

– CONFIDENTIAL –

**STANDING COMMITTEE ON ENVIRONMENTAL ISSUES AND SUSTAINABLE
DEVELOPMENT**

Annapolis, NS

September 12, 2018

Refer to the Summary of Meetings for time and location

AGENDA

Time	Topic	Documents
12:00	1. Review of Agenda and Minutes	
	a) <i>Welcome and approval of agenda</i>	
	b) <i>Approval of Report of the March 2018 Meeting</i>	p. 4
12:05	2. Terms of Reference	Oral
	RECOMMENDATION: Amend section 3 of the Terms of Reference for the Standing Committee on Environmental Issues and Sustainable Development to include “Air Quality” within the committee’s mandate related to policy and advocacy.	
12:15	3. Policy Statements	See Board Book
	RECOMMENDATION: Repeal the Policy Statement on Environmental Issues and Sustainable Development (March 2017).	
	RECOMMENDATION: Approve the proposed Policy Statement on Air Quality.	
	RECOMMENDATION: Approve the proposed Policy Statement on Biodiversity.	
	RECOMMENDATION: Approve the proposed Policy Statement on Climate Change.	
	RECOMMENDATION: Approve the proposed Policy Statement on Federal Environmental Assessments.	
	RECOMMENDATION: Approve the proposed Policy Statement on Solid Waste.	
	RECOMMENDATION: Approve the proposed Policy Statement on Water Quality.	
1:00	4. 2018-2019 Policy and Advocacy Priorities	
	a) <i>Decision: 2018-2019 Policy and Advocacy Priorities</i>	p. 8
	RECOMMENDATION: Adopt the following 2018-19 committee-specific policy and advocacy priorities: (a) Election 2019 Platform Development – federal green housing program, and federal investment in climate change adaptation and disaster mitigation infrastructure; (b) implementation of the Pan-Canadian Framework on Clean Growth and Climate Change;	

	and (c) national plastic waste reduction strategy.	
	5. Policy and Advocacy Update and Decision Reports	
1:15	<i>a) Decision: National Plastic Waste Reduction Strategy</i>	p. 12
	RECOMMENDATION: Direct staff to prepare a submission to Environment and Climate Change Canada’s consultation on reducing plastic waste that outlines key components of a national plastics reduction strategy in line with existing FCM policies on plastics pollution. RECOMMENDATION: Direct staff to prepare a submission to the Canadian Council of Ministers of the Environment as part of their consultation on a national plastic reductions strategy, and to seek an opportunity to present FCM’s recommendations to the Council at their November meeting.	
1:30	<i>b) Update: Federal Environmental Assessment Legislation</i>	p. 15
1:45	<i>c) Update: Research on Federal Climate Change Adaptation and Disaster Mitigation Infrastructure Funding</i>	On-site
2:00	6. Break	
2:15	7. FCM Programs Update	
	<i>a) Update: Green Municipal Fund (GMF)</i>	p. 20
	<i>b) Municipalities for Climate Innovation (MCIP)</i>	p. 22
2:45	8. Resolutions	See Board Book
	RECOMMENDATION: That the resolution ‘EISD-2018-04- Electric Vehicle Incentives’ be referred back to staff for further analysis.	
	RECOMMENDATION: Classify the resolution ‘EISD-2018-05- Federal programs to Enhance Municipal Conservation Projects as Category A – Concurrence.	
	RECOMMENDATION: Classify the resolution ‘EISD-2018-06- National Plastics Reduction Strategy’ as Category A – Concurrence.	
	RECOMMENDATION: Classify the resolution ‘EISD-2018-07- Non-compostable Produce Stickers’ as Category A – Concurrence.	
3:15	9. National Zero Waste Council – Update and Recruitment of FCM Representative	p. 24
	10. Other Business	

3:30	11. Adjournment	
------	------------------------	--

**REPORT OF THE MEETING OF THE STANDING COMMITTEE
ON ENVIRONMENTAL ISSUES AND SUSTAINABLE DEVELOPMENT**

BOARD OF DIRECTORS
FEDERATION OF CANADIAN MUNICIPALITIES

Sheraton Laval Hotel
Laval, QC

Wednesday, March 7, 2018

SUMMARY OF DISCUSSION

Chair Councillor Paul Pirri opened the meeting by welcoming the committee to Laval, and introducing Vice-Chairs Maire André Bellavance and Councillor Cynthia Downey.

Following approval of the Report of the September 2017 Meeting, the Committee considered new Terms of Reference, clarifying governance issues including the mandate and scope of policy issues under the committee's purview.

The Committee received an update on the Pan-Canadian Framework for Clean Growth and Climate Change (PCF) – the federal government's overarching climate change strategy – including an overview of PCF funding and programs available to municipalities.

Staff then presented the Committee with an update on the "Climate Lens" – a new federal reporting requirement that is part of Phase 2 federal infrastructure investments under the Investing in Canada Infrastructure Plan.

The Committee then received an update on current and proposed FCM research on climate change, which was established as a 2017-2018 committee priority. Staff reported that FCM has contracted a consulting firm to quantify the contribution that municipal action on climate change can make towards Canada's national GHG emission reduction targets. The need for adequate infrastructure funding to address the impacts of climate change – enabling municipalities to improve resilience to extreme weather events – was also identified as an important research issue that could help inform FCM's 2019 federal election platform.

The Committee then heard about FCM's engagement in an ongoing roundtable with the National Energy Board (NEB) and the Canadian Energy Pipeline Association (CEPA), which focuses on operational issues related to land-use and development, and construction and maintenance of municipal infrastructure, within federally regulated pipeline rights of ways. The Committee reviewed a list of proposed issues to be submitted for consideration at the NEB-FCM-CEPA roundtable. The first meeting of the Roundtable will take place in Calgary in late May. The objective for the meeting will be to share information related to these issues in order to develop a common understanding, and to develop a work plan for the coming year.

Subsequently, staff presented a memo on recently announced changes to the federal National Energy Board Act, the Canadian Environmental Assessment Act the Fisheries Act and the Navigation Protection Act. Staff provided an overview of the proposed changes and how they

respond to FCM's recommendations to the federal government. The Committee recommended directing staff to conduct a full review of the proposed changes and participate in upcoming committee hearings and consultations as necessary to advance FCM's policy positions in this area.

FCM staff provided an update on the Green Municipal Fund (GMF) and FCM's Municipalities for Climate Innovation Program (MCIP).

Finally, Councillors Harold Usher and Mairin Loewen provided an update on the activities of the National Zero Waste Council.

STANDING COMMITTEE RECOMMENDATIONS

Recommendations for adoption:

- 1) Adopt the Terms of Reference for the Standing Committee on Environmental Issues and Sustainable Development; and
- 2) Direct FCM staff to conduct a full review of bills C-68 and C-69, assess the impact to municipalities and ensure FCM participation in upcoming committee hearings and consultations as necessary to advance FCM's existing policy in this area.

The Standing Committee recommends this report be received.

Councillor Paul Pirri
Chair, Standing Committee on Environmental
Issues and Sustainable Development

LIST OF PARTICIPANTS / LISTE DES PARTICIPANTS

Present / Présences:

STANDING COMMITTEE MEMBERS / MEMBRES DU COMITÉ PERMANENT

Chair / Président

Pirri, Paul, Councillor, Town of Aurora, ON

Vice-Chair / Vice-président (e)

Bellavance, André, Maire, Ville de Victoriaville, QC

Downey, Cynthia, Councillor, Town of Stephenville Crossing, NL

Committee Members / Membres du comité

Bokenfohr, Wayne, Councillor, Sturgeon County, AB

Brown, Greg, Councillor, Town of Smithers, BC

Coleman, Christopher, Councillor, City of Victoria, BC

Demers, Jacques, Président, Fédération Québécoise des Municipalités, QC

Frizzell, Garth, Councillor, City of Prince George, BC

Fonseca, Chris, Regional Councillor, Region of Peel, ON

Habinski, Timothy, Deputy Warden, Municipality of Annapolis County, NS

Jensen, AnnLisa, Councillor, Parkland County, AB

Kelly, Norman, Councillor, City of Toronto, ON

Loewen, Mairin, Councillor, City of Saskatoon, SK

MacLean, Keith, Councillor, Town of Stratford, PE

Main, Leah, Director, Regional District of Central Kootenay, BC

Mammoliti, Giorgio, Councillor, City of Toronto, ON

McQueen, Peter, Conseiller, Ville de Montréal, QC

Orb, Ray, President, Saskatchewan Association of Rural Municipalities, SK

Pearce, Scott, Maire, Canton de Gore, QC

Rouleau, Edgar, Maire, Cité de Dorval, QC

Redfern, Madeleine, President, Nunavut Association of Municipalities, NU

Rudyk, Taneen, Councillor, Town of Vegreville, AB

Usher, Harold, Councillor, City of London, ON

Willis, Sterling, Councillor, Town of Paradise, NL

Wood, Clarence, President, Northwest Territories Association of Communities, NT

Zarrillo, Bonita, Councillor, City of Coquitlam, BC

OBSERVER / OBSERVATEUR

Bayona, Andres, Ville de Montréal, QC

Brown, Sara, Executive Director, Northwest Territories Association of Communities, NT

Fleming, Brian, Nunavut Association of Municipalities, NU

Hickman, Sandy, Councillor, City of St. John's, NL

Paleja, Jay, Senior Corporate Management and Policy Consultant, City of Toronto, ON

STAFF / PERSONNEL

Dallas Alderson, Policy and Government Relations

Hardave Birk, Policy and Government Relations

Matt Gemmel, Policy and Government Relations

Nikki Lulham, FCM Programs

– CONFIDENTIAL –

Elena Pierce, FCM Programs
Megan Stanley, Policy and Government Relations

August 24, 2018

Memorandum to the Standing Committee on Environmental Issues and Sustainable Development

DECISION MEMO: 2018-19 Policy and Advocacy Priorities

EXECUTIVE SUMMARY

This memorandum proposes (a) Election 2019 Platform Development – federal green housing program, and federal investment in climate change adaptation and disaster mitigation infrastructure; (b) implementation of the Pan-Canadian Framework on Clean Growth and Climate Change; and (c) national plastic waste reduction strategy as the policy and advocacy priorities for the Standing Committee on Environmental Issues and Sustainable Development for the year ahead.

DECISION HISTORY

At the September 2017 Board of Directors Meeting, this Committee adopted (1) federal climate change policy and programming, (2) Investing in Canada Plan implementation – green infrastructure and climate lens, and (3) federal environmental and regulatory reviews as its 2017-18 policy and advocacy priorities.

In March 2018, the Committee directed staff to research options for a federal program or suite of actions designed to support energy efficiency retrofits in housing where low and moderate-income households reside. The Decision Memo can be found [here](#).

BACKGROUND

- The [Pan-Canadian Framework for Clean Growth and Climate Change](#) and [Canada's Mid-Century Long-Term Low-GHG Development Strategy](#) lay out Canada's current climate change commitments.
- In November 2016 FCM submitted recommendations to Environment and Climate Change Minister Catherine McKenna on the development of the PCF. The submission can be viewed [here](#).
- At the 2018 Annual Conference, delegates adopted the resolution [Federal-Municipal Partnership to Achieve Paris Agreement Goals](#).
- At the 2016 Annual Conference, delegates adopted the resolution [FCM Support for the Government of Canada's Commitment to the COP21 Paris Climate Agreement](#).

ANALYSIS

Election 2019 Platform Development

Federal Green Housing Program

In Canada, homes and buildings account for 17 per cent of national greenhouse gas (GHG) emissions. In order for Canada to achieve its 2030 GHG climate target and its longer-term decarbonization goals, emissions from existing buildings must be reduced. The federal government is currently in the process of updating the National Model Energy Building Code for

new buildings and developing a new energy code for existing buildings. Federal funding is also being delivered through provinces and territories and through the Low Carbon Economy Challenge to improve energy efficiency and increase renewable energy use in existing buildings.

According to the Fraser Institute, 16% of low-income Canadians are in “energy poverty”, spending more than 10% of their net income on heat and electricity bills. One in six Canadians are in “core housing need”, spending more than 30% of their income on housing (excluding utility costs). Responding to FCM recommendations, the National Housing Strategy includes funding to repair aging social housing units. NHS funding through the National Housing Co-Investment Fund includes a requirement that retrofitted units reduce energy consumption 20% below the building code. However, this funding will only address energy retrofits in non-market housing, which represents less than 4% of the total housing stock. The majority of lower income Canadians reside in the private rental market.

Despite federal funding for climate programs and significant investments in social housing, there is currently no dedicated funding for low and middle-income renters and homeowners. FCM staff have identified a gap in programs and funding to support energy efficiency and renewable energy retrofits in the low-to-middle-income segment of the housing stock.

Following the direction the Board provided in March, FCM staff have drafted an RFP to engage a consultant to develop options for a federal program or suite of actions designed to support deep energy efficiency retrofits in low-end-of-market homes and rental housing. Options could include grants, loans, federal support for Property Assessed Clean Energy (PACE) and Pay As You Save (PAYS) on-bill financing programs, technical assistance, and changes to mortgage rules. In developing the RFP, staff have consulted with the Canada Green Building Council, The Atmospheric Fund (TAF), the Pembina Institute and FCM staff with the Green Municipal Fund and Municipalities for Climate Innovation Program.

Federal Investment in Climate Change Adaptation and Disaster Mitigation Infrastructure

Climate change is affecting the severity, frequency, and duration of extreme weather events in Canada, including flooding, droughts, storm surges, high winds, and heat waves. And Canadian municipalities are on the front lines.

There is a growing body of evidence that shows that proactive investments to reduce disaster risk can avoid costly damages and insurance claims (both public and private), creating a financial rationale for preventative action. The federal government has recently allocated significant funding to this issue, most notably through the \$2 billion Disaster Mitigation and Adaptation Fund (DMAF). Despite responding to a number of FCM recommendations on program design, DMAF is meant to fund large (>\$20 million) infrastructure projects and will not likely address the needs of smaller, rural and northern municipalities. We also know that proposed disaster mitigation infrastructure projects in Calgary, Toronto and Surrey exceed \$1 billion.

As research on climate change adaptation was a priority for this Committee last year, FCM staff have already begun research looking at the cost of climate change to municipalities and the role the federal government should play in investing in public infrastructure (both structural and natural infrastructure) that helps communities adapt to the impacts of climate change and reduce risks posed by natural hazards related to climate change. The primary objective of this research is to be able to quantify the level of investment needed to produce transformative

change in communities' resiliency, compared to the outcome that can be expected through the current level of funding provided through DMAF and other programs.

See the on-site memo Research on Federal Climate Change Adaptation and Disaster Mitigation Infrastructure Funding in the Committee package for further details on initial research findings and proposed research over the course of 2018 and 2019 to support this election 2019 platform plank.

Non-election priority

Implementation of the Pan-Canadian Framework on Clean Growth and Climate Change

Climate change has been a priority for this Committee for the past three years and continues to be a priority for the federal government. In 2018-2019 the federal government will continue to roll out funding meant to help Canada meet its 2030 GHG emissions reduction target, including:

- Green infrastructure funding under the Investing in Canada Plan through bi-lateral agreements with provinces and territories; and
- Future intakes through the Low Carbon Economy Challenge.

This year will also see the federal government advance key policy and regulatory initiatives, including:

- Carbon pricing;
- The Clean Fuel Standard; and
- Updates to the National Model Energy Building Code for new buildings and the development a new energy code for existing buildings.

If adopted as a 2018-2019 Committee priority, FCM will continue to engage with Environment and Climate Change Canada, as well as other relevant department, to advance municipal interests based on FCM's standing policy on climate change.

National Plastic Waste Reduction Strategy

As detailed in the Decision Memo National Plastic Waste Reduction Strategy that is included in this Committee's agenda package, there is currently a window for FCM to influence federal policy and programming on solid waste management.

POLITICAL CONSIDERATIONS

See Election 2019 memo and presentation to the Committee of the Whole.

RECOMMENDATION

It is recommended that the Standing Committee on Environmental Issues and Sustainable Development:

- 1) Adopt the following 2018-19 policy and advocacy priorities: (a) Election 2019 Platform Development – federal green housing program, and federal investment in climate change adaptation and disaster mitigation infrastructure; (b) implementation of the Pan-Canadian Framework on Clean Growth and Climate Change; and (c) national plastic waste reduction strategy.

– CONFIDENTIAL –

2) Receive this report.

Matt Gemmel
Manager, Policy and Research

August 17, 2018

Memorandum to the Standing Committee on Environmental Issues and Sustainable Development

DECISION MEMO: National Plastic Waste Reduction Strategy

EXECUTIVE SUMMARY

The federal government is currently in the process of developing a national zero plastics waste strategy for Canada. Through Environment and Climate Change Canada, there is currently a consultation window open and the government is inviting input from Canadians on potential components of this strategy. In November 2018, the Canadian Council of Ministers of the Environment (CCME) will be meeting to finalize a national framework for plastic waste in Canada, creating a window of opportunity for FCM to influence federal policy.

DECISION HISTORY

There have been no previous decisions on this topic.

BACKGROUND

- In April 2018, the federal government, through Environment and Climate Change Canada (ECCC), launched an online consultation on the issue of plastics, with the aim of moving Canada towards zero plastics waste. Specifically, the government is looking for feedback in the following areas:
 - Sustainable design and production — Changing how plastics are created to extend their life and eliminate waste;
 - Collection and management — Improving how plastics are collected and managed at the end of their lifecycle;
 - Sustainable lifestyle and education — Helping consumers and companies to make sustainable choices, raising Canadians' awareness of the issue, and empowering them to find solutions.
 - Research and innovation — Strengthening our knowledge and advancing innovation to develop solutions.
 - Action on the ground — Mobilizing Canadians, including governments, businesses and the public, to keep the environment and waters clean and healthy.
- In June 2018, at the G7 Summit in Charlevoix, Canada signed on to the [G7 Ocean Plastics Charter](#), in which it committed to take action toward a resource-efficient lifecycle management approach to plastics in the economy, including by significantly reducing the use of single-use plastics and plastic waste generation.

ANALYSIS

Solid waste management is a shared responsibility in Canada, with municipal governments responsible for collection, sorting and disposal, and provincial/territorial governments and the federal government responsible for policy and legislation. Industry also has a critical role to play in product design and taking responsibility for end of life management – an approach known as

Extended Producer Responsibility. Ultimately, good waste policy must involve all levels of government and industry working together.

In November 2018, the Canadian Council of Ministers of the Environment (CCME) will meet to agree on a national framework for reducing plastic waste in Canada. CCME includes all of the federal, provincial and territorial environment ministers, and the federal Minister of Environment and Climate Change is chairing CCME in 2018-2019. For FCM, this is a window of opportunity to influence federal waste policy and programs in Canada, ensuring that municipal perspectives are properly considered.

In the context of Canada's leadership on the issue of plastic waste accumulating in the ocean at the G7, the federal government is currently seeking input from stakeholders regarding development of a national plastics waste reduction strategy. Public interest and support for a national strategy is currently quite high, particularly around the issue of single-use plastics, which has risen in prominence – both through increased international attention and through the pledges of key industry associations and mainstream retailers to phase out use of single-use plastics, particularly for plastic straws and utensils.

At the 2018 FCM Annual Conference, FCM's membership approved a resolution on [Marine Litter](#) (2018), which called on the federal government to develop a national strategy to mitigate and manage marine litter, particularly ocean plastics. This resolution proposed several key components of a national strategy, which remain relevant and could potentially contribute to a national plastic waste reduction strategy, including:

- Measurable national targets aimed at mitigating (ocean) plastics pollution, developed in consultation with all orders of government;
- Enhancing existing Extended Producer Responsibility (EPR) programs and policies that involve manufacturers, distributors and retailers in managing packaging and other waste throughout its entire life-cycle;
- Establishing measurable national targets aimed at mitigating ocean plastics pollution; and
- Evaluating of federal options to regulate packaging, including reducing the amount of packaging, setting minimum standards for recycled content or setting standards for recyclability.
- Support for innovation in waste management at the local level, including research, development of new technologies, demonstration projects and replication of the most promising technologies.

Additionally, throughout 2018 several FCM members including Toronto, Vancouver, Mississauga and Peel Region, have approved resolutions calling on the federal government to develop and implement a national plastics reduction strategy, citing their own list of proposed components, which builds on and expand many of the components listed above. Staff will be bringing forward a consolidated version of these resolutions for consideration by the Board in September 2018, which, if approved, will advance FCM's policy on this file. The full resolution analysis can be found in the resolutions package.

POLITICAL CONSIDERATIONS

This issue has been a high priority for the federal government since the Prime Minister announced in January 2018 that plastic waste and marine litter would be a priority under Canada's G7 Presidency. Environment and Climate Change Minister Catherine McKenna

launched a national consultation on reducing plastic waste in April 2018, and has since made numerous public comments about the need for municipalities, P/Ts and the federal government to work together to reduce plastic waste. There is currently a political opening to advance federal policy proposals that will benefit municipalities and complement municipal action on this issue.

RECOMMENDATION

It is recommended that the Standing Committee on Environmental Issues and Sustainable Development:

- 1) Direct staff to prepare a submission to Environment and Climate Change Canada's consultation on reducing plastic waste that outlines key components of a national plastics reduction strategy in line with existing FCM policies on plastics pollution;
- 2) Direct staff to prepare a submission to the Canadian Council of Ministers of the Environment as part of their consultation on a national plastic reductions strategy, and to seek an opportunity to present FCM's recommendations to the Council at their November meeting; and
- 3) Receive this report.

Matt Gemmel
Manager, Policy and Research

February 22, 2018

Memorandum to the Standing Committee on Environmental Issues and Sustainable
Development

UPDATE MEMO: Federal Environmental Assessment Legislation

EXECUTIVE SUMMARY

This memo provides an update on the progress on two pieces of legislation, Bill C-68, which proposes amendments to the Fisheries Act, and Bill C-69, which proposes to:

- Repeal the Canadian Environmental Assessment Act and replace it with the Canadian Impact Assessment Act;
- Repeal the National Energy Board Act and replace it with the Canadian Energy Regulator Act; and
- Repeal the Navigation Protection Act and replace it with the Canadian Navigable Waters Act.

In particular, the memo updates the Committee on developments since March with respect to the Fisheries Act and the Navigation Protection Act.

DECISION HISTORY

The Board has previously taken the following decisions on this topic:

- At the March 2017 Board of Directors meeting, this Standing Committee approved a submission to the NEB Modernization Expert Panel containing 37 recommendations on how to improve the municipal role within the NEB hearing and review process, and improve the life-cycle regulation of federally-regulated pipelines.
- At the March 2017 Board of Directors meeting, this Standing Committee approved the following five recommendations to inform FCM's advocacy to the federal government during Phase 2 of the Fisheries Act review:
 - Increase federal resources to ensure that applications are reviewed and processed as quickly as possible and include proper science-based assessments;
 - Look for ways to improve the efficiency and efficacy of compliance, for instance by establishing a public database of affected water bodies and projects that are seeking and have received approval under the Act;
 - Seek to restore the former Harmful Alteration, Disruption or Destruction (HADD) provision in a way that will adequately protect fish and fish habitat without unnecessarily applying to low-risk municipal infrastructure and in water bodies that do not constitute fish habitat;
 - Clarify the application of the Act to wastewater discharges and establish clear authorization mechanisms for routine maintenance and repair works; and
 - Work with the FCM to find an alternative to requiring financial instruments as a means of binding.

BACKGROUND

- On May 6, 2018, FCM appeared before the House of Commons Standing Committee on Fisheries and Oceans, presenting FCM's views on Bill C-68. The testimony can be viewed [here](#).
- On April 26, 2018, FCM appeared before the House of Commons Standing Committee on Environment and Sustainable Development, presenting FCM's views on Bill C-69. FCM's submission can be viewed [here](#).
- On August 28, 2017, FCM made a detailed submission to the federal government outline recommendations on all four pieces of legislation in response to the June 29, 2017 Discussion Paper on Environmental and Regulatory Reviews. FCM's submission to the Discussion Paper can be accessed here. The Discussion Paper can be accessed [here](#).
- On June 14, 2017, sent a letter to the Minister of Natural Resources in response to the Final Report of the Expert Panel on NEB Modernization.
- On June 12, 2017, FCM sent a letter to the Minister of Fisheries and Oceans in response to the House of Commons Standing Committee on Fisheries and Oceans (SCOFO) report on the Fisheries Act.
- On May 5, 2017, FCM sent the Minister of Environment and Climate Change a response to the Final Report of the Expert Panel for the Review of Environmental Assessment Processes.
- On March 30, 2017 FCM made a comprehensive submission to the Expert Panel on NEB Modernization. The complete submission can be viewed [here](#) / [FR](#).
- On November 30, 2016, FCM made a submission to SCOFO as part of their review of the Fisheries Act. The submission can be viewed [here](#) / [FR](#).
- On November 30, 2016, FCM made a submission to the House of Commons Standing Committee on Transport, Infrastructure and Communities as part of their review of the Navigation Protection Act. The submission can be viewed [here](#) / [FR](#).
- In June 2016 the federal government announced a broad public consultation process for all four reviews, including the establishment of Expert Panels to review environmental assessment and NEB Modernization, and that House of Commons Standing Committees would review the Fisheries Act and Navigation Protection Act.

ANALYSIS

The Fisheries Act

FCM called on the government to restore habitat protections lost as a result of changes made to the Act in 2012. FCM's objective was to find a balance where fish and fish habitat are protected without unnecessarily regulating low-risk municipal infrastructure and water bodies that do not constitute fish habitat.

Responding directly to FCM's recommendations, the proposed changes include:

- The restoration of the Harmful Alteration Destruction or Disruption (HADD) provision.
- The introduction of Codes of Practice, which essentially create an exemption for routine infrastructure projects that follow clear guidelines to reduce impact;
- The introduction of habitat offset banking so that municipalities can get credit for fish habitat that they have created or restored; and
- A new national registry that will document all work being undertaken in order to better assess cumulative impacts and make science-based decisions on the impact to fish habitat.

Also responding to an FCM recommendation, the Minister of Fisheries and Oceans announced an increase of \$284 million to the department's budget to improve regulatory efficiency, monitoring and reporting.

One important area that does not appear to have been addressed in the bill is the application of the Act to marginal fish habitat. By restoring the former HADD provision without amending the definition of fish habitat, the proposed changes could have the impact of applying to drainage ditches and other similar bodies where fish are present.

FCM has been clear that we support the re-establishment of HADD as long as the corresponding regulatory regime ensures the act does not apply unnecessarily to low-risk municipal infrastructure and in water bodies that do not constitute fish habitat. To ensure that this happens, the government will need to prioritize the development of a new regulation under Section 35 of the Fisheries Act that exempts "works, activities and undertakings" that cause HADD but only have a small impact on fish or fish habitat such that they do not compromise the objectives of the Act.

Amendments passed at the committee stage

In May 2018 the Standing Committee on Fisheries and Oceans passed an amendment to Bill C-68 (amendment PV-2) that changes the definition of fish habitat. The amendment adds the following subsection to the interpretive part of the Act:

1 (2) For the purposes of this Act, the quantity, timing and quality of the water flow that are necessary to sustain the freshwater or estuarine ecosystems of a fish habitat are deemed to be a fish habitat.

On the face of it, the amendment seemed to expand the scope of the Act and raised concerns that municipalities could be negatively impacted. In particular, FCM staff were concerned that the new definition could cause problems for municipalities with respect to:

- Water withdrawals (e.g. intakes for drinking water);
- Water storage (e.g. reservoirs or irrigation);
- Drainage; and
- Wastewater treatment;

In order to better understand the effect of the amendment and address these concerns, FCM sought an expert opinion from Professor Martin Olszynski. Professor Olszynski teaches environmental law at the University of Calgary and has extensive experience drafting and interpreting the Fisheries Act, having previously worked for Justice and Fisheries and Oceans Canada.

The opinion that FCM received was that the explicit addition of flow factors (i.e. quantity, timing, and quality of water) to the definition of fish habitat is unlikely to change to the way that the Fisheries Act is applied in practical terms. This is because from a legal perspective, flows have always been an implicit part of the definition of fish habitat, and second, because policy initiatives that go back over a decade make clear that Fisheries and Oceans Canada already considers flows to be a part of the definition of fish habitat in practice.

The Navigation Protection Act

FCM called on the government to create a new process for adding water bodies to the list of scheduled waters. Responding to FCM's recommendations, the bill proposes a new process with clear criteria for adding navigable waters to the list of waters needing extra oversight.

Additional proposed changes that FCM did not call for include:

- A new definition of navigable water as any water body that is used by motorized or non-motorized vessels, replacing the previous “canoe test.”;
- A new requirement that project proponents notify and consult on proposed works on all navigable waters, including both scheduled and non-scheduled water bodies; and
- A new resolution process that would allow the Minister of Transport to review navigation concerns on non-scheduled water bodies.

FCM expects that these changes will result in more municipal infrastructure projects falling under federal review. In particular, FCM is concerned about the expansion of the scope of the legislation to include what is effectively a new class of works that fall outside of the existing “minor works” and “major works” categories, which will now be regulated on all navigable waters in Canada. These ‘in-between’ works are likely to include municipal infrastructure projects that are critical to public health, safety, transportation and commerce, such as bridges, water control structures and flood mitigation infrastructure.

In order to address these concerns and mitigate the administrative burden for municipalities, FCM made the following recommendations to the Standing Committee:

- That Transport Canada conduct a review of the existing Minor Works Order to assess whether more types of works need to be added;
- That Transport Canada create a standardized mechanism for project proponents to notify the public in order to meet the new requirements under the Act;
- That Transport Canada enforce the timelines for public notification and consultation outlined in Sec 10(3) and 10.1 and 10.1(3) as a means of reducing untimely delays, recommending that these timelines are reviewed and amended as provided for in regulation if they are deemed to be ineffective.

The National Energy Board Act and Canadian Environmental Assessment Act

Bill C-69 addresses many of the recommendations put forward by FCM over the past two years. Specifically, the Bill proposes to have the proposed Impact Assessment Agency of Canada (currently CEAA) and the relevant federal lifecycle regulators, such as the Canadian Nuclear Safety Commission or the proposed Canadian Energy Regulator (currently the NEB) review all new major projects. We also support broadening the scope of impact assessment to include economic, social and health impacts to support holistic and integrated decision-making, including positive and negative impacts on local communities, as well as the “one project, one-review” objective that Bill C-69 strives to achieve. These and other changes will enable municipal governments to better engage in federal environmental assessments.

In our [April 26 submission](#) to the House of Commons Standing Committee on Environment and Sustainable Development on Bill C-69, FCM recommended a few further changes to the legislation in order to enshrine the municipal role in the assessment process.

POLITICAL CONSIDERATIONS

Both Bill C-68 and C-69 have passed through all stages in the House of Commons and have proceeded on to consideration in the Senate. FCM will be participating in the committee processes for both bills in the Senate to ensure that municipal concerns are taken into consideration.

In terms of Bill C-69, FCM has heard from Minister Garneau in regards to the changes made to Bill C-69 and our call for the *Minor Works Order* to be reviewed. The Minister responded to FCM and stated that the order will be reviewed given the changes made to the Act. Staff are preparing to participate in that review.

In terms of Bill C-68, FCM has written to the new Minister, Jonathan Wilkinson, to relay our recommendations around the need for a new regulation under Section 35 of the Act and our questions around amendment PV-2. Staff are working to secure a meeting with the new minister to discuss how municipal concerns can be addressed through the C-68's corresponding regulatory framework.

RECOMMENDATION

It is recommended that the Standing Committee on Environmental Issues and Sustainable Development receive this report.

Matt Gemmel
Manager, Policy and Research

August 2, 2018

Memorandum to the Standing Committee on Environmental Issues and Sustainable Development

UPDATE MEMO: Green Municipal Fund (GMF)

EXECUTIVE SUMMARY

The purpose of this memo is to provide an update to the Standing Committee on Environmental Issues and Sustainable Development (EISD) on the Green Municipal Fund (GMF) as a key programmatic component of FCM's broader climate change agenda. This memo provides a summary of program highlights for the period from March 2018 to September 2018, and upcoming activities until November 2018.

DECISION HISTORY

No previous decisions by the Committee have been taken on GMF. The Committee receives updates on the GMF program at each meeting. FCM's Executive Committee takes decisions related to the governance and operations of the GMF at their monthly conference calls.

BACKGROUND

The Green Municipal Fund (GMF), a \$625 million endowment by the Government of Canada, is a program that supports innovative and sustainable municipal initiatives, and shares the knowledge generated with other municipalities. A key program of FCM since 2000, the GMF provides training, program resources and funding for projects that generate environmental, economic and social benefits for residents, along with tangible, lasting impacts for Canada in communities of all sizes in all regions. By documenting, analyzing and sharing results and lessons learned, GMF builds municipal capacity to design and implement successful sustainability projects. GMF is the leading national policy instrument for driving the adoption and awareness of more innovative and higher performing technologies, business processes and planning to address sustainability within the municipal sector in Canada.

ANALYSIS

Status Update

In March, the GMF Council approved a new five-year Strategic Plan. Following the approval, FCM has made significant progress towards the creation of the accompanying GMF Performance Measurement Framework (PMF). The GMF Council will receive a draft version in September.

Since April, 2018, funds have been committed to 18 applications for plans, studies and pilot projects for \$1.3M out of this year's funding target of \$6 million. This year's funding target for capital project applications is at least \$54 million in loans and \$8 million in grants, which is a significant increase over the \$45 million in loans approved in the previous fiscal year.

The GMF Council has added three new members since April: Mr. Denis Leclerc, President of Ecotech Quebec, Mr. David Martin, serial entrepreneur in the energy and environment space,

and Mayor Alan DeSousa (Saint-Laurent, QC). The recruitment campaigns were highly successful with over 75 applications. These new members will complement the existing GMF Council and contribute to the implementation of GMF's new Five-Year Plan.

The Knowledge and Sector Development unit has been designing a new knowledge product, the Energy Sector Roadmap, available in 2019. The objective of the Energy Sector Roadmap will be to identify high impact and economically viable opportunities for municipalities of all sizes to improve their energy performance and support the sector in taking these on. GMF will also release a toolkit to help communities replicate the most recent Inspire Award winning initiative from the City of Kingston, which focuses on increasing public transit ridership. The toolkit will be shared through various communication channels.

In July, the GMF Council and FCM Executive Committee approved the GMF Annual Report 2017-2018. This year's annual report builds on the approach of the last couple of years to tell a richer and more compelling story about GMF's impact. The report profiles several recently supported or completed GMF initiatives and highlights their economic and environmental benefits. The report also highlights the amount of investments GMF has helped leverage into environmental initiatives since inception as well as broader contributions to Canada's Gross Domestic Product (GDP) and local job creation.

Upcoming Activities

In September, GMF will hold its next in-person meeting. The Council will consider funding decisions on five capital projects in the energy, wastewater and stormwater management sectors for the first competitive round of the fiscal year for amounts up to \$29 million in loans and \$4.3 million in grants. The pipeline for the second competitive round has a potential loan ask of \$40-\$60 million for five to eight projects, signaling the high demand for GMF funding for capital projects.

With the new Funding Agreement in place, GMF will focus on rolling out various improvements to the GMF funding offer and its process (from application to disbursement) to clients over the course of the upcoming months. These improvements will include more efficient approval times for plans and studies, transitions in the funding model, simplified reporting requirements for funding applicants, and higher annual funding targets for capital projects.

RECOMMENDATION

It is recommended that the Standing Committee on Environmental Issues and Sustainable Development receive this report.



Chris Boivin
Managing Director, GMF
FCM Programs

July 24, 2018

Memorandum to the Standing Committee on Environmental Issues and Sustainable Development

UPDATE MEMO: Municipalities for Climate Change Innovation (MCIP)

EXECUTIVE SUMMARY

The purpose of this memo is to provide an update to the Standing Committee on Environmental Issues and Sustainable Development (EISD) on the Municipalities for Climate Innovation Program (MCIP) as a key programmatic component of FCM's broader climate change activity. This memo provides a summary of program highlights for the period from March 2018 to July 2018, and upcoming activities until December 2018.

DECISION HISTORY

No previous decisions have been taken on MCIP. The Committee receives updates on the program at each meeting, but doesn't make decisions.

BACKGROUND

MCIP is a five-year, \$75 million program funded by Infrastructure Canada (INFC) designed to accelerate the transition to low carbon and resilient cities and communities in Canada, including by helping municipalities integrate climate change considerations into their asset management decisions. Through a combination of direct funding, technical assistance, awareness raising, and knowledge mobilization, MCIP is enhancing the capacity of Canadian municipalities to make investments in low carbon and climate-adapted infrastructure.

ANALYSIS

Status Update

MCIP has allocated approximately \$36 million of the \$47 million available under the program for direct funding to 170 approved initiatives, including 73 plans, 68 studies, and 29 capital projects. Rural municipalities account for 25 per cent of the approved initiatives, thus receiving 17 per cent of the funding that has been allocated to date.

Through the call for Climate Change Staff Grant applications, FCM received a total of 150 applications, which are currently being reviewed for eligibility. There is a minimum of \$5.8 million in available funding for this call. These grants, which offer up to \$125,000 over a 24 month period (up to 80 per cent of eligible expenditures), will contribute towards the salary of a municipal staff person who will undertake activities that produce an incremental, lasting improvement in the municipality's capacity to reduce GHG emissions or adapt to climate change. In June, MCIP launched a Quebec call for applications, which will close in October, to seek applications for funding towards plans, studies, and capital projects. There is \$6.3 million in available funding for Quebec municipalities, of which \$5 million will be allocated through the call for applications. Upon awarding funding to Climate Change Staff Grants and the Quebec call, all of MCIP's direct funding will have been allocated.

MCIP is supporting various types of peer learning, delivered either by FCM or partner organizations in different parts of the country. As announced in March 2018, twelve partner organizations were awarded more than \$2.4 million for [Climate Adaptation Partner Grants](#). These organizations are working with groups of municipalities and using a peer learning approach to build their capacity to address challenges such as flood prevention, adaptation planning, and safeguarding municipal infrastructure. A total of 71 municipalities and one First Nation are participating in the CAPG projects.

In April, MCIP launched a call for expressions of interest for the Transition 2050 Partner Grants targeting not-for-profit organizations. Partners were able to request up to \$400,000 to support clusters of five or more municipalities to identify pathways for deep carbon emissions. Short-listed submissions will be invited to prepare a full application, which will be reviewed in Q3. There is a minimum of \$3.25 million in available funding for this initiative.

The Regional Climate Advisors, a group of partner organizations serving British Columbia and the Yukon, the Prairies, Quebec, Ontario, and Atlantic Canada, helped Partners for Climate Protection (PCP) members to advance through the five-milestone framework the PCP. Since the Regional Climate Advisors came on board early in 2017-18 (Year 2 of the program), a total of 58 new PCP members have joined the program and 319 additional milestones have been completed.

In June, MCIP hosted a session at the FCM Annual Conference to promote climate change tools and participated in the ICLEI World Congress in Montreal. During the Congress, MCIP hosted a “Talanoa Dialogue” that engaged different orders of government and other stakeholders in a discussion around strengthening Canada’s national climate plan.

Upcoming Activities

MCIP will be launching a call for expressions of interest in Q3 for a partner organization to facilitate a community of practice that will support recipients of Climate Change Staff Grants. The community of practice will provide recipients with coaching, training, and peer-learning opportunities to help them advance their municipality’s capacity to work on local GHG emissions reduction or local climate adaptation.

MCIP is engaging with the Canadian Center for Climate Services (CCCS - a division within Environment and Climate Change Canada) to convene a multi-stakeholder working group to guide the development of resources that will help municipalities access and use locally-relevant climate data in their asset management programs. Initial consultations with the Municipal Asset Management Program (MAMP) Technical Working Group will take place in Q2 and Q3 to define the scope, terms of reference, and composition of the working group.

RECOMMENDATION

It is recommended that the Standing Committee on Environmental Issues and Sustainable Development (EISD) receive this report.

Kate Fleming
Acting Project Director, MCIP
FCM Programs

August 16, 2018

Memorandum to the Standing Committee on Environmental Issues and Sustainable
Development

**MEMO: National Zero Waste Council –
Update and Recruitment of FCM Representative**

EXECUTIVE SUMMARY

The purpose of this memo is twofold. First, it provides an update on the activities of the [National Zero Waste Council](#). Second, it outlines an opportunity for a member of this Committee to participate on the Management Board of the Council, as a position reserved for FCM has recently been vacated.

DECISION HISTORY

At its September 2016 Board of Directors meeting, FCM adopted [a resolution](#) supporting the National Zero Waste Council's food waste reduction federal tax incentive proposal. The goal of the tax incentive is the donation of unsold, nutritious food by producers, suppliers and retailers in order to reduce food waste, lower municipal costs for waste disposal and decrease the environmental impact of food waste.

BACKGROUND

The National Zero Waste Council was co-founded by Metro Vancouver and FCM as a leadership initiative bringing together governments, businesses and non-governmental organizations to advance a waste prevention agenda in Canada.

The Council includes 80 member organizations, including 21 government sector, 39 business sector and 20 from the community sector. The Council's work includes:

- Knowledge Transfer – address critical research & information gaps and share best practices.
- Network and partnership building – connect champions and key stakeholders nationally to collaborate on the development of new solutions.
- Policy development and advocacy – identify barriers to advancing waste prevention nationally and work with stakeholders to create an enabling environment for change.

ANALYSIS

Update on NZWC Activities

Food Waste: [A Food Loss and Waste Strategy for Canada](#) was launched in May 2019. The Strategy provides a collective path forward for preventing food waste that occurs all through the supply chain, optimizes the recovery of safe and nutritious food, and diverts food waste from landfills. The Strategy is designed to be collaborative because reducing food waste must engage all levels of government, businesses and community groups. On July 19th, we launched the [Love Food Hate Waste Canada](#) campaign, an important consumer education and behavior

change campaign designed to prevent and reduce food waste generated by households. This is a multi-year, bi-lingual initiative that will involve the use of social media, conventional media, activities in grocery stores and public events. NZWC is looking for more municipalities to adopt the campaign.

Accelerating the Transition to a Circular Economy: A strategic priority for the Council continues to be advancing the circular economy in Canada – work in 2018 including outreach on a toolkit, case studies and webinars. The Council is a founding member of the Circular Economy Leadership Coalition that brings together national thought leaders, innovators and experts from business, government and the non-profit sector to build a national roadmap to accelerate the transition to a circular economy in Canada.

Product Design and Packaging: In March, the Council released [Packaging and the Circular Economy: A Case Study on Compostables in Canada](#). It summarizes the key challenges of expanding compostable packaging in Canada and the opportunities for enhancing the likelihood of compostable packaging being recovered and composted. The Council continues to celebrate Canadian innovation in the design of products and packaging in the marketplace that demonstrate the use of life-cycle analysis in preventing waste the Council's Design Portfolio.

Construction, Renovation and Demolition (CR&D): One of the objectives of this Working Group is to reduce the amount of CR&D waste being generated by removing the roadblocks for the use of recycled and reused materials in the construction process. Through a pilot project, the opportunities for optimizing the use of reclaimed aggregate products (RAP) in road construction done by local governments are being evaluated. The pilot involves development of a certification process.

Zero Waste Conference: On November 8-9th 2019, the [Zero Waste Conference](#) will bring together global thought leaders and practitioners in waste prevention and circular economy. The conference, hosted by Metro Vancouver in collaboration with the National Zero Waste Council (NZWC), will tackle everything from materials and design innovation to business model transformation, digital technologies and food waste. A highlight will be a plastics innovation forum on the second day, which will feature Catherine McKenna, Minister of Environment and Climate Change Canada, and introduce the Circular Economy Leadership Coalition.

Vacant Board Position on the Council

There are two positions on the Management Board of the Council which are reserved for FCM. These have traditionally been offered to members of the FCM Standing Committee on Environmental Issues and Sustainable Development (EISD), as this is the Committee where the issue of waste management is addressed. One position has recently become available, and it is open to any member of this Committee.

The Management Board will meet quarterly (three regular meetings per year, and one AGM). While neither FCM nor the Council is able to support the travel of an FCM EISD Committee member to attend the quarterly meetings, Council-supplied technical support and hardware will allow electronic participation. Further information on the time commitment and other expectations around participating in the Council's Board are included in Annex A.

Recommendation

It is recommended that the Standing Committee on Environmental Issues and Sustainable Development:

1. Recommend a Committee member to participate on the Management Board of the National Zero Waste Council; and
2. Receive this report.

Matt Gemmel
Acting Manager, Policy and Research

Annex A

National Zero Waste Council Management Board

Meeting Schedule and Obligations

The Management Board will meet quarterly (three regular meetings per year, and one AGM). Additional meetings and communications between meetings may also be required, particularly as it pertains to support for business planning and operational management. Communication between meetings would largely take place via email correspondence.

Quarterly meetings will generally be 1.5 – 2 hours long and scheduled cognizant of time zone differences.

Decision-making Framework and Communication with the Management Board

The NZWC is founded on a consensus-based decision-making framework where consensus is defined as consent of all members at a meeting. For each meeting, members will be given notice and a majority of the members should attend in person or by electronic means.

Should consensus not be reached and direction is required on the issue, then the Chair may propose a resolution process. Voting rules for administrative matters will also be considered.

Role of Chair, Vice-Chair and the NZWC Secretariat

The Chair is the spokesperson and key ambassador for the NZWC, and will be elected from and by Council members. A key role is to oversee activities, provide leadership, build consensus, and oversee voting on administrative matters. The Chair will ensure a succession and selection plan and process are in place. The Chair also has the regular duties of a Chair including setting agendas and presiding at meetings. The Vice-Chair can step into the role of Chair should the Chair be absent.

Either the Chair or Vice-Chair must be present at each Board meeting.

The NZWC Secretariat will provide administrative support to the Management Board.

Roles and Responsibilities

- **Leadership and Commitment to Waste Prevention**
 - Board members are expected to attend 3-4 board meetings per year, as well as the Annual General Meeting (note that Board members can join meetings electronically with Council-supplied technical support and hardware).

- Board members are encouraged to actively engage their organizations in the delivery of the Council's work program, including Working Groups.
- **Composition of the Board**
 - In order to broaden and strengthen its reach and influence, the Council strives for appropriate levels of representation from three key sectors: government (local/federal/provincial); business and industry as well as business associations; and “community” organizations (which includes academic institutions and not-for-profit sector organizations.)
 - As a national organization, the Council continues to strive for representation from governments, businesses and community organizations across Canada in both its membership base and on the Management Board.
 - Organizations and businesses are elected to the Board who will designate their representative and alternate. Individuals are not elected to the Board.
- **Expertise in Material Design, Business Development and/or Communications**
 - Ideally, Management Board members will possess specific skills in the areas of business development, governance, product and industrial design, material innovation, circular economy practices, material reuse, policy, and/or social marketing.