

Major Projects Management Office

Bureau de gestion des grands projets



Major Projects Management Office Initiative

Presentation to Energy Futures Conference 2010
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Government
of Canada

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Canada

Overview

- Context
- Mandate and Objectives
- Progress to Date
- Current MPMO Projects
- Key Elements of the MPMO Initiative
- Key Challenges – System-Wide Improvement
- Key Outcomes



Origins of the MPMO Initiative – A Regulatory System Under Pressure

Capacity Constraints

- High demand and strong commodity prices resulted in significant growth in the number of major resource projects - \$300 Billion in planned investments over the next 5+ years
- Insufficient resources in federal system for regulatory system

System Constraints

- Complex regulatory system, unpredictable processes
- Major projects often subject to both federal and provincial reviews
- More intensive Aboriginal consultation responsibilities
- Many departments, agencies focused on their specific issues

Result

- **Regulatory inefficiency compromising Canada's competitiveness**
 - Delays were having no bearing on environmental outcomes

Government Response

- Budget 2007 allocated \$150 million over 5 years to key departments and agencies to address the two key issues

- **Capacity Investment in key areas**
 - Regulatory and environmental assessment functions
 - Aboriginal consultation responsibilities

- **System Improvements**
 - Cabinet Directive and MOU articulate a commitment to a new performance management approach
 - Major Projects Management Office created to provide focal point for system changes (opened February 26, 2008)

Mandate of the MPMO

- **Cabinet Directive created MPMO with dual mandate:**
 - To enhance the accountability, transparency and predictability of the federal regulatory system
 - To lead collaborative research and policy analysis on short-, medium- and longer-term initiatives to further improve the performance of the regulatory system, such as legislative options

- **What is a “Major Resource Project”?**
 - large-scale natural resource developments e.g. mining, nuclear, oil and gas, hydro projects
 - subject to one of the following environmental assessments under CEEA
 - Panel review
 - Comprehensive study
 - Screening (large or complex multi-jurisdictional)
 - south of 60

Objectives of the MPMO Initiative

- **To create a more accountable, predictable, transparent and timely regulatory review process for major resource projects**
- **Key objectives:**
 - Enhance competitiveness of Canada's resource industries by improving predictability and timeliness of review process
 - Ensure the regulatory system is not only responsive to, but also strengthens environmental and social considerations
 - Fulfill Aboriginal consultation responsibilities in a more consistent, adequate and meaningful manner
 - Provide focal point for system improvements, including development of legislative options
 - Improve the transparency of the regulatory system

Key elements of the MPMO approach have been put in place

Greater senior-level accountability and oversight

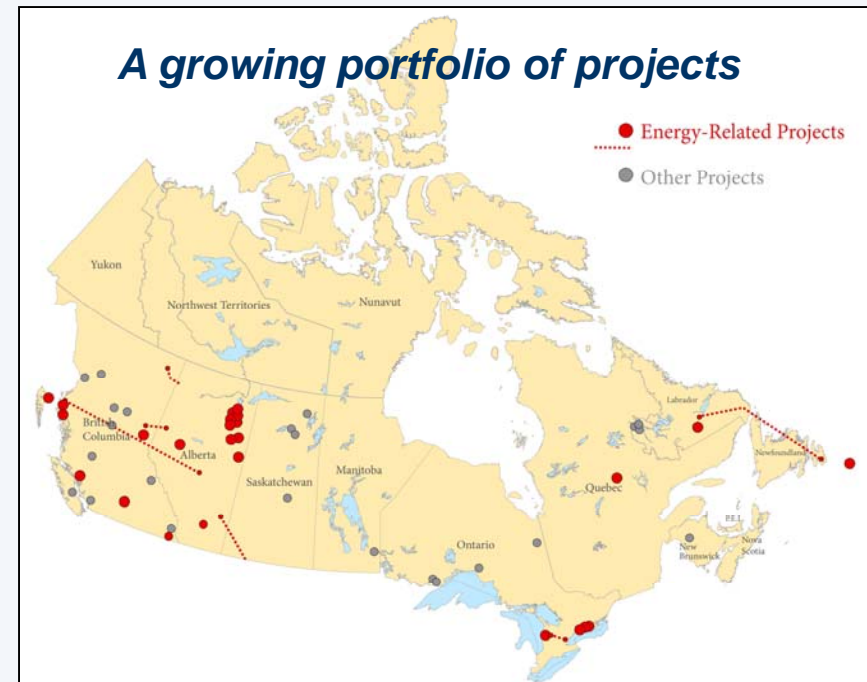
- Project Agreements are being signed by Deputy Heads that commit to target timelines for each project
- A committee of Deputy Heads is providing executive oversight

A clearer and more consistent federal review process

- Early and ongoing engagement with proponents and stakeholders
- A new Project Description Guide that clearly outlines federal information requirements

Effective project management and issue resolution

- A dedicated team of MPMO project managers is in place to coordinate federal efforts
- New management controls ensure timely issue resolution so projects remains on track



53 projects currently managed under the MPMO initiative represent approximately \$100 billion in new investment

Key elements of the MPMO approach have been put in place

Enhanced predictability and transparency

- Service standards are in place that cut the average review timeframe in half (2 year average)
- The *MPMO Tracker* - an online project tracking tool allows public monitoring of each project from start to finish

A 'whole-of-Government' approach to Aboriginal consultations

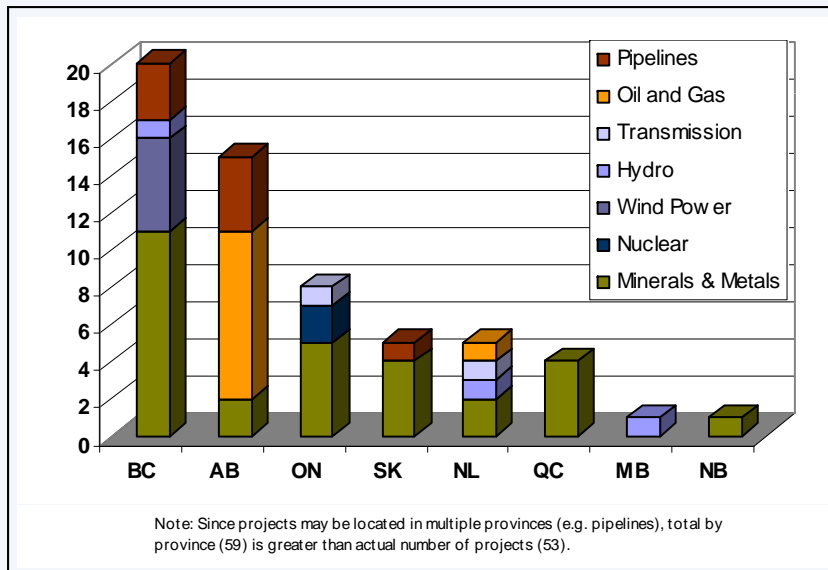
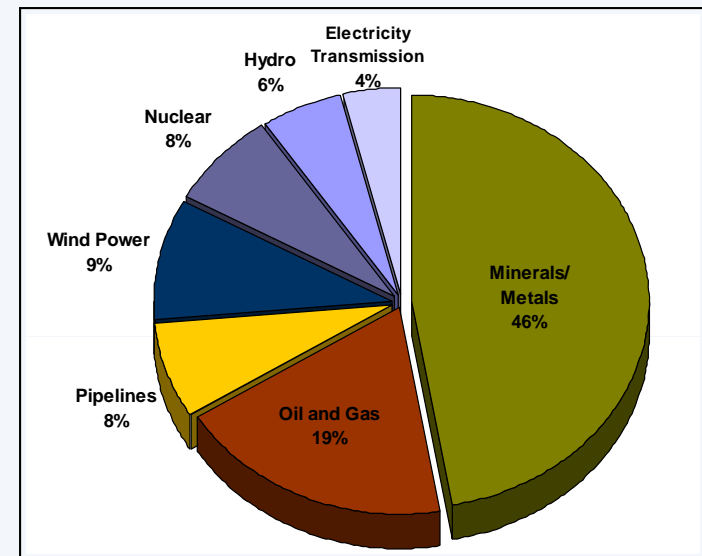
- More effective consultations approaches are being used with a clear consultations coordinator identified and work plans that outline the roles and responsibilities of all federal departments and agencies

The screenshot displays the MPMO Tracker website. At the top, it features the Government of Canada logo and the text 'Major Projects Management Office' with the URL 'www.mpmo-bggp.gc.ca'. A navigation menu includes 'Français', 'Home', 'Contact Us', 'Help', 'Search', and 'canada.gc.ca'. The main content area is titled 'MPMO TRACKER' and contains a 'Project Search' form with fields for 'Keyword(s)', 'Responsible Authority', 'Province', 'Project Sector', 'Environmental Assessment Type', and 'Status'. Below the search form is a 'Search Result' section with sorting options ('Sort By', 'Direction', 'Sort') and a list of four projects:

Project Name	Sector	Status	Province	Action
Hebron Offshore Oil Development	Oil and Gas	EA Phase	NL	Project Detail
Kerr-Sulphurets-Mitchell Copper-Gold Mine	Minerals and Metals	EA Phase	BC	Project Detail
Matoush Uranium Exploration Ramp Access	Minerals and Metals	EA Phase	QC	Project Detail
Midwest Uranium Mining and Milling	Minerals and Metals	EA Phase	SK	Project Detail

Proportion of Projects by Sector and Province

- Energy-related project proposals account for over half of all MPMO projects
- Minerals and metals projects account for the other half



MPMO activity is most intensive in Western Canada. Projects in British Columbia, Alberta and Saskatchewan currently account for approximately 70% of all MPMO projects.

Project Agreements (PA)

Best effort commitment by departments to target timelines for milestones related to environmental assessment and regulatory permitting

- Signed by DMs
- Clarify federal roles and responsibilities
- Increase accountability and transparency
- Provide foundation for project tracking and quality management
 - Service Standards/Timeline

Service Standards/Timelines

Environmental Assessment

Screenings: 9-12 month target

Comprehensive Studies: 21 month target

Review Panels: 14 month target

Regulatory Permitting

Permit/Authorization	Responsibility	Target (post-EA)
<ul style="list-style-type: none"> • SARA • Disposal at Sea • International Rivers Improvement License 	Environment Canada	60 days 90 days 90 days
<ul style="list-style-type: none"> • Explosives Magazine or Factory License 	Natural Resources Canada	45 days
<ul style="list-style-type: none"> • Section 32 Fisheries Act Authorization • Section 35(2) Fisheries Act Authorization • GIC Listing of Fish Bearing Water-body as TIA 	Fisheries and Oceans Canada Environment Canada	90 days 90 days 8 months
<ul style="list-style-type: none"> • NWPA Approval 	Transport Canada	90 days

Key Challenges: System-Wide Improvement

Systemic challenges continue to impede regulatory performance – many are embedded in legislation/regulation

- Fundamental changes are required to deliver more predictable and timely project reviews, reduce regulatory burden and improve environmental protection
- MPMO working with federal regulators to develop a suite of options to modernize the regulatory system for project reviews
- Government-wide approach will ensure changes are:
 - Well integrated, taking into account all phases of the review process as well as Aboriginal consultation responsibilities
 - Based on a national approach, consistent with the federal role
 - Focussed on a common set of outcomes/objectives and guided by key principles and sound evidence



Outcomes

- **A more predictable, accountable and timely regulatory review process**
 - To facilitate investment and planning decisions and improve competitiveness of Canada's resource industries
- **High quality assessments of environmental and socio-economic effects of resource development**
 - To ensure federal decisions safeguard environment and promote sustainability
- **More consistent, adequate and meaningful Aboriginal consultations**