



**ICCL**  
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# Realizing Social and Economic Opportunities through the Remediation of Contaminated Sites

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# Introduction

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- ◆ Aboriginal Affairs and Northern Development Canada (AANDC) is the custodian of federal lands in the North:
  - Responsible for the remediation of contaminated sites in the Yukon, Northwest Territories and Nunavut
- ◆ The mining industry is an important economic driver:
  - Mines were developed within historical legal frameworks when many environmental protection measures were inadequate.
- ◆ In 1999, the price of commodities dropped considerably and many mining companies filed for bankruptcy:
  - These abandoned mines became the responsibility of AANDC leaving the federal government with a significant liability.
- ◆ A mine site reclamation policy has since been developed to limit any future legacy of new and/or existing mines.
- ◆ The Northern Contaminated Sites Program was formed within AANDC to deal with abandoned contaminated sites in the North.

# Federal Contaminated Sites Action Plan

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- ◆ \$3.5 billion, 15 year FCSAP funding established in 2005 to address federal contaminated sites.
  - There 18 custodians (departments, agencies or Crown corporations) that receive funding under FCSAP.
- ◆ Co-chaired by Environment Canada and the Treasury Board Secretariat
  - Expert support Departments provide technical review of proposals and advice to custodians.
- ◆ Priority setting
  - Projects ranked primarily according to health and ecological risk using science-based criteria.
  - Other considerations may include: impact on traditional lifestyles, risk of increasing liability if no action taken, potential legal issues.
- ◆ Cost-share, between FCSAP and custodian, ranges from 80% to 100% depending on total budget of the project.

# Northern Contaminated Sites Program Mandate

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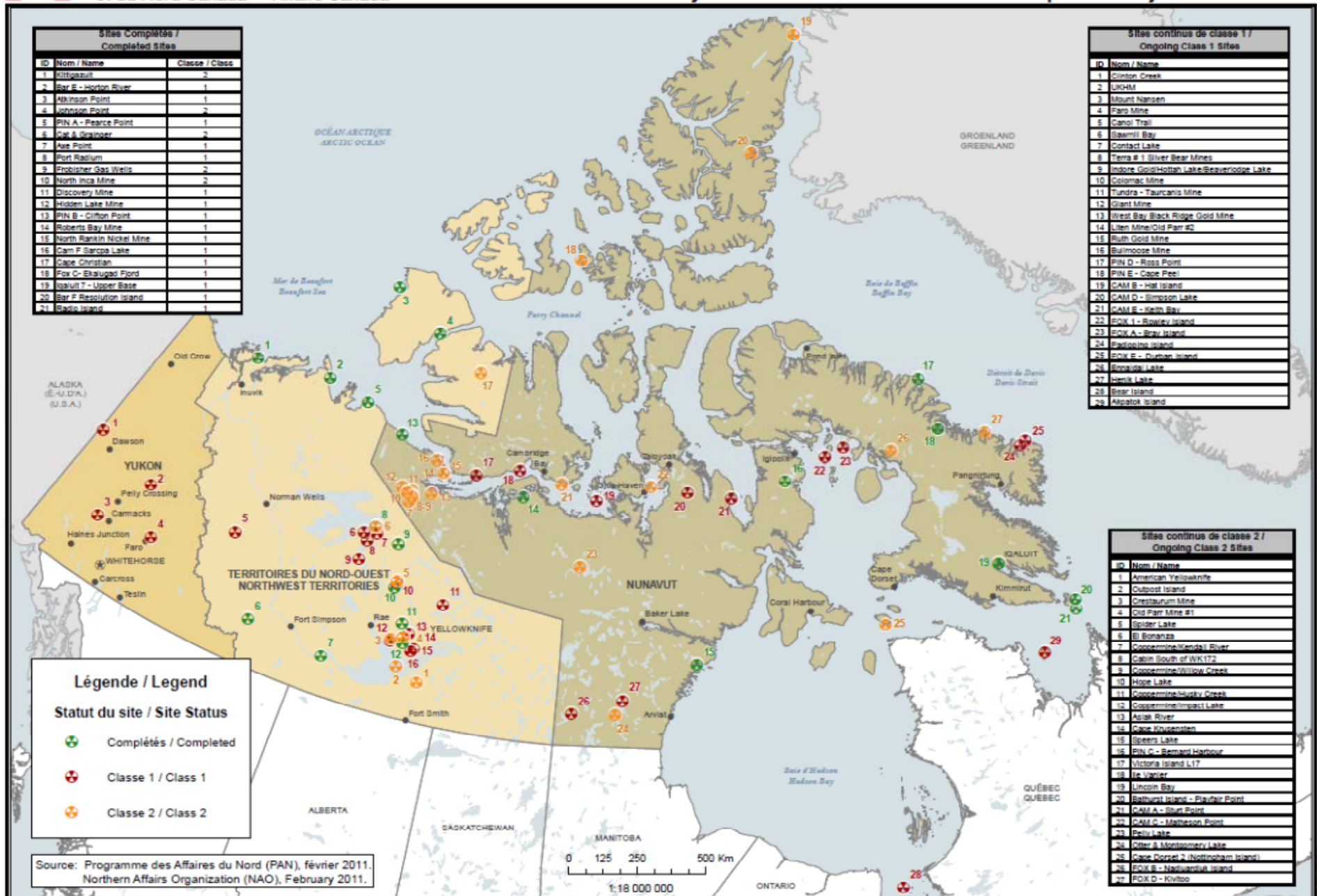
- ◆ Our Policy, which was adopted in 2002, is:

***“to manage contaminated sites in a cost-effective and consistent manner, to reduce and eliminate, where possible, risk to human and environmental health and liability associated with contaminated sites.”***

- ◆ Contaminated sites are classified according to their priority for action, following the Canadian Council of Ministers of the Environment (CCME) National Classification System (NCS) guidelines:
  - Class 1: high priority
  - Class 2: medium priority
  - Class 3: low priority
  - Class N: not a priority
  - Class INS: insufficient information
- ◆ The Program’s database contains over 2,100 suspected contaminated sites, including 86 Class 1 and 2 sites with a liability of over C\$ 1.8 billion:
  - Faro Mine (~C\$ 685 million); and
  - Giant Mine (~C\$ 615 million).



### Sites prioritaires de SCN classe 1 et 2 et projets complétés du PAN - 2010-2011 NAO Priority NCS Class 1 and 2 Sites and Completed Projects - 2010-2011

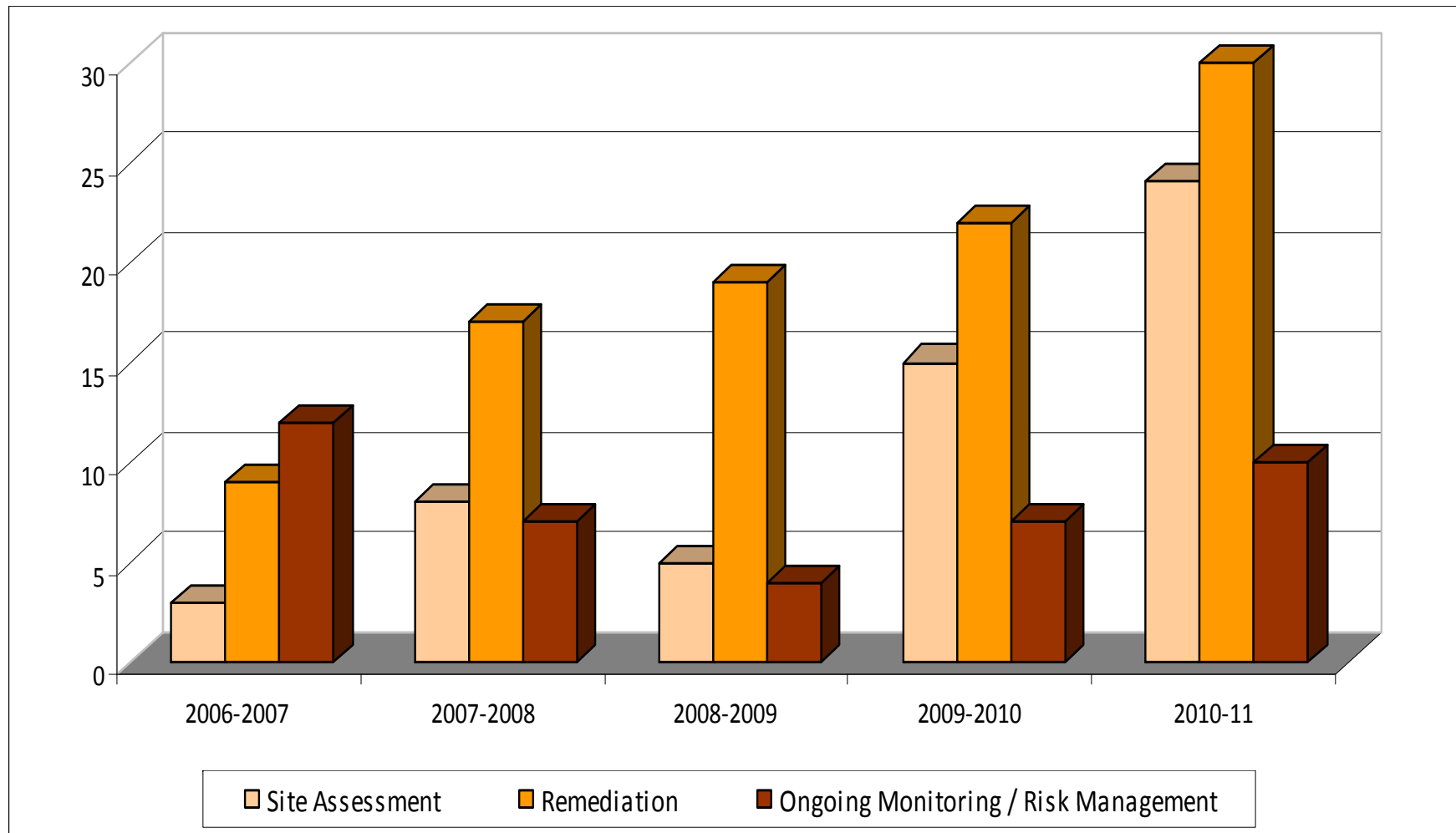


# Typical Sites

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- ◆ Mega Sites (Faro Mine \$685M and Giant Mine \$615M)
  - Over one hundred million dollars to remediate
  - Over ten years to complete
  - No walk-away solution
- ◆ Large Sites (Tundra Mine \$65M and Resolution Island \$60M)
  - Twenty to one hundred million dollars to remediate
  - Five to ten years to complete
  - Long term monitoring required
- ◆ Medium Sites (Discovery Mine \$15M and PIN-B Clifton Point \$10M)
  - One to twenty million dollars to remediate
  - One to five years to complete
  - Walk away solution with minimal short-term monitoring required
- ◆ Small Sites (Casino Mine \$0.5M and Arctic Mine \$1M)
  - Up to one million dollars to remediate
  - Less than one year to complete
  - Walk away solution with no monitoring required

# Program Activity



# Program Challenges

- ◆ Remoteness
  - Mobilization challenges
  - Health & safety concerns
- ◆ Short field season
- ◆ Complexity and size of sites
- ◆ Permafrost
  - Climate change adaptation
- ◆ Internal and external capacity
  - Competing with public/private sector
  - Human resource capacity
- ◆ Wildlife
  - Sites in sensitive areas
  - Traditional land use implications



# Stakeholder Consultation Process

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## ◆ Consult early, consult often:

- Step 1: Identify Suspected Site (1,2)
- Step 2: Historical Review (1,2,3)
- Step 3: Initial Testing Program (1,2,3)
- Step 4: Classify Site
- Step 5: Detailed Testing Program (1,2,3)
- Step 6: Reclassify Site
- Step 7: Develop Remediation Plan (1,2,3,4,5)
- Step 8: Implement Remediation Plan (1,2,3,4,5)
- Step 9: Confirmatory Sampling
- Step 10: Long Term Monitoring (1,2,3)

### Level of consultation

1 – Inform

2 – Gather

3 – Discuss

4 – Engage

5 - Partner

# Procurement Process

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- ◆ Policy Objectives (two of six)
  - To meet federal and departmental policy requirements and legal obligations regarding the management of contaminated sites
  - To promote the economic and social benefits that may accrue to First Nations, Inuit and northerners when carrying out activities required by this policy (assessment and remediation)
- ◆ Guiding Principles (three of six)
  - AANDC will promote First Nation, Inuit and northern participation and partnership in the identification, assessment, decision-making and remediation/risk management processes related to contaminated sites
  - AANDC will plan, where appropriate, the scale and pace of remediation/risk management in keeping with First Nation, Inuit and northern capacity to be involved
  - AANDC will incorporate economic opportunities, to the extent possible, for First Nations, Inuit and northerners in the management and remediation of contaminated sites

# Procurement Policies

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- ◆ Procurement should be open, competitive, fair, and transparent.
- ◆ Contract set asides allowed and encouraged
  - Procurement Strategy for Aboriginal Business (PSAB)
- ◆ Sole sourcing possible under four situations:
  - Value under \$25K;
  - Only one known supplier;
  - For national security reasons; and
  - In the national interest.
- ◆ Comprehensive Land Claim Agreements (CLCA)
  - Modern day treaties - constitutional law.
  - Provide certainty and clarity of rights to ownership and use of land and resources.
  - Twenty-one agreements include economic measures that affect procurement.

# Procurement Strategy

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- ◆ Developed in 2005-06:
  - During transition from Contribution Agreements to competitive procurement; and
  - In consultation with Treasury Board Secretariat, Public Works and Government Services Canada and AANDC (Implementation Branch, Corporate Services and Regions).
- ◆ Aims to satisfy simultaneously the requirements of:
  - Comprehensive Land Claim Agreements;
  - Trade Agreements; and
  - Government Procurement Regulations and Policies.
- ◆ Main features:
  - Uses an Aboriginal Opportunities Consideration in settled Land Claim areas; and
  - Promotes the use of Procurement Strategy for Aboriginal Business in other areas.

# Aboriginal Opportunities Consideration

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- ◆ Used with a Request for Proposal process in which the best overall value to the Crown determines winning bid.
- ◆ Proposals are evaluated based on their merit (60%) and price (40%).
- ◆ The Aboriginal Opportunities Consideration is a portion of the point-rated criteria used to evaluate merit:
  - Weighted at 20% of the total merit points;
  - Not mandatory; not subject to a pass mark;
  - Criteria include Aboriginal employment, sub-contracting, training and capacity building; and
  - Aboriginal groups are involved in process:
    - Input in determining how to weigh ABP factors
    - Oversight on contractor performance against commitments

# Program Results

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- ◆ Expenditures of almost \$1B:
  - 27 sites completed to-date, 3 more to be completed this year.
- ◆ Consultations (2005 to 2010):
  - over 8,300 people have attended 587 community consultation sessions, workshops and site tours organized by the Program.
- ◆ Economic (2005 to 2010):
  - provided over 1,000,000 person-hrs of employment:
    - includes approximately 800,000 person-hrs (80%) Northern and/or Aboriginal employment.
  - entered into remediation contracts worth in excess of \$330M:
    - includes contracts in excess of \$290M (88%) with Northern and/or Aboriginal companies.
- ◆ Training (2005 to 2010):
  - delivered close to 75,000 hours of training to over 3,700 employees

# Thank you

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