

**ENVIRONMENTAL STEWARDSHIP INITIATIVE PROPOSAL  
CONCEPT PAPER**

**Introduction**

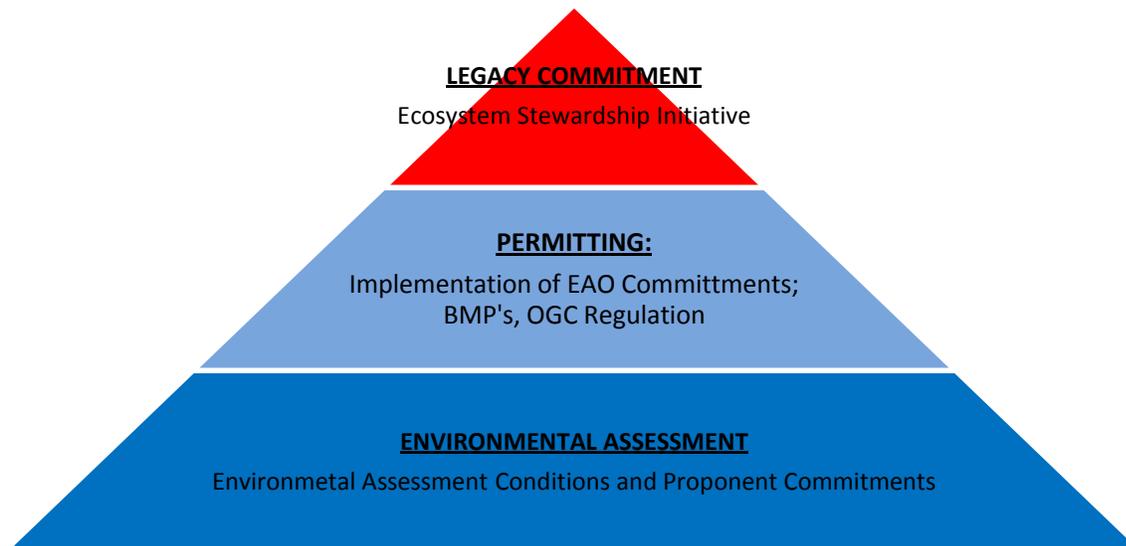
All First Nations with whom provincial representatives have discussed natural gas development have expressed a deeply-held responsibility to care for their traditional territories. Many of the First Nations affected by the natural gas development have stated that they are not prepared to compromise environmental stewardship for a share in the economic benefits from the projects. This same discussion has occurred through consultations over forestry and other resource development proposals over the past number of years. Given the pace of resource development, the Province recognizes a need for new tools that will create a positive legacy for First Nations and the environment.

A collaborative approach to maintain environmental stewardship during construction of natural gas pipelines could enable First Nations, the Province and the private sector to work together to improve the health of the ecosystems which are a cornerstone of Aboriginal cultures and essential to all communities. The Environmental Stewardship Initiative (ESI) would create a platform for this collaboration.

**Context**

The regulatory process for natural gas pipeline proposals is independent and separate from the proposed ESI. The ESI will not form part of the statutory decision-making process related to pipelines or any resource authorizations in the future. This coordinated regulatory process will evaluate anticipated environmental impacts for each project and ensure unacceptable impacts are mitigated as well as meet the Province’s constitutional obligations to consult with First Nations. In part, the ESI is designed to ensure First Nations participation in delivering ongoing monitoring, restoration and other requirements that will flow from the regulatory process.

The priority of First Nations to have a comprehensive and inclusive approach to environmental stewardship that monitors potential impacts from multiple projects, including pipelines, is acknowledged by the Province. To this end, the Province is proposing a new mechanism called the ESI and is seeking to develop it collaboratively with First Nations and the resource industry. The ESI is intended to address long-term environmental issues that may be identified as potential risks to specific ecosystem values as well as have an ongoing role in the stewardship of the environment well after development occurs. The diagram below, illustrates the relationship between the ESI and the regulatory process.



The proposed ESI is beyond the requirements of the regulatory processes associated with individual pipeline projects or other resource authorizations. It would focus on a long-term linkage to ongoing provincial stewardship programs. It is intended to build a platform for collaboration between proponents, First Nations, and government agencies that would increase the collective trust around the management of natural resources.

### **Potential Linkages to Explore**

The Province recognizes that First Nations have concerns over certain environmental values that have been the subject of consultation discussions with First Nations along the proposed pipeline routes. These concerns include the potential cumulative effects of natural gas development, including pipelines as incremental to other resource development impacts on the environment like roads and forest harvesting. The ESI will support the monitoring of specific values that are priorities of First Nations, and help support management responses to those values. The ESI may be initiated through pipeline development, but could expand to include other resource sectors over time.

A collaborative body that is managed by First Nations, Industry and the Province could play a key role in identifying and monitoring the risks to environmental values, collaborating on research and data that supports ongoing analysis of risks, and providing a mechanism to respond to these risks with actual restoration projects. The ESI is proposing to provide new tools to First Nations by creating an independent entity that can work in parallel and in a manner complementary to provincial resource agencies on these topics. The ESI is intended to increase the level of trust in environmental management through collaboration. The ESI is not intended to create an additional decision making process, rather support existing processes with common and trusted information.

### **Proposed ESI Program Focus**

Preliminary dialogue between First Nations and the Province has identified four potential elements of the ESI that require further exploration with First Nations. The summary below is intended to further discussion and assist in the development of the initiative.

- 1. Ecosystem monitoring and assessment:** Monitoring and the assessment of potential cumulative effects on specific values is a priority for the Province and First Nations. There may be opportunities to create a collaborative platform on which to further develop approaches to monitoring potential cumulative effects across the North. Beyond the immediate needs of natural gas development, the monitoring and assessment of potential cumulative effects will continue to be a central feature in the consultative relationship between the Province and First Nations. The ESI may be positioned to serve this long-term need through a collaborative and sustainable forum. Further, the results of monitoring and assessments of potential cumulative effects will assist in identifying risks to ecological values across the land base and may be used to target restoration and enhancement projects.
- 2. Ecosystem restoration and enhancement:** The ESI may provide a collaborative opportunity for First Nations, the Province and the resource industry to implement targeted stewardship projects that restore or enhance environmental features that are identified through monitoring or assessment. On a land base that supports multiple resource development and resource use activities (be they industrial, recreational, or traditional), sustaining or enhancing some environmental values may require longer-term monitoring to ensure the effectiveness of mitigation. If additional risks are identified over time, the ESI may support First Nations in responding to those risks with targeted projects. First Nations may also have specific environmental restoration or habitat enhancement proposals in the areas affected by resource development, including that from natural gas, which could be subject to additional projects supported under this ESI.

- 3. Ecosystem research and knowledge exchange:** Where the status of key environmental values change (for example, wildlife population concerns or degradation of fish habitat), it is sometimes challenging to identify, or to reach consensus on, the likely cause of that change. The ESI may assist both the Province and First Nations in addressing these issues through targeted research projects. A shared objective of addressing key knowledge gaps and providing improved guidance for resource development has always been a priority of First Nations and the Province, and the ESI may bridge traditional disagreements on the information on which these resource decisions are made. The ESI may enable First Nations to engage in collaborative research projects so as to not generate competing perspectives between First Nations and the Province.
- 4. Stewardship education and Training:** There is significant potential to increase collaboration and First Nations participation in delivering stewardship services whether it is monitoring, restoration or research. A focused, field-based education and training program that brings together scientific understanding with traditional ecological knowledge could expand the pool of human resources that are available to make a positive ecosystem legacy from immediate natural gas development opportunities.

### **Potential Governance Design**

The ESI could be governed through a trust-like arrangement that sets strategic direction and priorities for the initiative. A governance model will be developed.

Since there are multiple First Nations that have traditional territories along the proposed pipeline corridor, a governance model that provides for inclusivity, but is also efficient, will be necessary. The governance model need also consider that the ESI is intended to be a benefit, that would not otherwise be possible were it not for the immediate needs of the natural gas sector. In this case, First Nations access to the benefits of the ESI should be contingent on First Nation support for the natural gas development goals of the Province.

The ESI will, by necessity, have a number of linkages to ongoing government programs that will need to be considered. The natural resource sector agencies have an ongoing responsibility for the environmental stewardship of the land base. If the ESI were established, careful consideration of its design that avoided duplication of existing provincial programs would be necessary. The suggested program focus here also has distinct linkages to the information that supports consultation on natural resource development. An information management and decision support protocol would need to be clear and transparent so these linkages were managed. The ESI suggests an initial focus on natural gas, which could be broadened to other resource sectors over time.

### **Collaborative Design and Next Steps**

Each of the four elements outlined above will be further developed in the coming months through discussions with First Nations representatives, provincial government program leads and the natural gas industry. The goal of these discussions is to develop an ESI model collaboratively.