

Launching the Sector Sustainability Tables

**Interdepartmental Meeting
July 20, 2005**

Canada is adapting to the changing nature of competitiveness ...

- **Environmental sustainability** emerging as a **key driver** of **competitiveness**
- Canada is responding with a new national approach to environmental sustainability – to align environmental and economic signals:
 - **Competitiveness and Environmental Sustainability Framework**
- The Framework creates a new way of making decisions – **Sector Sustainability Tables** are a forum for:
 - Setting **priorities**
 - **Open** and **transparent** engagement to **shape decisions**
 - Focusing on **action** leading to real **results**
- Stakeholders have **shaped** and are **committed** to this new approach

... by fundamentally reshaping its approach.

- Industry, NGOs, governments, and others say that Canada's approach needs to fundamentally change:

Fragmentation within/between jurisdictions, regions, and sectors



Collaboration to **align economic** and **environmental** decisions

Environmental policy set in **isolation** from business realities – leading to mistimed investments



Environmental policy **recognizes business realities** and supports long-term competitiveness

Short-term, issue-by-issue approach often leads to a focus on “lowest common denominator”



Integrated priorities and focus on **ambitious long-term outcomes** provide **predictability**

Inconsistent, complex, and sometimes **conflicting** regulations



Coherence – based on a “**single window**” approaches

Poor use of policy tools means inefficient and ineffective environmental management



Instrument choice puts **smart regs** into practice to **align economic** and **environmental signals**

Failure to recognize **limits** to what leaders can do alone



Level playing field (no free riders), with industry leaders rewarded

Sector Sustainability Tables can be an effective mechanism ...

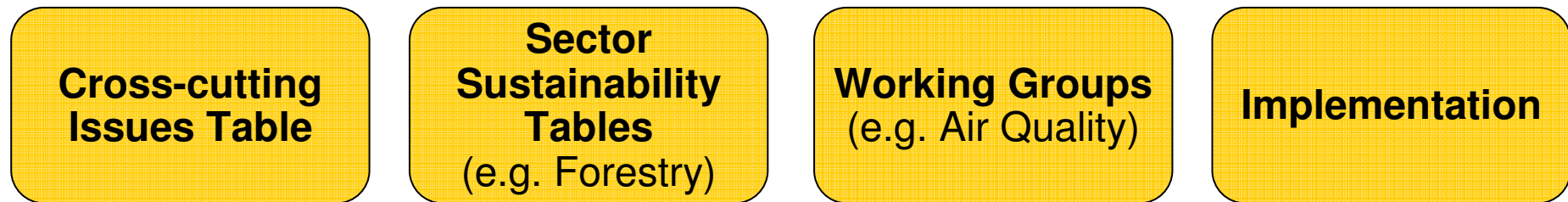
- Stakeholders discussions, informed by Canadian and international experience, suggest that sector tables will be most effective if they:
 - Are **permanent** to deal with evolving or emerging issues
 - Engage **all key stakeholders**
 - Comprise sector's **value chain** to facilitate consideration of **business realities**
 - Take a **comprehensive** approach to sustainability issues
 - Take advantage of **working mechanisms**
- For their part, federal representatives will bring a **shared federal position** to the table
- Sector tables have potential to shape the priorities, decisions, and **actions** of all stakeholders – **including governments**
- Sector tables will put the fundamentals of **smart regulation** into practice:
 - Use **full range of instruments** available
 - Focus on **outcomes**
 - Use harmonized regulatory backstops to create a **level playing field**

... leading to action and real results – in both the short and long term ...

- In the short term, focusing on setting **shared priorities** and on **benchmarking** will allow tables to get working and take action quickly
- Over time, focusing on **long-term national environmental objectives** will:
 - Increasingly **integrate** environmental and economic signals
 - Provide even greater **clarity, predictability, and accountability**

| Characteristics of short-term objectives include: | Characteristics of long-term objectives include: |
|---|---|
| Pragmatic – informed by business realities | Ambitious, transformative – change business realities |
| Best Available Technology Economically Achievable | Next generation technologies |
| Focused on immediate priorities | Focused on long-term sustainability |
| Benchmarked | World-leading |
| Recognize different paths to compliance | Level playing field |

... on both sectoral and cross-cutting issues.



- The cross-cutting issues table – with its own working groups – deals with **horizontal issues** that cut across sectors (e.g. environmental assessment)
- Sector sustainability tables set the **agenda** and **priorities** for each sector
- **Working groups** are formed on that basis – **evolving over time** as needed
 - Working groups present **options and recommendations** to sector tables
 - **Existing mechanisms** that work effectively can be linked to the sector tables and could function as working groups
- Sector tables reach **agreements** on **implementation plans** that lay out actions by industry, government, citizen, and other stakeholders

Path Forward

■ **July/August:**

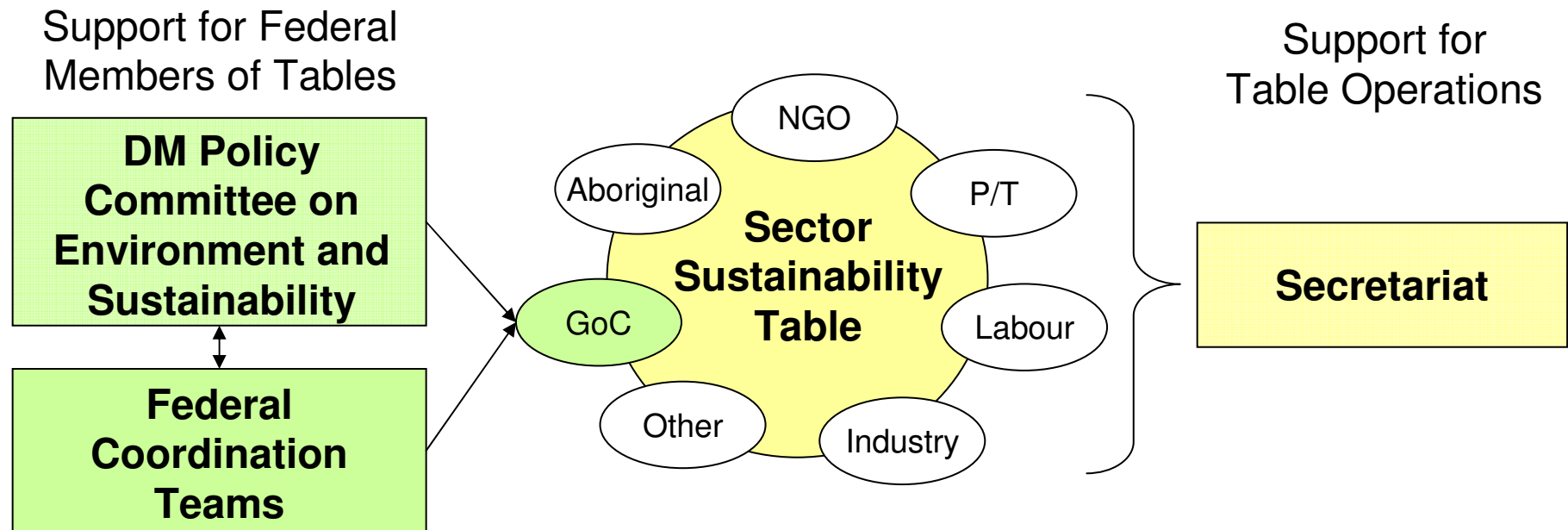
- Establish design team
 - Representative of anticipated sector table membership
- Design sector tables:
 - Terms of Reference:
 - Mandate and scope
 - Composition
 - Principles
 - Procedures/rules of engagement
 - Starting membership
 - Working group structure

■ **September/October:**

- First meeting of sector tables
- Co-chairs meeting to assess progress
 - followed by co-chair meeting with the Clerk of the Privy Council in early 2006
- First meetings of initial working groups

Annex:

Suggested Support Mechanisms



- **DM Policy Committee on Environment and Sustainability**: key forum for arriving at **integrated GoC position** on priorities, objectives, and table issues
- **Federal Coordination Teams**: for each table, an interdepartmental team of experts to **support DM Committee** and **federal members** of tables
- **Secretariat**: neutral, multi-stakeholder support for **operations and work** of the tables, co-chairs, and working groups (e.g. logistics, research tasking)

Annex:

Roles – SST members and Federal Departments

Roles at tables/working groups:

- **Members:** Collaborate on development and implementation of innovative solutions and represent constituency perspectives
- **Co-chairs:** Same as members, plus facilitation (including ensuring that full range of perspectives are shared) and coordination
- **Invited guests:** Provide focused, expert input as requested by tables

Role of federal departments:

- Contribute to successful development of innovative solutions at the table:
 - Participation as table and working group **co-chairs and members** – representing GoC position
 - Provision of **expertise** and **research and analysis** capacity as needed
- Development of **GoC position** and **support to federal representatives:**
 - via **DM Policy Committee** on Environment and Sustainability
 - via **Federal Coordination Teams**
- Support for tables through staff secondments to **Secretariat**
- Input to table/working group **design process** through federal representatives

Federal representatives will bring a GoC position¹⁰ to the tables.

- **Federal commitment** to bring an **integrated GoC position** to the table:
 - DMs will **represent the Government of Canada**, not their departments/portfolios
 - DMs will bring the **full capacity of the government** to make progress
- **DM Policy Committee on Environment and Sustainability** will be the key forum to fulfill this commitment
 - **Federal discussions to achieve an integrated GoC position** on priorities, objectives, and table issues – including cross-cutting issues
 - **Strategic policy linkages** to CESF and other GoC initiatives
- **Federal Coordination Teams** will provide ongoing **sectoral and cross-cutting** support to the **DM Committee** and **federal participants**, including:
 - environmental and economic **overview/diagnostique** of the sector;
 - analysis of **environmental priorities**;
 - provision and analysis of **science** and **information**; and
 - development of **policy options** and **recommendations**.

A Secretariat will provide neutral support to the sector tables, co-chairs, and working groups.

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Secretariat role:

- **Organize and attend meetings:** facilities, travel, documents, reporting, etc.
- **Budgeting and communications**
- **Assess performance:** timelines, milestone tracking, reporting, etc.
- Task out and ensure completion of **research/analysis** requested by tables
- Manage **stakeholder relationships** (informal role)
- Provide support for the **design process:**
 - Provide **logistical support** for design meetings
 - Provide “**straw dogs**” for **design elements** (e.g. terms of reference)
 - Compile for co-chairs and design team a **list of possible members**
 - **Arrange training/facilitation** services on multi-stakeholder engagement
 - **Share analysis** done by federal departments in preparing for tables

Secretariat structure:

- **Federal departments** to provide **staff** for Secretariat
- **EC** has **reallocated \$4M** and will **house the Secretariat**
- **Industry** invited to **second staff** and have expressed interest
- **NGO and Aboriginal staff assignments** facilitated by GoC

Annex:

Table Membership

- Secretariat could compile **list of possible members** for **co-chairs/design team**
 - **Key national stakeholders** – leading representatives for their constituencies – could **self-select** recommendations (e.g., ENGOs and labour to self-select at least one member of each table)
 - Others **seeking to participate** or **suggested by other stakeholders**
 - According to a shared set of **criteria**:
 - Relevant **experience/success** (e.g. collaboration; strategic planning)
 - Personal/organizational **credibility** and **respect** for other participants
 - Able to **represent** “constituent” community (across value chain for industry)
 - Knowledge/experience in **sector** and **environmental** issues
 - **Commitment** to the process
- | | |
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| <p>+ for SST members:</p> <ul style="list-style-type: none">■ Strategic mindset (e.g. national view)■ Broad knowledge base■ Senior role in organization | <p>+ for working group members:</p> <ul style="list-style-type: none">■ Technical knowledge of subject area |
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