the Dehcho Final Agreement. Land Use Planning processes are complex and are influenced by numerous variables and issues specific to each planning region. Participating parties in the land use planning processes continue to work to meet the timelines proposed within Planning Boards workplans. These workplans are usually available on the public registry.

GNWT's Response: It is a priority of the Government of the Northwest Territories to promote and support effective land use planning in all regions of the Northwest Territories. The Department of Lands is working to engage partners such as land use planning boards, Aboriginal governments and organizations and the Government of Canada on a strategic framework for the GNWT's land use planning program and to strengthen relationships among organizations with land use planning responsibilities. The strategic framework will set the stage for advancing land use planning in unsettled areas. The GNWT is participating with representatives of the Government of Canada and the Dehcho First Nations in the development of an interim land use plan for the Dehcho area through the Dehcho Land Use Planning Committee.

Recommendation 3: *GNWT and INAC should establish and publish formal plans/commitments, including timelines, for the development, implementation and enforcement of regulations and guidelines to address the identified regulatory gaps¹.*

GNWT's Response: The GNWT recognizes the importance of addressing the identified regulatory gaps (air quality, wildlife, archaeology for some federal lands, paleontology, and groundwater). The GNWT is currently developing NWT Air Regulations, as well as guidelines for Wildlife Management and Monitoring Plans. The GNWT is also currently exploring options for the preservation and protection of paleontological resources in the NWT. And finally, the GNWT will be undertaking work to develop and propose amendments to the *Waters Act*, as necessary to modernize the Act and fill any identified regulatory gaps.

INAC's Response: As stated in the report, considerable progress has been made in addressing the identified regulatory gaps related to air quality, wildlife, groundwater and archaeology. In reference to the archaeological sites regulations and guidelines for some federal lands (Territorial Land Use Regulations), the general practice is for proponents to be referred to the GNWT to handle all paleontological and archaeological sites in the territory. INAC will discuss further the regulatory gaps with the GNWT to ensure that appropriate enforcement and compliance is implemented.

Recommendation 4: *GNWT should work with MVEIRB and communities to identify indicators of community wellness and to develop monitoring programs for these indicators that can support the regulatory decision-making process.*

GNWT's Response: As stated in the 2005 Environmental Audit Report “community wellness is a term that has been created in order to assess the overall health of a community. However, what is and what is not a healthy community can vary depending on the values espoused and the objectives of an individual community.”

Government and non-government agencies often use social determinants of health as a baseline for looking at holistic community health. Social determinants of health typically include:

¹ Gaps on federally managed contaminated site land could also be addressed by INAC by amending the *NWT Act* to allow GNWT legislation to apply to federal areas (as was done for the GNWT's *Surface Rights Board Act*)

- income and social status;
- employment/working conditions;
- education;
- gender;
- biology and genetic endowment;
- social support networks;
- social environments;
- physical environments (such as community infrastructure and housing);
- personal health practices;
- access to health services;
- culture; and
- healthy child development.

Currently, the GNWT monitors and reports on numerous social determinant indicators as well as indicators aimed at assessing the performance of government and the effectiveness of programs and services in support of NWT residents.

Additionally, the GNWT releases the annual Communities and Diamonds Report. The Communities and Diamonds Report provides reliable quantitative trend analysis on a comprehensive set of socio-economic indicators aimed at measuring community, family and individual wellbeing. The purpose of the Report is to determine if mine activity may be affecting residents of Yellowknife and seven Small Local Communities in the NWT by tracking socio economic indicators since 1996, when the first mine went into construction.

Measures related to community wellness are also available through the INAC website. INAC reports on the Community Well-being index (CWB index 1981 – 2011). This information is available for every community in the NWT and provides a systematic, reliable summary measure of socio-economic well-being at the community level. The index illustrates variations in well-being across First Nations and Inuit communities in Canada and how it compares to that of non-Aboriginal communities. It allows well-being to be tracked over time, providing a useful source of information to inform research and planning. The index is made up of four components measuring income, education, housing and labour force activity.

Recommendation 5: LWBs should develop a plan to periodically and formally engage proponents, regulators, Aboriginal Governments, and organizations and community members in ongoing refinements and optimization to the land permitting and water licencing system and to develop guidelines for monitoring data that enhances data recording and reporting in a more consistent, available and easier to use format.

LWBs' Response: The Mackenzie Valley Land and Water Board (MVLWB or Board) formed the Standard Procedures and Consistency Working Groups in early 2008. At that time, the Board approved a Terms of Reference to guide the formation and operations of the Working Groups. The Working Groups focused on specific regulatory improvements identified by the LWBs to improve clarity and consistency among the Boards. Though the Working Group initiative was successful, lessons have been learned and improvements are necessary to ensure continued success in areas of collective LWB product development.

On December 17, 2015, the MVLWB approved the Terms of Reference for a new Areas of Operation initiative. In particular, three of the following Areas of Operation will help address the issues and concerns listed under item 2.32 of the Audit:

- The Regulatory Improvement Area of Operation will develop policies, guidelines, and procedures to ensure that the Boards' regulatory process is transparent, consistent, robust, and efficient;
- The Information and Communications Technology Area of Operation will focus on the information management systems used by the LWBs (e.g., Online Registry, websites, Online Review System, etc.); and, most importantly,
- The Outreach and Engagement Area of Operation will focus on external initiatives and engaging stakeholders to frame and guide Board initiatives. This group will also focus on developing the process for and facilitating the ongoing evaluation of the Boards' policies, procedures, and programs developed collaboratively.

Under the Regulatory Improvement Area of Operation, various guidelines and initiatives are underway to support water management in the Mackenzie Valley. These will help improve the monitoring programs that are developed and the quality of data received, and will clarify monitoring expectations for proponents. These include:

- Mixing Zone Guidelines (working with GNWT);
- Surface and Groundwater Monitoring Guidelines (applicable to hydraulic fracturing operations);
- Standardized Water Licence conditions;
- Public Guide to the Water Licensing Process; and
- Initiatives to work with municipalities to improve water licence compliance and capacity through the development of templates, training programs, and information sessions.

Under the Information and Communications Technology Area of Operation, initiatives are underway that will help identify best practices for data collection, and will outline the Board's expectations for data submission. These include the:

- Online Application System;
- Data Management Policy; and
- GIS Submission Standards Guideline.

The GIS Submission Standards Guideline in particular will ensure that GIS data submitted is more comprehensive and in a format that would allow for the integration of monitoring data. This would enable users to view water quality information on maps to see spatial distribution of attributes or trends relating to cumulative effects.

Policies, guidelines, and other products released by the LWBs undergo thoughtful internal and external reviews before finalization. Under the Outreach and Engagement Area of Operation, this

practice will be formalized such that all proponents, regulators, Aboriginal Governments and organizations and community members are formally engaged on LWB products. The LWBs are also developing a survey that will be circulated to seek input on potential guidance tools that would support improved efficiency and understanding of the regulatory system.

An example of an external initiative was the *MVRMA* workshop that was held jointly by the LWBs, the MVEIRB, and the GNWT in January of 2016 for all participants in the *MVRMA* system. The purpose of the workshop was to provide information about the different parts of the *MVRMA* system, how the parts work together, and how parties can be involved. Feedback on LWB policies and guidelines was also solicited during this informative and interactive workshop. This workshop was the second of its kind – the first one was held in 2015. LWB staff is involved in ongoing planning efforts to make this workshop an annual event, and to ensure topics that are relevant to ongoing refinements and optimization of the land and water regulatory regime are included.

Recommendation 6: INAC should work with LWBs, GNWT-Lands, GNWT-ENR and other interested parties to establish appropriate regulated timelines taking into account commitments made in Agreements with Aboriginal Governments and organizations and engagement and consultation requirements resulting from these Agreements and requirements under the MVRMA.

INAC's Response: INAC will work with the LWBs, GNWT-Lands and GNWT – ENR and other interested parties to further examine the current regulated timelines taking into account Aboriginal engagement and consultation in the review of Type B and A water licence and land use permits under the *MVRMA*. The recent amendments to the *MVRMA* have instituted timelines to most stages of the environmental assessment process including Ministerial approval and licensing/permitting processes. Each of the Agreements has consultation provisions within each chapter and these provisions are adhered to by Canada.

Recommendation 7: MVEIRB should check in with parties on a case-by-case basis before making project-specific changes to the standard EA process to ensure all parties have the ability to participate in the EA in a meaningful manner.

MVEIRB's Response: In general, actively seeking comments on terms of reference and work plans for EA, in the early stages of an EA, allows MVEIRB to consider the views of parties in planning each EA proceeding. The Review Board has the discretion to alter its processes, including its Rules of Procedure, and may do so for reasons such as to ensure fairness and efficiency. The Board will notify and consult parties before doing so, whenever practicable.

MVEIRB is reviewing and updating its EIA Guidelines (2003) to reflect recent best practices and better inform parties, developers, and the public about typical EIA processes in the Mackenzie

Valley and some of the reasons why process changes may be made. MVEIRB is also reviewing and updating its Rules of Procedure (2005) to reflect recent best practices and improve clarity. MVEIRB recently issued Direction on Procedure for two EAs to provide clarity regarding the use of a process for information requests that reflects recent best practices but deviates from the Rules of Procedure. MVEIRB views clear communication on all matters related to EIA processes as a top priority.

Recommendation 8: *GNWT-Lands should develop a process to track and assess the effectiveness of EA measures and suggestions directed at government, including consideration of whether tracking would be for all levels of governments or whether the Federal Government (or other governments) would be tracking separately.*

GNWT-Lands' Response: The GNWT supports the intent of this recommendation and believes that a comprehensive tracking process, involving federal, territorial and Aboriginal governments, MVEIRB, developers, and others as required, is the best approach. Lands will coordinate GNWT departments' input to measure tracking and assessment.

A process to assess the effectiveness of suggestions may be challenging to develop given the variety of reasons for MVEIRB to make suggestions.

Recommendation 9: *Working with affected parties, INAC's Resource Policy and Program Directorate, in association with the Board Relations Secretariat, the Corporate Secretariat and the Treaties and Aboriginal Government Sector-Implementation Branch, should facilitate discussions for a more efficient and effective processes to ensure board nominations are made and approved in a timely manner.*

INAC's Response: Canada has made progress with the Board nominations and appointment process over the years. INAC will continue to work and communicate, on an ongoing basis, with the organizations responsible for nominations to ensure the process is as timely as possible.

Recommendation 10: *INAC should work with: (1) all co-management boards to better understand long-term secure funding needs for training, and (2) with LUPBs to better understand resource requirements during various stages of the planning cycle, and then develop a funding model to better support resource requirements through this cycle.*

INAC's Response: INAC accepts this recommendation and is taking action. INAC has been working with co-management boards since 2012 to better understand all of the boards' funding requirements, including the need for secure funds for training. To date, INAC engagement has consisted of circulating a questionnaire focused on the boards' needs, soliciting 10 year funding

projections from the boards to better understand their anticipated funding pressures, and engaging in a series of follow-up meetings. INAC is committed to continue working with the boards moving forward.

In regard to LUPBs, INAC is committed to working with the boards to ensure their resource requirements are met in a timely fashion.

Recommendation 11: *INAC and GNWT need to enhance tools for the enforcement of the MVRMA and Territorial Lands Act through the introduction of Administrative Monetary Penalties regulations as planned. INAC also needs to formally resolve administrative matters in initiating prosecutorial actions at the territorial level.*

INAC's Response: INAC has introduced an Administrative Monetary Penalties (AMPs) scheme under the *Territorial Lands Act* (s. 36 to 55) and under the *MVRMA* (Part 6.1 s.150.01 to 150.23) in 2014 and is currently developing draft AMPs regulations which will eventually give effect to these schemes under the Acts. Consultation on the proposed AMPs regulations will be held in 2017.

INAC will work with GNWT to clarify and resolve any potential administrative matter with regards to prosecutorial actions at the territorial level.

GNWT's Response: The GNWT supports this recommendation. The Department of Lands will work with INAC to advance the introduction of Administrative Monetary Penalties regulations.

Recommendation 12: *Continued work is required between the LWBs and inspection agencies to balance the need for flexibility in the field and the need for proponents to have a clear understanding of what their permits and licences allow them to do and what they don't allow them to do.*

LWBs' Response: A number of initiatives will help address this recommendation, including:

- The LWBs are working with the GNWT and INAC to help clarify the *Field Operations Directive 5.0 – Compliance Levels and Reporting*, which deals with administrative compliance and outlines lines of communication with respect to compliance issues;
- The LWBs have developed standard land use permit conditions and are now working on standard water licence conditions. When drafting new conditions and/or revising conditions, the Inspectors are involved in the LWBs' review process of these conditions;
- The LWBs, the GNWT, and INAC have started to meet on a regular basis to discuss issues, including compliance and enforcement; and,

- As outlined in the response to item 2.32 of the Audit, the LWBs have set up Areas of Operation (i.e. Regulatory Improvement and Outreach and Engagement) that will help clarify what activities their permits and licences authorize them to carry out.

Recommendation 13: *The Waters Act and Regulations should be amended to allow the LWBs to request final plans, issue letters of clearance, reconciliation of water use fees, and request the appropriate government and department to return the appropriate securities deposits to the licensee for water licences, similar to existing regulatory requirements for land use permits. The Boards should revise their procedure guidelines and licences to reflect the prescribed regulatory requirements.*

GNWT-ENR's Response: ENR will be undertaking work to develop and propose amendments to the *Waters Act*, as necessary to modernize the Act and fill any identified regulatory gaps. This work has been identified as a priority within the Mandate of the 18th Assembly of the Northwest Territories.

The GNWT will engage regional Land and/or Water Boards through this process.

Recommendation 14: *Led by GNWT-ENR, an independent review of the existing monitoring agencies should be undertaken to determine strengths and weaknesses so that any future similar agencies are structured to function effectively.*

GNWT-ENR's Response: The monitoring agencies are generally functioning as intended and, as such the GNWT does not believe an independent review is warranted at this time. The GNWT will continue to work directly with the monitoring agencies and other parties, and is prepared to address feedback received through those channels about the effectiveness of the agencies.

Recommendation 15: *GNWT-Lands should develop policy documents outlining its approach to and timeline for establishing a structured approach to securities management within the NWT.*

GNWT-Lands' Response: The GNWT supports the intent of this recommendation. The Department of Lands will work with other GNWT departments as required.

Recommendation 16: *LWBs and MVEIRB should work with interested parties to identify approaches to better utilize and integrate TK information into the decision making processes.*

LWBs' Response: TK is used meaningfully when present. Typically, TK information that is incorporated into an applicant's submission is very high level or limited to specific areas within the

program. Examples would be: "these are fish lakes", "moose live here", and "cabin located here". Scientific information presented in an applicant's submission ranges from high level to granular for all areas in a program and for all components of the ecosystem. The volume of scientific information presented usually grossly outweighs that of TK. When TK information is present, it is incorporated into the permitting or licencing process. For example, more extensive mitigation measures and reporting requirements may be imposed to protect the fish lakes. Although the volume and extent of the TK data vs scientific data is different, the merit and weight of the evidence is equal in the Boards' process. Meaningful improvements can be made, TK information collection is typically application driven, as such the context of the greater environment and use of traditional territories is limited. Presenting the local and traditional knowledge of the area in conjunction with program or project specific data may elaborate its use and context.

MVEIRB's Response: MVEIRB has *Guidelines for Incorporating Traditional Knowledge into the Environmental Impact Assessment Process*. The document outlines the steps for inclusion of traditional knowledge in Environmental Impact Assessment (EIA), including: preliminary screening, environmental assessment, and environmental impact review. The Guidelines include advice for proponents and all participants in EIA, as well as considerations for: (i) the use of TK and (ii) relationships between TK holders and both MVEIRB and proponents. Ongoing effort and commitment is needed on the part of MVEIRB, proponents, and Aboriginal organizations to ensure the approaches outlined in the Guidelines are implemented and built upon. MVEIRB would also like to promote the development of more systematic protocols for collecting, storing, managing, and using TK in a culturally appropriate manner.

MVEIRB respects and values the benefits that TK offers in good environmental decision-making and is committed to working toward improved approaches for its use in EIA. For example, the NICO EA (EA0809-004; completed 2013) included measures with specific requirements related to TK about impacts on caribou and impacts on cultural values. That Report of EA summarizes how the Board considered all the TK that parties shared during the EA, including: traditional knowledge and use studies and associated reports, two days of public hearings specifically on traditional knowledge, and parties' recommendations to address anticipated project effects.

Recommendation 17: *The GNWT should develop a clear policy and program to address and communicate its responsibilities for consultation and public engagement.*

GNWT's Response: The GNWT's commitment to meaningful Aboriginal consultation is reflected in "The Government of the Northwest Territories' Approach to Consultation with Aboriginal Governments and Organizations" which was tabled in the Legislative Assembly in 2007.

Link: http://www.daair.gov.nt.ca/_live/documents/content/Aboriginal_Consultation_Approach.pdf

In 2012, the GNWT has also publically released a more formal approach to engaging with Aboriginal Governments. "Respect Recognition Responsibility: The Government of the Northwest Territories' Approach to Engaging with Aboriginal Governments" highlights principles of

engagement with Aboriginal governments that include, recognition of rights, building respectful relationships, and responsible and flexible government relationships.

Link: <http://www.daair.gov.nt.ca/live/pages/wpPages/home.aspx>

Recommendation 18: INAC should make the development of regulations on consultation a priority to add further clarity and certainty to the regulatory process.

INAC's Response: INAC has developed a number of tools, such as the "Guidelines for Federal Officials to Fulfill the Duty to Consult" to ensure the duty to consult is well understood and carried out in a respectful and appropriate manner. A number of legislations authorities were added, including specific regulation-making authority with respect to consultation, to the *MVRMA* through the *NWT Devolution Act*. INAC continues to develop new or amended regulations to add further clarity and certainty to the regulatory process and will assess the need for regulations on consultation on a priority basis.

Recommendation 19: INAC and GNWT should assess public participation / consultation requirements and INAC should make a long-term funding commitment, including stress funding, to Aboriginal governments and organizations and other participants in the MVRMA regulatory processes.

INAC's Response: In the past, participant funding has been considered on a case-by-case basis and this will apply for any future environmental assessments and regulatory processes in the NWT. Stress funding, also known as resource pressure funding, has been meeting any capacity or participation funding requirements for unexpected regulatory processes for Aboriginal government and organizations, more specifically, in unsettled claim areas. Future discussions with the GNWT will include the Northern Projects Management Office as it is directly involved in delivering Crown consultation obligations for EAs and regulatory processes.

GNWT's Response: The GNWT is of the opinion that this recommendation should be directed solely to INAC as the responsibility for the *MVRMA* remains a federal responsibility.

Recommendation 20: NWT CIMP should develop a more focused work plan that clearly identifies and prioritizes geographic "hot spots" and specific research requirements within each "hot spot" to allow for an adequate baseline to be developed and assessment of cumulative impacts to be completed.

GNWT-ENR's Response: NWT CIMP will continue to refine its monitoring priorities in collaboration with its co-management and Aboriginal partners. The development of specific research and monitoring work plans for specific areas is an approach that will be considered.

Recommendation 21: GNWT-ENR and NWT CIMP should include the identified data gaps for caribou monitoring in planning research priorities.

GNWT-ENR's Response: ENR and NWT CIMP will use the data gaps identified by the Audit to identify areas for further collaboration with co-management partners, communities, industry and academia and to help inform research and monitoring activities undertaken by ENR. Specifically, the identified data gaps for caribou monitoring will be considered when revising the NWT Barren-ground Caribou Strategy and NWT CIMP's Caribou Blueprint.

Recommendation 22: GNWT-ENR (Water Resources Division) should develop NWT site-specific guidelines for use in water quality assessments to better reflect the impact of naturally high suspended solids on water quality in many watersheds in the territory.

GNWT-ENR's Response: Site specific water quality triggers were developed for the Slave and Hay Rivers and incorporated into the recently signed Bilateral Water Management Agreement between the Province of Alberta and the Northwest Territories (signed in March 2015). These triggers are based upon site-specific datasets for these rivers. Additionally, ENR is undertaking work with respect to how site-specific water quality objectives could be established for waters across the NWT that incorporates site-specific physical (e.g., suspended solids), biological and human/social components.

Recommendation 23: NWT CIMP should engage partners of the NWT Water Stewardship Strategy to facilitate the collection of TK to complement the sound scientific analysis of water quality and quantity trends completed to date.

NWT CIMP's Response: Providing TK for use in decision making is a priority for NWT CIMP. NWT CIMP will engage with partners to facilitate the collection and analysis of TK for the purposes of identifying environmental trends.

Recommendation 24: NWT CIMP should continue to work with DFO to identify locations where fishery baseline and trend data are required.

NWT CIMP's Response: NWT CIMP will continue to work with DFO and its other co-management and Aboriginal partners to identify priority locations for understanding fishery baseline and trend data.

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